

FIDELITY SELECT FUNDRAKER™

Volume 13 Issue 11

The Right Funds at the Right Time

November 2018

Brutal October Ends with Surge

The broad market S&P 500 Index nearly hit new all-time highs on a total return basis, that is, including reinvested dividends, on October 1 and 3, fell 9.6% in 18 trading days, and then surged 5% from its October 29 intraday low to its October 31 intraday high.

All eight *Top Eight Model Portfolio* funds lost value in October. Health Care Services had the smallest one-month loss at 4.72%. Software & IT Services, Computers, Health Care, and IT Services suffered one-month losses ranging from 8.46% to 9.93%. Consumer Discretionary, Medical Technology & Devices, and Retailing lost 10.08%, 10.41%, and 11.42%.

In October, the *Top Eight Model Portfolio* lost 9.062% (our 10th worst month in 21+ years), the Nasdaq Composite Index lost 9.135%, and the S&P 500 Index lost 6.836%. YTD through October, the *Top Eight Model Portfolio* gained 7.554%, the Nasdaq Composite Index gained 6.356%, and the S&P 500 Index gained 2.945%.

Final Performance of Fund Sold on October 5

Fundranker exchanged one fund on October 5. Here is the return it contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Communications Eqpt (FSDCX)	9/5/2018	10/5/2018	(2.22)%

Top Eight Model Portfolio Composition

In November, our *Top Eight Model Portfolio* will increase its heavy weighting in Morningstar's Health category and eliminate its exposure to Morningstar's Technology category altogether. After our November exchanges, *Fundranker* will hold four of five Health category Select funds, one of one Utilities category Select funds, one of five Consumer Cyclical category Select funds, and two of two Communications category Select funds.

Total Return vs. Index All-time Highs

We report total return, which includes reinvested dividends, for the S&P 500 and Nasdaq Composite Indexes, as measured by the Fidelity 500 Index Fund and the Fidelity Nasdaq Composite Fund, and for our *Top Eight Model Portfolio*. Occasionally, an index may hit an all-time high on a total return basis when the index itself does not hit an all-time high. For example, the S&P 500 Index hit an all-time high of 2,872.87 on January 26, and didn't surpass that until August 24. The Fidelity 500 Index Fund, on a total return basis, also hit an all-time high on January 26, but started hitting new all-time highs on August 6.

Nasdaq, Top Eight Model Portfolio Enter Correction

MarketWatch defines a correction as beginning when a measure closes down at least 10% from a preceding, closing all-time high and lasting until the measure reaches still another closing all-time high or closes at least 20% lower to become a bear market.

The Nasdaq Composite Index, on a total return basis, entered correction on October 24, down 12.269% from its August 29 all-time high. Our *Top Eight Model Portfolio* also entered correction on October 24, down 10.728% from its September 28 all-time high. The S&P 500 Index narrowly missed entering correction on October 29, closing down 9.766% on a total return basis from its September 20 all-time, total return closing high. The S&P 500 Index was more than 10% lower intraday on October 29 than its all-time high, but intraday doesn't count by MarketWatch's definition.

Web Roll of Interesting Sites

[Bureau of Economic Analysis Current Releases](#)
[CME Group FedWatch Tool](#)
[Fidelity Viewpoints](#)
[Project Syndicate Economics & Finance](#)
[Schwab Market Perspective](#) (most recent article)
[Trading Economics US GDP Annual Growth Rate Forecast](#)

Fund Spotlight

[Biotechnology](#), one of five Select funds in Morningstar's Health category, began operations on 12/16/1985. The fund primarily invests in companies engaged in the research, development, manufacture, and distribution of various biotechnological products, services, and processes and companies that benefit significantly from scientific and technological advances in biotechnology. [Rajiv Kaul](#) has managed the fund since 10/12/2005.

As of 9/30/2018, Biotechnology's top 10 holdings made up 35.13% of the portfolio, and its top three holdings were Amgen Inc, Biogen Inc, and Gilead Sciences Inc. Also as of 9/30/2018, its top three sub-industry holdings were biotechnology at 89.95%, pharmaceuticals at 7.67%, and health care equipment at 0.80%. Domestic equities made up 94.28% of the fund's assets, international equities made up 4.81%, and cash and net other assets accounted for the remaining 0.91%.

Fundranker's Top Eight Model Portfolio has held Biotechnology 17 times for a total of 87 months with an average monthly gain of 1.65%. *Fundranker's* biggest gain for Biotechnology was 75.12% for 16 months from 8/2/1999 to 12/4/2000. *Fundranker's* longest holding period was 20 months from 5/9/2011 to 1/4/2013 for a gain of 43.21%. Biotechnology is ranked number 30 as of 10/31/2018.

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 November 2018

Fund Name (Symbol)	Purchase	Return to 10/31
1. Health Care Services (FSHCX)	7/6/2018	7.55%
2. Utilities (FSUTX)	11/5/2018	
3. Medical Tech & Devices (FSMEX)	6/6/2018	1.99%
4. Multimedia (FBMPX)	11/5/2018	
5. Telecommunications (FSTCX)	11/5/2018	
6. Pharmaceuticals (FPHAX)	11/5/2018	
7. Wireless (FWRLX)	11/5/2018	
8. Health Care (FSPHX)	8/6/2018	(4.30)%

Funds to be sold on November 5:

9. IT Services (FBSOX)	11/6/2017	15.72%
10. Software & IT Services (FSCSX)	1/5/2018	7.18%
12. Retailing (FSRPX)	1/5/2018	8.87%
13. Computers (FDCPX)	9/5/2018	(6.85)%
15. Consumer Discretionary (FSCPX)	10/5/2018	(5.95)%

Fundranker Exchanges for November 5

Sell Retailing (FSRPX), buy Utilities (FSUTX)
Sell IT Services (FBSOX), buy Multimedia (FBMPX)
Sell Software & IT Svcs (FSCSX), buy Telecommunications (FSTCX)
Sell Cons Discretionary (FSCPX), buy Pharmaceuticals (FPHAX)
Sell Computers (FDCPX), buy Wireless (FWRLX)

Start a New Portfolio

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

Optional Rebalancing Exchange Dates

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

Upcoming Fundranker Exchange Dates

If no new funds are to be exchanged, *Fundranker* will exchange on Dec 3, our [early exchange date](#); otherwise, to avoid roundtrip transactions, *Fundranker* will exchange on Dec 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. © 2018 Fidelity Select Fundranker

<i>Fundranker</i> Ratings for 10/31/18 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)	1.84	(0.69)	(7.49)	(10.38)	(4.180)	19
Automotive (FSAVX)	(5.43)	(6.01)	(7.69)	(2.54)	(5.418)	23
Banking (FSRBX)	(2.32)	(6.50)	(8.38)	(6.84)	(6.010)	24
Biotechnology (FBIOX)	(1.07)	(3.56)	(11.88)	(15.27)	(7.945)	30
Brokerage & Investment Mgmt (FSLBX)	(2.47)	(10.50)	(8.86)	(5.15)	(6.745)	26
Chemicals (FSCHX)	(17.05)	(11.61)	(17.60)	(12.15)	(14.603)	36
Communications Equipment (FSDCX)	16.54*	1.05	(0.27)	(7.78)	3.385	11
Computers (FDCPX)	8.10*	4.45*	(1.83)	(8.57)	2.538	13
Construction & Housing (FSHOX)	(5.84)	(4.04)	(9.92)	(11.61)	(7.853)	29
Consumer Discretionary (FSCPX)	14.24*	0.72	(5.41)	(10.08)	0.868	15
Consumer Finance (FSVLX)	3.63	0.86	(3.35)	(6.77)	(1.408)	16
Consumer Staples (FDFAX)	(1.72)	4.10*	(1.28)	(1.07)	1.008	14
Defense & Aerospace (FSDAX)	6.23	(3.17)	(8.19)	(12.32)	(4.363)	20
Energy (FSENX)	0.70	(13.38)	(16.41)	(15.06)	(11.038)	34
Energy Service (FSESX)	(7.99)	(21.35)	(18.01)	(17.43)	(16.195)	38
Environment & Alternative Energy (FSLEX)	(7.41)	(4.27)	(9.66)	(9.76)	(7.775)	28
Financial Services (FIDSX)	(2.40)	(6.00)	(7.47)	(5.58)	(5.363)	22
Gold (FSAGX)	(18.75)	(15.38)	(11.66)	1.24*	(10.138)	32
Health Care (FSPHX)	14.62*	6.25*	(2.77)	(9.57)	4.133	8
Health Care Services (FSHCX)	27.45*	14.90*	6.07*	(4.72)	13.925	1
Industrials (FCYIX)	(0.73)	(3.02)	(8.61)	(11.78)	(6.035)	25
Insurance (FSPCX)	(7.27)	(5.72)	(6.71)	(7.36)	(6.765)	27
IT Services (FBSOX)	16.98*	4.21*	(3.08)	(9.93)	4.045	9
Leisure (FDLSX)	1.84	(5.56)	(4.21)	(6.76)	(3.673)	18
Materials (FSDPX)	(17.77)	(13.71)	(17.96)	(12.11)	(15.388)	37
Medical Technology & Devices (FSMEX)	20.14*	10.56*	(0.68)	(10.41)	6.903	3
Multimedia (FBMPX)	9.77*	11.64*	(0.96)	(3.39)	6.265	4
Natural Gas (FSNGX)	(3.58)	(9.53)	(16.20)	(14.67)	(10.995)	33
Natural Resources (FNARX)	(3.80)	(14.04)	(17.28)	(13.45)	(12.143)	35
Pharmaceuticals (FPHAX)	11.71*	8.85*	(1.12)	(5.93)	5.378	6
Retailing (FSRPX)	23.11*	3.05	(5.12)	(11.62)	3.355	12
Semiconductors (FSELX)	(5.08)	(7.50)	(14.17)	(12.87)	(9.905)	31
Software & IT Services (FSCSX)	14.52*	5.39*	(4.57)	(8.46)	3.720	10
Technology (FSPTX)	2.34	(2.03)	(8.37)	(12.47)	(5.133)	21
Telecommunications (FSTCX)	5.37	7.82*	4.68*	(3.06)	5.703	5
Transportation (FSRFX)	6.59	1.54	(6.01)	(9.22)	(1.775)	17
Utilities (FSUTX)	9.22*	7.09*	2.07*	0.13*	8.628	2
Wireless (FWRLX)	7.28	5.32*	0.98*	(4.37)	4.303	7

*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 November 5, 2018

Buy on November 5, 2018

Hold

Fundranker Performance for October 2018

9/28	9/28	9/28	<=10/5	10/5	10/5	10/5	10/5	10/5	10/5	>10/5	10/31	10/31	Oct
Funds	Shares	Amount	Div Shrs	Shares	Amount	Funds	Shares	Amount	Div Shrs	Shares	Amount	Return	
FSRPX	3,528.018	59,200.14	none	3,528.018	56,448.29	FSMEX	1,061.315	57,947.81	none	1,061.315	53,872.35		
FSHCX	560.121	60,128.99	none	560.121	59,798.52	FSHCX	542.786	57,947.81	none	542.786	55,516.15		
FSMEX	1,074.451	60,878.39	none	1,074.451	58,665.02	FSRPX	3,621.738	57,947.81	none	3,621.738	53,710.37		
FBSOX	886.965	59,737.09	none	886.965	58,007.51	FBSOX	886.052	57,947.81	none	886.052	53,747.91		
FSPHX	2,185.521	59,621.01	none	2,185.521	57,741.46	FSPHX	2,193.331	57,947.81	none	2,193.331	54,109.48		
FDCPX	577.299	59,456.02	none	577.299	57,724.13	FSCSX	3,011.840	57,947.81	none	3,011.840	54,725.13		
FSCSX	3,021.927	59,985.25	none	3,021.927	58,141.88	FSCPX	1,262.755	57,947.81	none	1,262.755	54,500.51		
FSDCX	1,458.106	59,067.87	none	1,458.106	57,055.69	FDCPX	579.536	57,947.81	none	579.536	54,569.11		
Top Eight		478,074.76			463,582.50			463,582.50			434,751.01	(9.062)	
FNCMX	1,685.822	178,832.00	none						none	1,685.822	162,496.38	(9.135)	
FUSEX	1,364.032	139,485.91	6.032						none	1,370.064	129,950.57	(6.836)	

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	7.554
Nasdaq Composite Index Fund	6.818	8.787	29.245	6.356
Fidelity 500 Index Fund - Investor Class	1.366	11.870	21.722	2.945

Lifetime Summary	1/2/97 to 10/31/18	1/2/97 to 10/31/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	1,711.463	14.188
Nasdaq Composite Index Fund	N/A	N/A
Fidelity 500 Index Fund - Investor Class	441.461	8.043

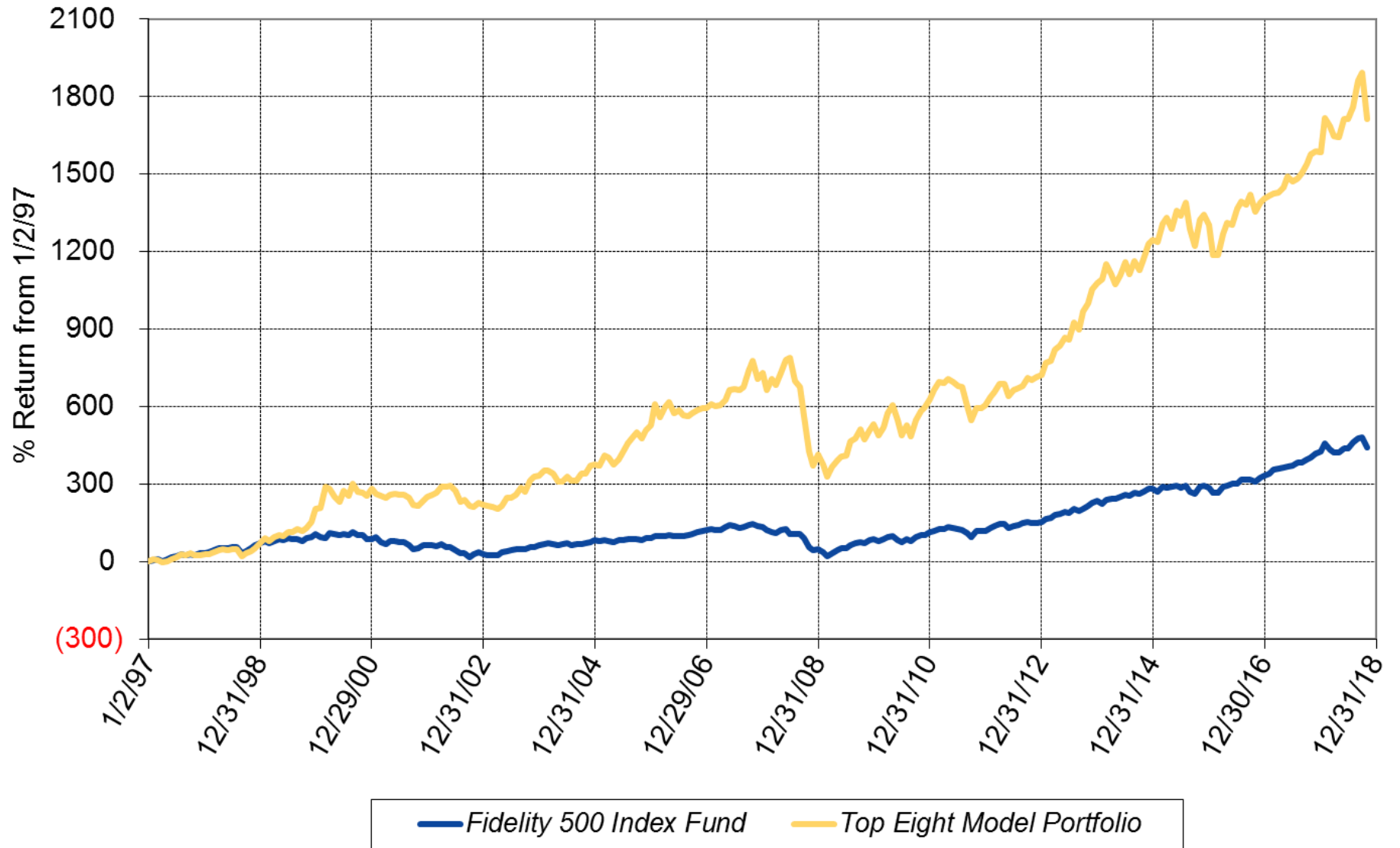
10-Year Summary	10/31/08 to 10/31/18	10/31/08 to 10/31/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	244.476	13.166
Nasdaq Composite Index Fund	366.489	16.650
Fidelity 500 Index Fund - Investor Class	244.117	13.154

5-Year Summary	10/31/13 to 10/31/18	10/31/13 to 10/31/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	64.652	10.488
Nasdaq Composite Index Fund	95.471	14.345
Fidelity 500 Index Fund - Investor Class	70.490	11.260

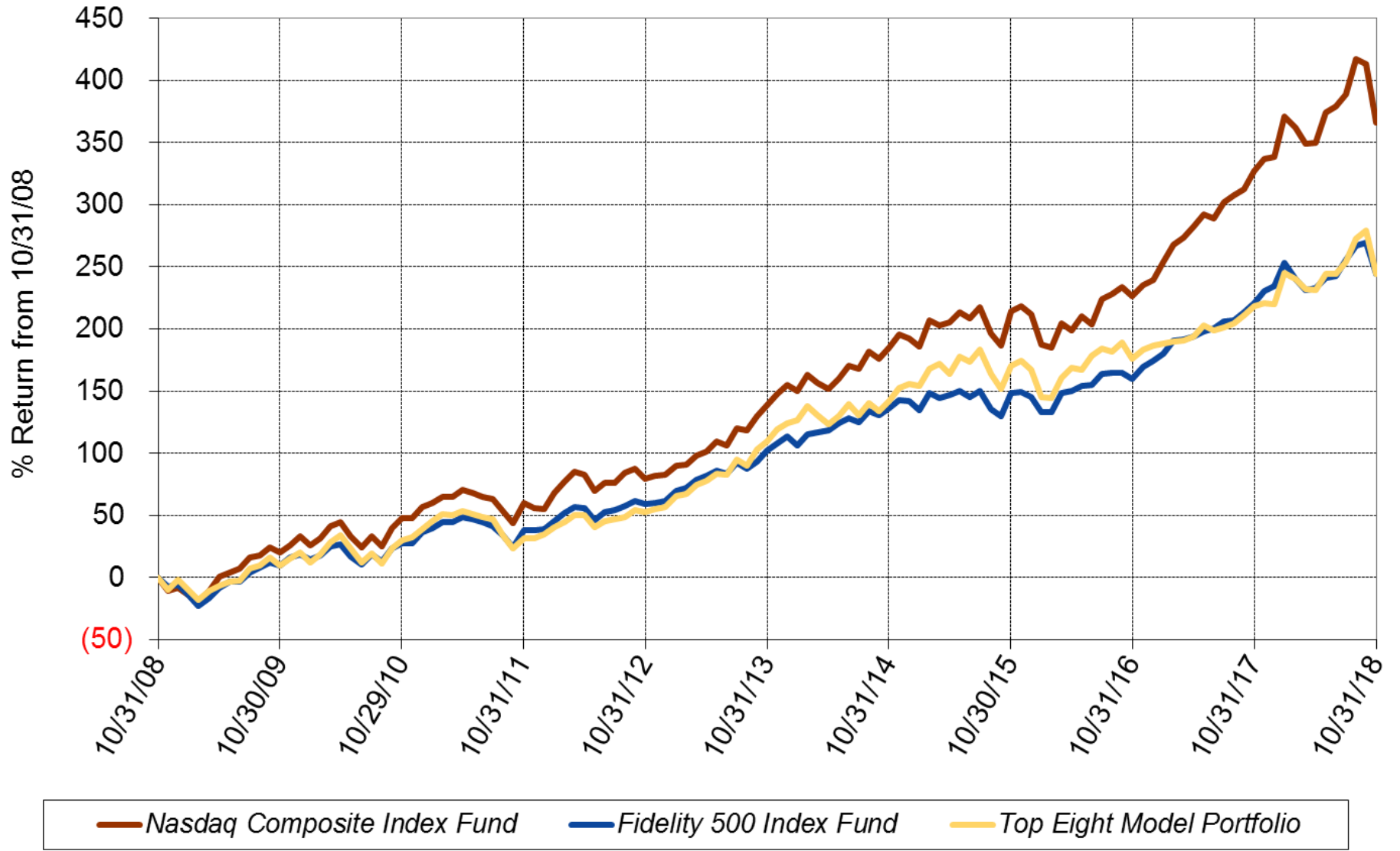
3-Year Summary	10/30/15 to 10/31/18	10/30/15 to 10/31/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	27.459	8.424
Nasdaq Composite Index Fund	48.490	14.086
Fidelity 500 Index Fund - Investor Class	38.358	11.430

1-Year Summary	10/31/17 to 10/31/18
	Total Return %
<i>Top Eight Model Portfolio</i>	8.138
Nasdaq Composite Index Fund	9.210
Fidelity 500 Index Fund - Investor Class	7.265

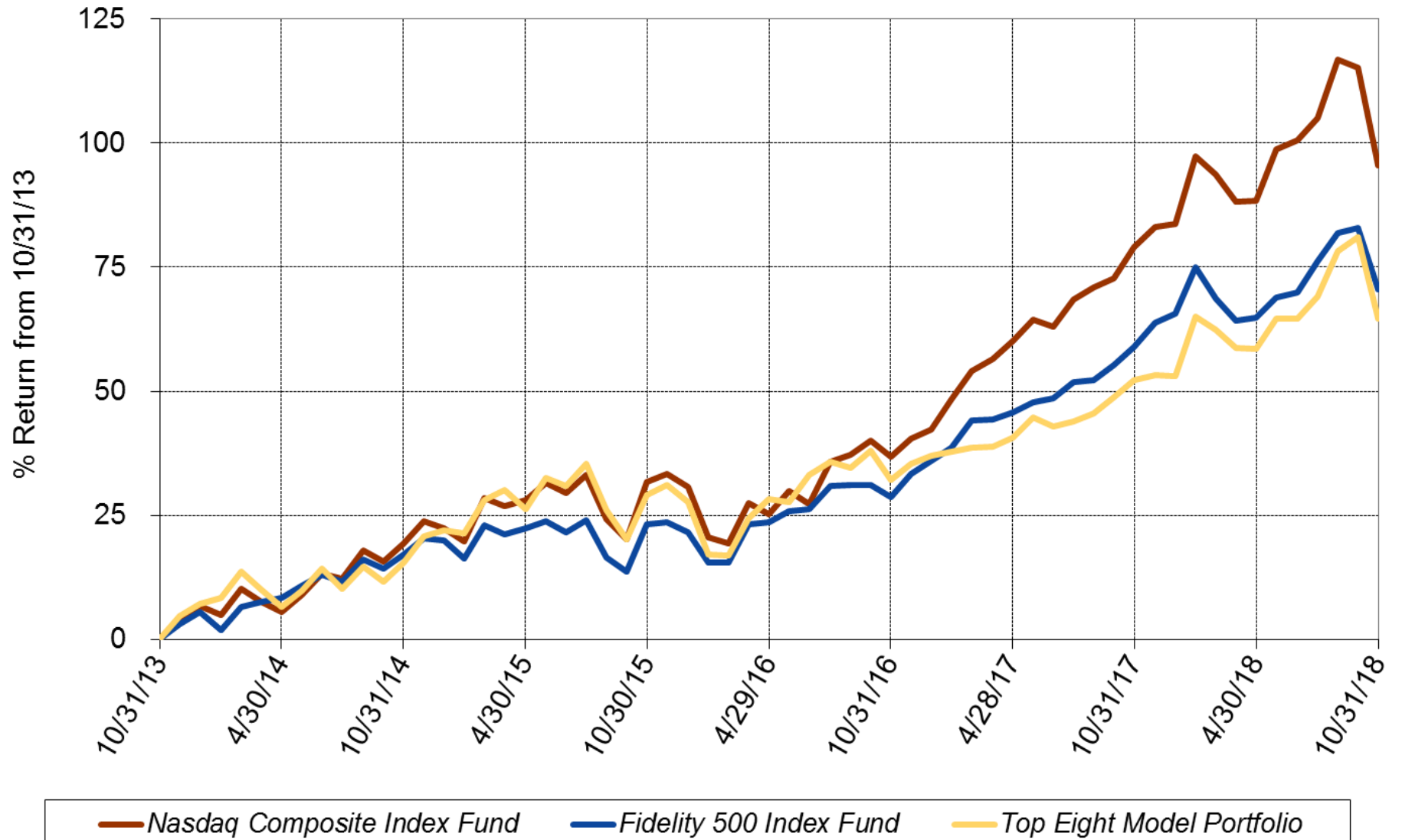
Lifetime Chart



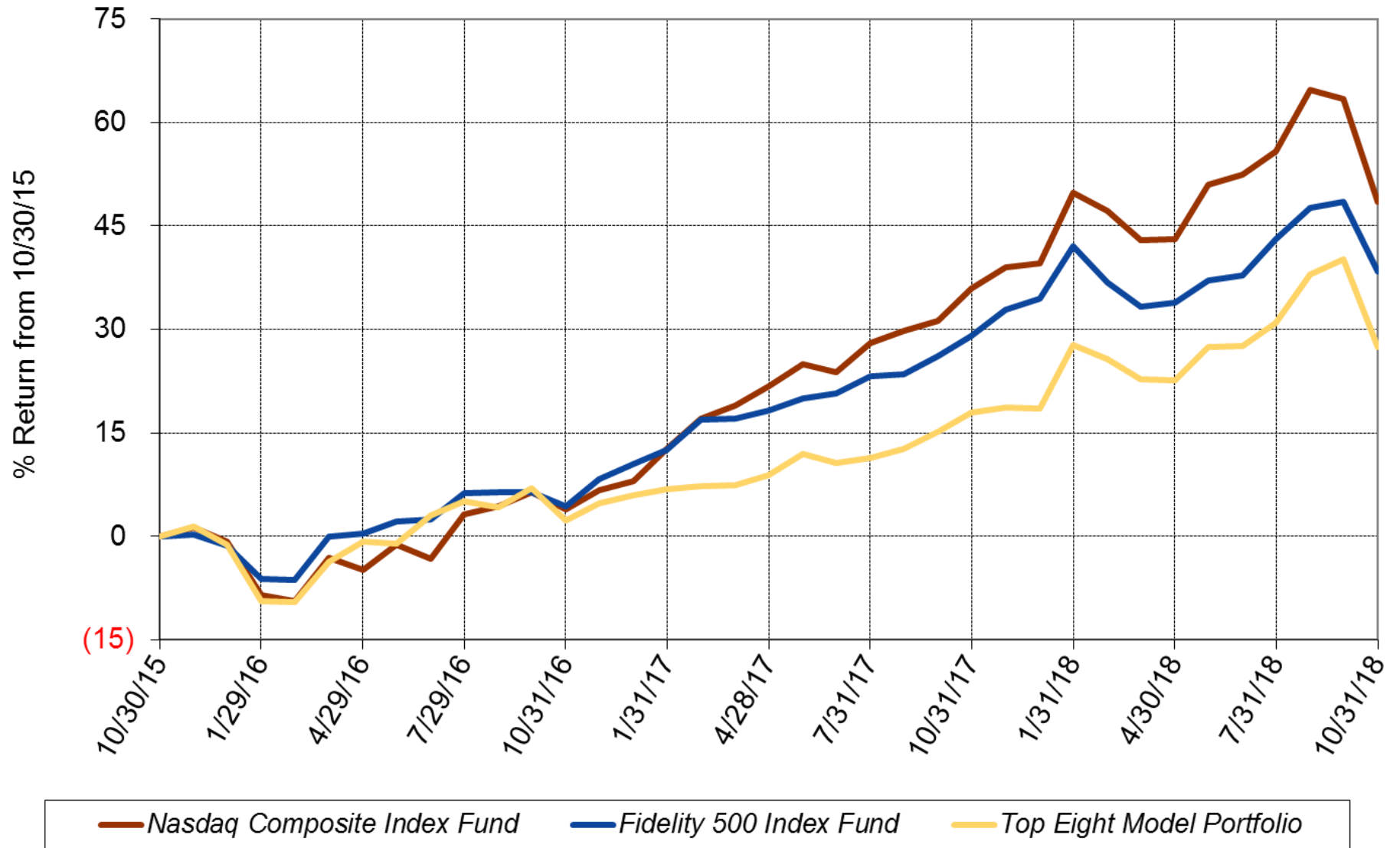
10-Year Chart



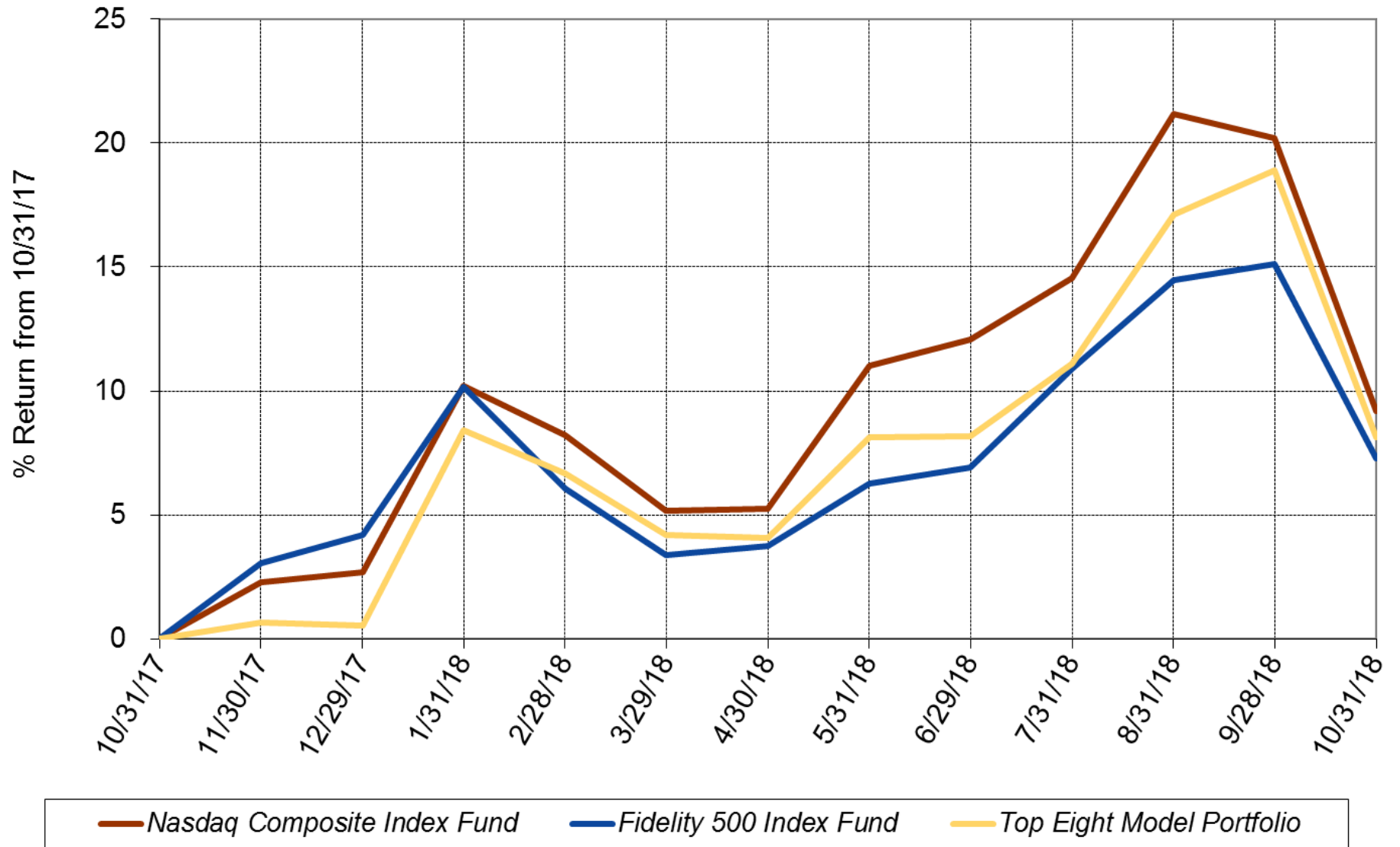
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart October 2018

