

MUTUAL FUND Investor Guide

THE Investor Guide TO FIDELITY FUNDS

mutualfundinvestorguide.com

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Matthew Sauer is the Founder and Chief Investment Officer of the Mutual Fund Investor Guide family of newsletters. Each month he analyzes and provides buy, sell and hold recommendations for hundreds of mutual funds and ETFs in three newsletters: The Investor Guide to Fidelity Funds, The ETF Investor Guide and The Investor Guide to Vanguard Funds.

Matthew is also the Founder and Chief Investment Officer of MDS Wealth Advisors, a Registered Investment Advisor that provides personalized investment solutions.

IN THIS ISSUE

- 1 Market Perspective: Personal Income and Consumer Spending Increase
- 2 Portfolio Updates
- 3 Model Portfolios
- 5 Data & Rankings
- 11 Fund Spotlight: Fidelity Select Healthcare (FSPHX)

Market Perspective: Personal Income and Consumer Spending Increase

The Dow Jones Industrial Average rallied 3.83 percent to lead all major indexes. Financials and industrials were two of the best-performing sectors on the month, bested only by consumer shares. Fidelity Select Consumer Staples (FDFA) increased 2.95 percent and Fidelity Select Consumer Discretionary (FSCPX) 5.33 percent.

Fidelity Value Discovery (FVDFX), Mega Cap Stock (FGRTX) and Equity Income (FEQTX) rallied 2.68, 2.91 and 2.81 percent, respectively, in November. Growth-oriented Contrafund (FCNTX) saw smaller advances.

Although short-term interest rates increased as the market priced in a Federal Reserve rate hike, long-term interest rates held steady in November. This caused the yield curve to flatten as the spread between long-term and short-term Treasuries declined. Assuming tax reform passes, the tax savings will drop to 20 percent next year. Corporations can save more money by loading several years of pension investments into 2017. We would not be surprised to see long-term rates tick higher in late December or early 2018 as this effect wears off.

Long-term bond yields are still trending lower, and rates can rise without breaking this trend. With the Fed raising short-term interest rates, floating-rate bond funds such as Fidelity Floating-Rate High Income (FFRHX) remain attractive, as do high-yield bond funds with short durations, such as Thompson Bond (THOPX).

Economic data was very strong in November. October new home sales hit an annualized pace of 685,000. Existing home sales, home prices and building permits are all consistent with an improving housing sector. Fidelity Select Construction & Housing (FSHOX) gained 4.58 percent in November.

Motor vehicle sales slowed to an annualized pace of 17.5 million in November, down from 18.1 million in October. Sales surged in October as drivers in Texas and Florida replaced storm-damaged

vehicles. Fidelity Select Automotive (FSAVX) increased 2.60 percent.

Personal income and consumer spending rose faster than expected in October. Black Friday sales were strong both in stores and online. Fidelity Select Retailing (FSRPX) gained 6.36 percent in November. Supermarket giant Kroger (KR), the largest pure-play grocer, beat earnings estimates by 10 percent. It saw same-store sales growth of 1.1 percent in the third quarter and sees the same for the current quarter. Shares rallied more than 10 percent following its reports.

Third-quarter economic growth was revised higher to 3.3 percent. Weekly jobless claims remained low and consumer confidence eased in November to the second-highest reading of the year. Manufacturing PMIs also eased, but like consumer confidence, remain near their highs for the year. Citigroup's Economic Surprise Index hit its highest level since 2013, indicating data from across the economy is coming in much stronger than economists expected. The Atlanta Federal Reserve predicts 2.7 percent growth, in line with the economist consensus forecast.

The uptick in economic growth and the prospect of fiscal stimulus via tax cuts sparked a rally in the financial sector and a major breakout in bank stocks. Fidelity Select Banking (FSRBX) advanced 3.19 percent in November.

The U.S. dollar moved contrary to the economic data. The U.S. Dollar Index fell 1.5 percent in November. Fidelity Spartan International (FSIIX) gained 0.79 percent, but this was dwarfed by the 3.05 percent return in Fidelity 500 (FUSEX). While foreign shares enjoyed a countertrend rally for much of 2017, domestic U.S. stocks are still leading the bull market.

The European economy was very strong in November, with the manufacturing PMI hitting its second-highest level since the survey began in 1997. European stocks didn't rally, as German politics weighed on stocks. Along with Italy, Spain and Greece still facing debt problems, political turmoil in Germany will be a concern going forward. Fidelity Europe (FIEUX) rose 0.78 percent.

(continued on page 2)

Market Perspective: Personal Income and Consumer Spending Increase *(continued)*

Third-quarter S&P 500 earnings grew 6.4 percent, but they're headed back to double digits in the fourth quarter. Analysts currently forecast 10.5 percent growth. Energy, materials, technology, financials and utilities are projected to grow earnings at double digits in the fourth quarter. Analysts see energy, materials, financials and technology driving S&P 500 earnings growth in 2018. Real estate, utilities and telecom are forecast to have the slowest growth.

With year-end approaching, it is time to consider the impact of taxes on investments. Investors should avoid buying a tax-inefficient fund ahead of a capital gains distribution. Fidelity Capital Appreciation

(FDCAX) is scheduled to pay out 7.5 percent of net assets (as of November 30). Investors who buy this fund in a taxable account will have to pay taxes on those gains even if they buy it one day before the distribution. Fidelity Dividend Growth (FDGFX) is slated to pay out 9.1 percent of assets. Several of the Select funds will pay out more than 10 percent of net assets.

We won't know the final details of the tax reform bill until later this month. Assuming your income tax rate declines, you may want to defer income into 2018 and accelerate expenses in 2017, such as maximizing contributions to individual retirement accounts (IRAs) and 401(k)

s. High-income taxpayers in states with high taxes may have a more complicated situation, assuming the state and local tax deductions are eliminated. The contribution limit to 401(k)s is \$18,000 in 2017. The catch-up contribution for those 50 and older is \$6,000. The corresponding limits for traditional and Roth IRAs are \$5,500 and \$1,000, respectively.

Investors over the age of 70½ will need to take required minimum distributions from their traditional IRAs and pre-tax 401(k)s. Many people wait until the last minute. If you require phone assistance in making this distribution, it can mean a very long wait time with Fidelity and other brokers. Make

Portfolio Updates

The Dow Jones Industrial Average increased 3.83 percent in November. The S&P 500 Index climbed 2.81 percent, the Russell 2000 Index 2.77 percent, the Nasdaq 2.17 percent and the MSCI EAFE 0.88 percent.

In 2017, the Nasdaq has risen 27.69 percent. The Dow Jones Industrial Average has advanced 22.82 percent, the MSCI EAFE Index 19.96 percent, the S&P 500 Index 18.25 percent and the Russell 2000 13.78 percent.

We made several changes to the Model Portfolios this month.

In the **Fidelity Balanced Growth Portfolio**, we sold 25 percent of **Fidelity Contrafund (FCNTX)** and purchased **Fidelity Growth & Income (FGRIX)** with the proceeds. Contrafund has performed exceptionally well in 2017 and taking some profits is prudent.

In the **Diversified Sector Portfolio**, we sold 25 percent of **Fidelity Select Technology (FSPTX)** and purchased **Fidelity MSCI Consumer Staples (FSTX)** with the proceeds. Given FSPTX's large gains this year, modest profit taking makes sense.

The **Fidelity Select Sector Portfolio** advanced 2.78 percent in November. The portfolio is up 26.50 percent this year. Industrials (FCYIX) rallied 4.45 percent as investors started pricing in corporate tax cuts. Financial Services (FIDSX) rose 3.72 percent for the same reason, because of rising interest rate expectations.

The **Fidelity Straight Growth Portfolio** increased 2.58 percent last month. Value stocks outperformed in November. Value Discovery (FVDFX) led this portfolio with an increase of 2.98 percent. Low-Priced Stock (FLPSX) was next with a gain of 2.92 percent. The portfolio is up 17.71 percent this year.

The **Fidelity Balanced Growth Portfolio** climbed 1.54 percent in November. Mega Cap Stock (FGRTX) benefited from exposure to large-cap value, advancing 2.91 percent. Fidelity Fund (FFIDX) rose 2.87 percent. The portfolio is up 16.87 percent this year.

The **Fidelity Global Portfolio** increased 1.72 percent last month. International Small Cap Discovery (FSCOX) returned 3.10 percent, bucking weakness in international stocks. Global Equity Income (FGILX) added 1.62 percent. The portfolio is up 22.88 percent in 2017.

The **Fidelity Conservative Income Portfolio** returned 0.92 percent in November. It is up 7.27 percent this year. Equity Dividend Income (FEQTX) led with a gain of 2.81 percent. Floating Rate High Income (FFRHX) rose 0.12 percent as investors started lifting LIBOR rates in anticipation of a December rate hike.

The **Diversified Sector Portfolio** increased 2.54 percent last month. The portfolio has gained 25.40 percent in 2017. Fidelity MSCI Consumer Staples (FSTA) advanced 5.66 percent. Three funds gained more than 3 percent, including Hennessy Small Cap Financial (HSFNX) and Fidelity MSCI Industrials (FIDU).

The **NTF Straight Growth Portfolio** returned 2.90 percent last month. The portfolio is up 16.72 percent this year. Parnassus Core Equity (PRBLX) advanced 3.41 percent. Top holdings such as United Parcel Service (UPS) and Disney (DIS) powered the move. FAM Value (FAMVX) followed with an increase of 3.24 percent.

The **NTF Balanced Growth Portfolio** increased 1.98 percent last month. The portfolio is up 10.43 percent in 2017. Federated MDT Stock (FSTKX) popped 3.72 percent and PIMCO Small Cap (PCKDX) rallied 3.47 percent.

(continued on page 12)

Model Portfolios

(Data provided as of 11/30/17)

FIDELITY SELECT SECTOR FUND PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
FSPTX	Technology	190.80	262.13	21.72%	0.45%	51.52%	\$50,013.79
FIDSX	Financial Services	115.76	504.76	25.38%	3.72%	19.01%	\$58,431.39
FSPHX	Healthcare	233.26	212.63	21.54%	2.03%	21.62%	\$49,599.08
FCYIX	Industrials	37.33	1617.30	26.22%	4.45%	17.62%	\$60,373.91
FDFAF	Consumer Staples	96.69	122.15	5.13%	2.95%	-1.58%	\$11,810.67
TOTAL				100.00%	2.78%	26.50%	\$230,228.84

FIDELITY STRAIGHT GROWTH PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
FEQTX	Equity Dividend Income	29.62	2364.82	31.01%	2.81%	6.54%	\$70,045.90
FCNTX	Contrafund	128.95	351.31	20.06%	1.59%	31.81%	\$45,301.90
FLPSX	Low-Priced Stock	54.28	666.44	16.01%	2.92%	17.63%	\$36,174.40
FVDFX	Value Discovery	28.65	1219.45	15.47%	2.98%	12.37%	\$34,937.33
FCPEX	Small Cap Enhanced	14.87	1339.93	8.82%	2.41%	7.52%	\$19,924.78
FGRTX	Mega Cap Stock	17.69	1102.47	8.63%	2.91%	15.58%	\$19,502.75
TOTAL				100.00%	2.58%	17.71%	\$225,887.07

FIDELITY BALANCED GROWTH PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
FGRTX	Mega Cap Stock	17.69	2141.57	20.20%	2.91%	15.58%	\$37,884.42
FFIDX	Fidelity Fund	46.21	820.07	20.21%	2.87%	23.48%	\$37,895.67
FSICX	Strategic Income	11.15	3342.49	19.87%	0.24%	7.61%	\$37,268.71
FCBFX	Fidelity Corporate Bond	11.60	2711.37	16.77%	-0.17%	5.85%	\$31,451.88
FCNTX	Contrafund	128.95	250.27	17.21%	1.59%	31.81%	\$32,271.96
FGRIX	Fidelity Growth and Income	37.17	289.41	5.74%	N/A	N/A	\$10,757.32
TOTAL				100.00%	1.54%	16.87%	\$187,529.96

FIDELITY GLOBAL PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
FSCOX	International Small Cap Opp	19.27	2792.95	29.89%	3.10%	32.44%	\$53,820.08
FIGRX	International Discovery	47.27	365.60	9.60%	0.51%	29.58%	\$17,282.07
FWWFX	Worldwide	28.02	796.92	12.40%	1.48%	5.22%	\$22,329.77
FGILX	Global Equity Income	14.44	3926.53	31.49%	1.62%	19.77%	\$56,699.06
FGHNX	Global High Income	9.80	3054.55	16.62%	0.34%	10.07%	\$29,934.55
TOTAL				100.00%	1.72%	22.88%	\$180,065.52

FIDELITY CONSERVATIVE INCOME PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
FFRHX	Floating Rate High Income	9.63	3318.14	23.39%	0.12%	3.44%	\$31,953.67
FSTFX	Limited Term Muni	10.49	1576.47	12.10%	-0.66%	2.02%	\$16,537.13
FSICX	Strategic Income	11.15	3933.03	32.10%	0.24%	7.61%	\$43,853.33
FEQTX	Equity Dividend Income	29.62	1494.63	32.41%	2.81%	12.08%	\$44,270.87
TOTAL				100.00%	0.92%	7.27%	\$136,615.01

User Guide

RANK: Our proprietary ranking system uses both technical and fundamental analysis to identify those funds expected to outperform over the following 6 months, on a risk adjusted basis.

ADVICE: Based on technical and fundamental indicators, we issue buy, hold and sell recommendations based upon expected future performance. We often avoid recommending funds that are extraordinarily volatile or are exposed to significant market risk.

PERFORMANCE RETURNS: YTD, 1-month, 3-month and 1-year returns are calculated each month based on the trailing returns. For 3-year and 5-year periods, returns are annualized.

YIELD%: We use the 30-day SEC Yield to provide the expected income generated by each fund, as reported by the fund in its most recent filing.

BETA: The 3-year Beta is the measure of the volatility, or systematic risk of the fund as compared to the market. A Beta of 1.3 will typically be 30% more volatile than the market.

STANDARD DEVIATION (SD): Also used to measure volatility, is determined from the monthly returns of the fund over the previous 3 years. Those funds with higher standard deviations are more volatile as compared to those with a lower standard deviation.

EXPENSE RATIO: The expense ratio is the fee charged by the mutual fund. This charge is deducted from the return of the fund, impacting performance. Please note, funds may have different share classes with varying expenses associated with each class.

DIVERSIFIED SECTOR PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
FSPHX	Fidelity Select Healthcare	233.26	127.25	12.70%	2.03%	26.22%	\$29,683.16
FSPTX	Fidelity Select Technology	190.80	225.03	18.37%	0.45%	51.52%	\$42,935.31
FIDU	Fidelity MSCI Industrials	38.16	1236.37	20.19%	3.59%	20.10%	\$47,183.96
HSFNX	Hennessy Sm Cap Financial	26.91	1003.95	11.56%	3.42%	3.02%	\$27,016.36
RYOIX	Rydex Biotechnology	91.10	275.63	10.74%	1.17%	28.42%	\$25,110.27
FSTA	Fidelity MSCI Cons Staples	33.77	1192.18	17.22%	5.66%	4.18%	\$40,259.82
FNCL	Fidelity MSCI Financials	40.34	534.16	9.22%	3.46%	3.46%	\$21,547.86
TOTAL				90.78%	2.54%	25.40%	\$233,736.73

NTF STRAIGHT GROWTH PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
JAENX	Janus Enterprise	118.95	269.19	16.37%	2.04%	26.17%	\$32,019.61
FGRTX	Mega Cap Stock	17.69	2550.49	23.06%	2.91%	6.69%	\$45,118.16
FEQTX	Equity Dividend Income	29.62	1496.58	22.66%	2.81%	12.08%	\$44,328.77
FAMVX	FAM Value	76.78	490.27	19.24%	3.24%	16.65%	\$37,643.05
PRBLX	Parnassus Core Equity	42.82	852.65	18.66%	3.41%	15.46%	\$36,510.62
TOTAL				100.00%	2.90%	16.72%	\$195,620.21

NTF BALANCED GROWTH PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
FMILX	Fidelity New Millennium	42.70	427.49	11.51%	2.59%	18.48%	\$18,253.77
FEQTX	Equity Dividend Income	29.62	1051.90	19.64%	2.81%	6.54%	\$31,157.23
FCBFX	Fidelity Corporate Bond	11.60	2349.72	17.18%	-0.17%	5.85%	\$27,256.77
FSTKX	Federated MDT Stock	30.40	1085.94	20.81%	3.72%	11.64%	\$33,012.68
PCKDX	PIMCO Small Cap	10.72	1741.61	11.77%	3.47%	15.77%	\$18,670.01
THOPX	Thompson Bond	11.45	2645.85	19.10%	0.00%	4.49%	\$30,295.00
TOTAL				100.00%	1.98%	10.43%	\$158,645.46

TAX ADVANTAGE PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
PRBLX	Parnassus Core Equity	42.82	589.54	15.05%	3.41%	15.46%	\$25,243.98
FPURX	Puritan	23.49	1897.47	26.57%	1.47%	15.00%	\$44,571.52
PSHDX	PIMCO Short-Term	9.89	2255.76	13.30%	0.25%	2.56%	\$22,309.43
FLPSX	Fidelity Low-Priced Stock	54.28	983.65	31.83%	2.92%	17.63%	\$53,392.64
FCVSX	Convertible Securities	28.59	776.83	13.24%	0.60%	8.60%	\$22,209.66
TOTAL				100.00%	1.93%	13.17%	\$167,727.24

AGGRESSIVE VALUE PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
FDFAV	Fidelity Consumer Staples	96.69	343.92	17.47%	2.95%	9.28%	\$33,253.44
ICTEX	ICON Info Technology	20.11	1283.16	13.55%	-0.69%	29.13%	\$25,804.35
FCPGX	Fidelity Sm Cap Growth	24.95	1007.28	13.20%	0.93%	21.18%	\$25,131.58
FBIOX	Fidelity Select Biotech	219.24	142.75	16.44%	0.09%	25.96%	\$31,296.21
FSRBX	Fidelity Select Banking	35.88	1075.00	20.26%	3.19%	11.45%	\$38,570.83
FSLBX	Fidelity Select Brokerage	84.23	228.38	10.10%	5.46%	10.34%	\$19,236.45
FSDAX	Fidelity Select Def & Aero	169.84	100.60	8.97%	2.95%	22.05%	\$17,086.52
TOTAL				100.00%	1.99%	21.12%	\$190,379.38

BEAR MARKET PORTFOLIO

SYMBOL	Fund	Price	Shares	Allocation	1 MONTH	YTD	Total Return
CVSIX	Calamos Market Neutral	13.46	2004.32	25.23%	0.37%	3.69%	\$26,978.10
PSSDX	PIMCO Short Strategy	8.22	938.98	7.22%	-3.07%	-14.55%	\$7,718.41
MWLDX	MetWest Low Duration	8.70	3580.40	29.13%	-0.11%	1.08%	\$31,149.52
FFRHX	Floating Rate High Income	9.63	1987.13	17.90%	0.12%	3.01%	\$19,136.02
DLFNX	DoubleLine Core Fixed Inc	10.95	2004.58	20.53%	-0.05%	4.06%	\$21,950.18
TOTAL				100.00%	-0.16%	1.36%	\$106,932.23

Symbol	Name	NAV	Rank	Advice	% Return (3 and 5 Years Annualized)					Yield %	Beta 3 Year	SD 3 Year	Expense Ratio		
					YTD	1 Month	3 Month	1 Year	3 Year					5 Year	
FIDELITY INCOME FUNDS (continued)															
FBNDX	Fidelity® Investment Grade Bond	7.91	85	Buy	3.47	-0.07	-0.35	3.94	2.36	2.19	2.41	0.96	3.00	0.45	
FCBFX	Fidelity® Corporate Bond	11.60	91	Strong Buy	5.85	-0.17	0.09	6.73	3.56	3.35	2.80	1.17	4.02	0.45	
FCORX	Fidelity® Conservative Income Bond	10.04	85	Strong Buy	1.17	0.11	0.32	1.26	0.80	0.66	1.14	0.00	0.19	0.35	
FCVSE	Fidelity® Corporate Bond ETF	50.56	88	Buy	5.07	-0.32	-0.34	6.16	3.35			1.18	4.26	0.45	
FCVXS	Fidelity® Convertible Securities	28.59	92	Strong Buy	9.25	0.20	0.60	2.72	10.88	1.63	8.11	2.04	1.38	9.21	0.45
FFFAF	Fidelity Freedom® Income	11.94	75	Sell	7.39	0.40	1.25	8.07	3.82	4.15		0.51	3.28	0.47	
FFRHX	Fidelity® Floating Rate High Income	9.63	94	Strong Buy	3.44	0.12	0.99	4.50	3.47	3.38	3.30	-0.01	3.13	0.71	
FFXSX	Fidelity® Limited Term Government	9.88	84	Strong Buy	0.55	-0.31	-0.82	0.48	0.46	0.51	1.39	0.44	1.42	0.45	
FGBFX	Fidelity® Global Bond	9.19	72	Hold	8.37	0.00	0.42	8.59	1.49	0.45	2.13	1.15	5.19	0.75	
FGHNX	Fidelity® Global High Income	9.80	83	Strong Buy	10.07	0.34	1.26	11.85	5.68	5.65	3.68	0.36	5.75	1.00	
FGMNX	Fidelity® GNMA	11.39	76	Buy	1.58	-0.17	-0.44	1.51	1.46	1.68	2.17	0.50	1.57	0.45	
FGOVX	Fidelity® Government Income	10.20	55	Sell	1.93	-0.14	-1.01	1.76	1.18	1.18	1.82	1.01	2.92	0.45	
FHIFX	Fidelity® Focused High Income	8.74	96	Strong Buy	6.94	-0.01	1.36	8.50	4.75	4.71	3.54	0.26	4.94	0.82	
FHIGX	Fidelity® Municipal Income	12.99	83	Hold	5.35	-0.37	-0.48	6.31	3.11	2.90	2.08	1.11	3.72	0.46	
FIBIX	Fidelity Intern Treas Bond Index	10.67	61	Sell	2.01	-0.32	-1.75	1.89	1.43	0.98	2.04	1.52	4.50	0.19	
FINPX	Fidelity® Inflation-Protected Bond	12.03	66	Hold	1.71	0.02	-0.44	1.63	0.87	-0.59	3.17	1.10	3.72	0.45	
FJRLX	Fidelity® Limited Term Bond Fund	11.47	84	Strong Buy	1.80	-0.28	-0.32	1.94	1.54		1.78	0.43	1.37	0.45	
FLBIX	Fidelity Long Term Treas Bond Idx Inv	13.09	70	Sell	6.68	0.68	-1.65	6.26	2.95	2.54	2.66	3.71	11.25	0.20	
FLTBT	Fidelity Limited Term Bond ETF	50.14	85	Strong Buy	2.01	-0.37	-0.52	2.06	1.60			0.45	1.45	0.45	
FLTMX	Fidelity® Intermediate Municipal Income	10.33	80	Hold	3.65	-0.53	-0.68	4.40	2.07	1.99	1.66	0.84	2.80	0.35	
FMSFX	Fidelity® Mortgage Securities	11.22	63	Sell	2.09	-0.09	-0.44	2.13	1.86	1.99	2.24	0.60	1.83	0.45	
FSAHX	Fidelity® Short Duration High Income	9.54	92	Strong Buy	4.46	-0.30	0.76	6.11	3.44		3.54	0.06	4.72	0.80	
FSBIX	Fidelity Short Term Bond Index Inv	10.33	80	Strong Buy	0.55	-0.28	-0.75	0.59	0.56	0.53	1.53	0.47	1.48	0.19	
FSHBX	Fidelity® Short-Term Bond	8.59	86	Strong Buy	1.08	-0.12	-0.26	1.12	0.97	0.96	1.45	0.24	0.76	0.45	
FSICX	Fidelity® Strategic Income	11.15	92	Strong Buy	7.60	0.24	0.64	8.77	4.38	3.88	2.73	0.59	3.93	0.70	
FSIQX	Fidelity Infl-Protect Bond Index	9.86	76	Hold	1.87	0.10	-0.40	1.93	1.15	-0.35	3.49	1.13	3.84	0.20	
FSTFX	Fidelity® Limited Term Municipal Income	10.49	81	Strong Buy	2.02	-0.66	-0.98	2.25	0.85	0.93	1.12	0.50	1.75	0.48	
FSTGX	Fidelity® Intermediate Government Income	10.42	55	Sell	1.00	-0.25	-1.05	0.96	0.77	0.75	1.63	0.72	2.18	0.45	
FTABX	Fidelity® Tax-Free Bond	11.46	83	Hold	5.06	-0.43	-0.53	6.02	3.10	2.95	2.17	1.09	3.65	0.25	
FTBFX	Fidelity® Total Bond	10.64	80	Hold	3.75	-0.08	-0.28	4.32	2.90	2.71	2.62	0.92	2.96	0.45	
FTHRX	Fidelity® Intermediate Bond	10.81	72	Hold	2.20	-0.28	-0.74	2.40	1.75	1.62	1.97	0.74	2.16	0.45	
SPHIX	Fidelity® High Income	8.98	97	Strong Buy	7.89	-0.16	1.44	10.44	5.24	5.41	4.95	0.24	6.00	0.72	
FIDELITY ASSET ALLOCATION FUNDS															
FAMRX	Fidelity Asset Manager® 85%	19.94	89	Buy	20.85	1.79	5.50	22.75	8.48	11.66		1.45	9.08	0.73	
FASGX	Fidelity Asset Manager® 70%	23.03	85	Hold	17.44	1.45	4.49	19.03	7.41	9.95		1.23	7.64	0.70	
FASIX	Fidelity Asset Manager® 20%	13.67	81	Hold	6.35	0.40	1.13	6.99	3.42	4.04	1.78	0.44	2.94	0.52	
FASMX	Fidelity Asset Manager® 50%	18.71	82	Hold	13.02	0.97	3.05	14.24	5.93	7.75	1.54	0.91	5.69	0.64	
FBALX	Fidelity® Balanced	24.02	91	Strong Buy	15.76	1.56	4.21	17.25	7.44	10.68	1.44	1.15	7.22	0.54	
FDYSX	Fidelity® Global Strategies	9.96	80	Buy	17.53	1.22	4.08	18.73	6.90	7.09		1.04	6.55	0.38	
FFNOX	Fidelity® Four-in-One Index	44.87	88	Buy	18.05	1.98	5.78	20.29	8.25	11.59		1.37	8.56	0.08	
FPURX	Fidelity® Puritan®	23.49	94	Strong Buy	17.73	1.47	5.01	19.01	7.88	11.02	1.39	1.11	7.21	0.55	
FSANX	Fidelity Asset Manager® 60%	12.80	82	Hold	15.21	1.19	3.73	16.60	6.68	8.84	1.43	1.07	6.63	0.71	
FSRRX	Fidelity® Strategic Real Return	8.89	84	Hold	2.87	0.23	0.77	4.16	0.49	0.54	2.35	0.47	4.49	0.81	
NTF GROWTH FUNDS															
AAGPX	American Beacon Lg Cap Value Inv	29.51	93	Buy	14.39	2.04	7.70	16.46	7.29	13.51		1.11	12.20	0.93	
ACMVX	American Century Mid Cap Value Inv	18.76	94	Buy	10.18	2.01	7.41	11.79	10.55	15.51	1.06	0.86	9.79	0.98	
ADKSX	Adirondack Small Cap	24.58	82	Hold	10.32	2.50	8.91	12.85	8.70	13.28		0.91	13.15	1.29	
AMAGX	Amana Growth Investor	38.60	92	Buy	28.41	3.35	8.40	30.85	10.89	14.34		0.98	10.47	1.09	
AMANX	Amana Income Investor	53.24	94	Buy	20.26	2.66	9.71	21.50	8.22	12.85		0.92	9.88	1.12	
ARGFX	Ariel Investor	70.25	82	Hold	15.55	7.01	11.56	18.10	9.03	16.07		1.34	15.58	1.01	
ARTLX	Artisan Value Investor	14.24	78	Buy	13.44	2.42	6.95	14.34	9.96	12.25		1.09	13.84	0.96	
AVPAX	American Beacon Small Cp Val Inv	29.21	79	Sell	9.35	2.64	11.45	12.70	10.15	14.58		1.03	14.15	1.14	
BARAX	Baron Asset Retail	69.27	93	Buy	28.18	1.72	6.60	28.20	10.86	15.97	1.79	1.00	11.23	1.31	
BEQGX	American Century Equity Growth Inv	35.11	97	Strong Buy	20.91	2.75	8.46	22.83	8.41	14.15	0.01	1.01	10.32	0.67	
BGRFX	Baron Growth Retail	67.83	88	Buy	27.34	2.47	8.34	27.32	9.25	13.41		0.90	10.88	1.30	
BIOPX	Baron Opportunity Retail	16.65	89	Buy	37.62	1.06	4.35	35.77	10.00	12.95		1.18	14.57	1.41	
BPSCX	Robeco Boston Partners Sm Cap Val II Inv	26.26	79	Sell	9.37	1.82	9.78	12.72	10.03	13.36	0.56	1.00	13.36	1.35	
BPTRX	Baron Partners Retail	49.35	89	Buy	33.16	0.98	3.76	35.13	10.76	17.33		1.16	15.75	1.35	
BSCFX	Baron Small Cap Retail	28.08	90	Buy	25.97	1.83	7.52	25.82	9.46	13.46		1.05	12.18	1.32	
BUFMX	Buffalo Mid Cap	17.04	86	Hold	13.68	2.84	6.10	12.97	6.31	11.11		0.94	11.23	1.01	
CAAPX	Ariel Appreciation Investor	47.83	88	Hold	14.05	5.01	9.00	14.93	6.73	14.46		1.25	14.22	1.12	
CAMSX	Cambiar Small Cap Inv	19.87	77	Sell	3.54	2.58	11.13	5.80	3.47	9.27	0.46	1.25	16.64	1.30	
CFIMX	Clipper	122.83	82	Hold	15.32	1.15	7.37	16.52	11.96	16.04	0.71	1.06	11.99	0.72	
CHDEX	Cullen High Dividend Equity Retail	19.67	94	Buy	15.48	2.24	6.10	18.95	8.18	12.00	2.13	0.87	9.59	1.00	
CHTTX	ASTON/Fairpointe Mid Cap N	44.81	81	Hold	9.86	6.82	8.05	11.88	6.93	14.71	3.80	1.24	15.85	1.12	
CRMAL	CRM Small/Mid Cap Value Inv	15.95	91	Buy	14.58	3.30	10.15	15.80	7.45	12.04		1.00	12.04	1.14	
CRMSX	CRM Small Cap Value Inv	20.05	85	Hold	13.99	2.09	11.39	16.89	12.14	15.54		1.03	13.63	1.15	
CVSIX	Calamos Market Neutral Income A LW	13.46	93	Strong Buy	4.15	0.37	0.97	4.49	3.16	3.53	1.99	-0.18	3.09	1.08	
DEFIX	Delafield Fund	26.61	78	Sell	7.91	0.76	6.70	10.45	2.82	7.20		1.28	16.48	1.29	
DGAGX	Dreyfus Appreciation Investor	38.56	86	Buy	24.28	2.77	6.83	27.33	8.64	11.22		0.94	9.94	0.94	
DISSX	Dreyfus Small Cap Stock Index	34.02	85	Buy	13.03	3.44	12.35	16.84	12.66	16.33		1.03	13.78	0.50	
DREVM	Dreyfus Fund Incorporated	12.01	96	Buy	18.79	2.83	7.01	20.33	9.16	13.65		1.00	10.40	0.76	
DSEFX	Domini Impact Equity Inv	49.45	81	Hold	15.08	2.32	6.48	16.56	5.64	12.37	0.71	1.02	10.83	1.14	
EGFFX	Edgewood Growth Retail	28.99	94	Buy	34.77	2.33	4.51	35.59	14.73	19.32		1.10	12.89	1.39	

Symbol	Name	NAV	Rank	Advice	% Return (3 and 5 Years Annualized)					Yield %	Beta 3 Year	SD 3 Year	Expense Ratio	
					YTD	1 Month	3 Month	1 Year	3 Year					5 Year
ASSET ALLOCATION (continued)														
PRPFX	Permanent Portfolio	41.15	75	Hold	8.95	0.83	0.15	8.36	3.64	1.80		0.68	7.09	0.82
TWBIX	American Century Balanced Inv	19.62	83	Hold	13.36	1.61	4.78	14.48	5.64	8.82	0.01	0.97	6.16	0.90
TWSAX	American Century Strat Allc: Agrsv Inv	9.04	84	Hold	18.18	1.69	5.12	19.30	7.22	10.07	0.84	1.33	8.30	1.11
TWSCX	American Century Strat Allc: Cnsvr Inv	6.06	82	Hold	10.19	1.17	2.70	11.02	4.47	6.01	1.15	0.78	4.90	1.00
TWSMX	American Century Strat Allc: Mod Inv	7.51	82	Hold	14.22	1.35	4.07	15.42	5.90	8.26	0.96	1.09	6.73	1.07
BEAR MARKET														
BRPIX	ProFunds Bear Inv	32.86			-17.12	-2.95	-7.04	-18.86	-11.96	-15.76		-0.95	9.56	1.63
COMVX	Comstock Capital Value AAA	5.00			-19.22	-3.66	-8.26	-20.76	-14.89	-18.73		-1.19	12.60	1.89
DXRSX	Direxion Mthly Small Cap Bear 2X	14.98			-26.24	-5.67	-18.63	-30.52	-25.62	-30.89		-2.19	28.16	1.35
DXSSX	Direxion Mthly S&P 500 Bear 2X Inv	14.55			-31.14	-5.95	-13.70	-33.86	-21.57	-28.37		-1.99	20.03	1.35
GRZZX	Grizzly Short	5.10			-19.05	-3.77	-8.27	-19.56	-10.36	-14.66		-1.24	14.56	1.52
PSSDX	PIMCO StocksPLUS Short Strat D	8.22			-13.46	-2.95	-6.26	-14.44	-9.16	-13.18	2.04	-0.76	7.88	1.04
RYAIX	Rydex Inverse NASDAQ-100® Strategy Inv	65.95			-24.15	-1.96	-6.03	-25.07	-14.78	-18.78		-1.13	12.91	1.46
RYCWX	Rydex Inverse Dow 2x Strategy H	12.44			-36.88	-8.06	-19.12	-41.13	-26.61	-29.44		-1.94	20.38	1.85
RYIRX	Rydex Inverse Russell 2000 2x Strategy H	48.28			-27.16	-5.65	-18.06	-31.41	-26.01	-31.23		-2.11	27.09	1.84
RYJUX	Rydex Inverse Government Lg Bd Strat Inv	34.02			-6.92	-1.02	1.64	-7.10	-4.57	-4.01	3.57	-4.29	13.09	1.43
RYSHX	Rydex Inverse Russell 2000 Strategy H	20.97			-13.92	-2.92	-9.34	-16.52	-13.02	-16.24		-1.07	13.75	1.72
RYTPX	Rydex Inverse S&P 500 2x Strategy H	46.16			-31.16	-5.82	-13.51	-33.91	-22.51	-28.93		-1.87	18.78	1.80
RYURX	Rydex Inverse S&P 500® Strategy Inv	62.22			-16.56	-2.90	-6.87	-18.20	-11.18	-15.20		-0.95	9.56	1.42
RYVNX	Rydex Dyn Inverse NASDAQ-100 2X Strat H	41.78			-43.75	-4.06	-12.23	-45.15	-29.47	-35.47		-2.17	24.97	1.83
SHPIX	ProFunds Short Small Cap Inv	14.00			-14.79	-2.98	-9.50	-17.40	-13.80	-16.93		-1.07	13.73	1.85
SOPIX	ProFunds Short NASDAQ-100 Inv	10.80			-24.90	-2.09	-6.33	-26.03	-16.15	-20.28		-1.11	12.74	1.77
UFPIX	ProFunds UltraShort Latin America Inv	7.91			-38.20	6.89	9.56	-37.67	-19.30	-12.10		-1.94	52.21	1.78
UHPIX	ProFunds UltraShort China Inv	5.99			-54.48	1.18	-6.84	-49.83	-28.95	-34.26		-2.30	38.65	1.78
UIPIX	ProFunds UltraShort Mid-Cap Inv	23.53			-27.02	-7.00	-17.70	-30.38	-24.74	-30.06		-1.80	20.66	1.77
UKPIX	ProFunds UltraShort Japan Inv	6.97			-34.62	-6.19	-27.70	-38.10	-28.08	-40.11		-1.90	31.48	1.78
URPIX	ProFunds UltraBear Inv	26.98			-31.16	-5.83	-13.53	-33.87	-22.52	-28.98		-1.86	18.69	1.66
UVPIX	ProFunds UltraShort Emerg Mkt Inv	20.19			-46.46	2.38	-2.13	-43.68	-20.04	-18.54		-2.00	34.51	1.78
UWPIX	ProFunds UltraShort Dow 30 Inv	20.80			-36.70	-7.96	-19.07	-40.91	-26.32	-29.52		-1.94	20.37	1.78
UXPIX	ProFunds UltraShort Intl Inv	13.53			-35.39	-1.38	-9.07	-39.25	-18.41	-21.29		-1.74	21.89	1.85

Fund Spotlight: Fidelity Select Healthcare (FSPHX)

Healthcare enjoyed a quietly strong run in 2017. Fidelity Select Healthcare (FSPHX) gained 26.22 percent through the end of November. Fidelity MSCI Health Care (FHLC) has increased 24.15 percent. Healthcare looks like a strong bet heading into 2018, as the sector didn't benefit from investors chasing returns, unlike the technology sector.

Fundamental factors remain bullish for the sector. Demographics will be favorable for the next few decades. Baby boomers are retiring at a rate of 10,000 per day, and more than 60 million will retire in the next 15 years. Medicare spending is expected to hit \$584 billion in 2018, climbing 49 percent to \$872 billion in 2023. Total healthcare spending in the U.S. could top \$3.6 trillion in 2017. The rest of the developed world and China are aging at even faster rates than the United States, which also increases demand.

Valuations remain relatively low. The biotechnology sector is trading at half its average valuation over the past 20 years.

FIDELITY SELECT HEALTHCARE (FSPHX)

FSPHX seeks capital appreciation through an actively managed healthcare portfolio with strong free cash flow, sales growth and margins. Large, profitable companies anchor the fund. Speculative companies receive smaller allocations. FSPHX has earned a four-star and Silver rating from Morningstar under the steady hand of manager Eddie Yoon. He's helmed the fund since October 2008. A \$10,000 investment then would have grown more than 400 percent, 24 percent more than the overall healthcare sector's 330 percent gain. That works out to an annualized gain of nearly 17 percent since Yoon took over.

PORTFOLIO

FSPHX offers unique healthcare exposure that diverges significantly from passive, market cap-weighted funds. Investors are paying a premium for active management. FSPHX has 31.8 percent of assets in biotechnology. The next four subsectors are healthcare equipment, pharmaceuticals, managed healthcare and healthcare technology at 22.1, 16.3, 13.4 and 4.2 percent of assets (as of September 30), respec-

tively. This deviates from the overall sector's exposure based on market capitalization. The passively managed Fidelity MSCI Health Care (FHLC) counts pharmaceuticals, biotechnology, healthcare equipment, healthcare providers, and life sciences tools and services as its top five subsectors, with 30.2, 22.5, 21.2, 18.5 and 6.0 percent of assets, respectively.

FSPHX's underweighting in pharma has benefited it over the past two years. Fidelity Select Pharmaceuticals (FPHAX) declined 8.6 percent over this period. Its overweighting of equipment has also paid off. Fidelity Select Medical Equipment (FSMEX) gained 43.2 percent over this period.

Yoon also weights the individual holdings uniquely. Pharmaceutical and biotechnology giants dominate the healthcare sector. Johnson & Johnson (JNJ) is 10.3 percent of FHLC. Pfizer (PFE), UnitedHealth Group (UNH), AbbVie (ABBV) and Merck (MRK) follow with 5.8, 5.7, 4.2 and 4.1 percent of assets, respectively.

UNH is the second-largest holding in FSPHX, but the rest of FHLC's top hold-

(continued on page 12)

Fund Spotlight: Fidelity Select Healthcare (FSPHX) (continued)

ings do not appear in FSPHX's top 10. Instead, FSPHX counts Amgen (AMGN) as its top holding with 10.0 percent of assets. Only three of FSPHX's top-10 holdings appear in FHLC's top 10. In place of pharma giants are device makers Boston Scientific (BSX), Intuitive Surgical (ISRG) and retailer CVS Health (CVS).

PERFORMANCE

Yoon has guided FSPHX to category-beating returns for the entirety of his tenure. FSPHX returned 20.35, 5.81, 19.84, 12.95 and 12.25 percent over the past 1-, 3-, 5-, 10- and 15-year periods, respectively. It beat the category in every period.

The weakest stretch for FSPHX was over the past three years. It beat the category only by an annualized 0.07 percent. This was largely due to subsector exposure. Medical devices led healthcare, while biotechnology and pharmaceuticals lagged considerably. FSPHX trailed FHLC by an annualized 2.04 percent over this period as well. A good chunk of this outperformance by FHLC is attributable to one holding: JNJ. Shares gained 42 percent over the past three years, and this explains roughly half of FHLC's outperformance versus FSPHX.

RISK

FSPHX has a relatively high beta of 1.19 relative to the healthcare category. This translates into a beta of 0.96 versus the MSCI All-Country World Index. FHLC has a beta of 1.02 versus the healthcare

sector and 0.89 versus the MSCI ACWI.

FSPHX has a standard deviation of 15.93, below the healthcare category's 17.17 and above FHLC's 13.11. The MSCI ACWI has a standard deviation of 10.60.

In sum, FSPHX is less volatile than the healthcare category, but more volatile than a passive fund such as FHLC.

YIELD

FSPHX is not an income fund, reflected in its trailing 12-month yield of 0.10 percent. FHLC has a much higher yield of 1.3 percent, aided by its larger exposure to the higher-yielding pharmaceutical sector.

EXPENSES

FSPHX charges 0.74 percent, a relative bargain among actively managed sector funds. The category average is nearly double at 1.41 percent.

FHLC is a low-cost ETF, charging just 0.084 percent.

FHLC is the more tax-efficient fund because it does not distribute capital gains. FSPHX made large capital gains distributions in 2014 and 2015, equivalent to about 8 and 10 percent of assets, respectively. It did not make a large distribution in 2016. Fidelity estimates the 2017 year-end capital gains distribution will be \$5.55 or 2.4 percent of its recent NAV.

CONCLUSION

FSPHX is arguably Fidelity's best Select

fund. Eddie Yoon has guided FSPHX to strong returns over the past nine years. Reasonable expenses and a steady hand make it a go-to fund for healthcare exposure.

Income investors and those focused on expense ratios have a solid option in FHLC. Its yield of 1.3 percent is on par with the competition. Its 0.84 percent expense ratio is the lowest of any healthcare ETF. The fund is trading commission-free at Fidelity.

Portfolio Updates (continued)

The **Tax Advantage Portfolio** rose 1.93 percent in November. It is up 13.17 percent this year. Parnassus Core Equity (PRBLX) was the leader here, rising 3.41 percent. Fidelity Low-Priced Stock (FLPSX) gained 2.92 percent.

The **Aggressive Value Portfolio** gained 1.99 percent last month. It has risen 21.12 percent in 2017. Fidelity Select Brokerage (FSLBX) jumped 5.46 percent and Banking (FSRBX) rose 3.19 percent because the highly taxed financial sector is one of the largest beneficiaries of the corporate tax cut.

The **Bear Market Portfolio** fell 0.16 percent last month. It is up 1.36 percent this year. Calamos Market Neutral (CVSIX) rose 0.37 percent and Floating Rate High Income (FFRHX) added 0.12 percent.

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