



# Selections & Timing Fidelity Fund Family

PO Box 3367 Bella Vista AR 72715 **Striving to provide you with the most return and the least risk.**

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UPDATE: The markets continued their volatility. Our strategy works best in a trending market.

Like with the bond funds for the separate Bond Portfolio on page 3, we are pulling out the equity funds for a separate Equity Portfolio on page 4.

FIDELITY, selected & timed (3 month hold at least), style and asset allocated (stock, bond, balanced, cash)															
Past & Future Activity			Action Price	Number of Shares	Action Value	Positions	Fund Style	Symbols	Ending NAV	Number of Shares	Current Value	Percent of Total			
PAST															
1-Dec	sell	FLATX	18.76	1,389.532	26,068	These positions were held at month's end.									
1-Dec	sell	FNMIX	15.37	1,890.677	29,060	Grow th	ELC	FGRIX	32.92	893.1320	29,402	32%			
1-Dec	buy	FGRIX	32.47	893.132	29,000	Emrg Mrkt	EW	FEMKX	22.31	1,175.2720	26,220	29%			
TO DO ON															
4-Jan	sell	FEMKX		all											
4-Jan	buy	FEQIX			29,000										
buys are about 30% of total portfolio										Cash	Money Mrkt	1.00	34,860.0000	34,860	39%
										Total Valuation=		90,482	100%		

	2015	ytd 2016	12 m	9 m	6 m	3 m	1 m
Fidelity Portfolio	-0.84	-8.75	-8.75	-4.51	-9.04	-9.79	-0.74
World Grow th Index	-3.01	10.65	10.65	10.82	9.08	7.74	1.39
World Income Index	0.19	2.60	2.60	-1.60	-5.15	1.72	0.00
World Hybrid (60/40) Index	-1.97	7.97	7.97	6.57	4.14	5.76	0.95

We track and rank a cross section of about 80 Fidelity funds monthly by C, the risk-adjusted relative strength metric. We buy and hold the three top funds. In addition, we separately rank 24 Fidelity bond funds from the general list of 80.

After at least a three-month hold, we either stay with the buys or sell the laggards and buy the new leaders. This is a proactive rotational allocation strategy. The funds and ranks are shown on pages 2 and 4.

The right side of the top table above shows the Fidelity Funds Portfolio at month end. The left side shows new trades upcoming for the month and past trades from previous months.

The lower table above shows the Fidelity Portfolio compared with the three World Indexes.

If you have any questions, please email us. Thank you.

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# Fidelity Bond by C

## FIDELITY BOND FUND FAMILY BY C

ETF	Sell	Legend	Fund Name	Symbol	S	A	12m	9m	6m	3m	1m	NAV	V	CS	C	Fmly Rank
na	3/2/2017	Fn S T	Fidelity Cnsvt Income Bond	FCONX	BS	B	0.9	0.7	0.4	0.2	0.0	10.03	0.1	6.9	92.8	*****
na	3/2/2017	Fn S T	Fidelity Short Term Bond	FSHBX	BS	B	1.3	0.4	-0.4	-0.5	-0.1	8.59	0.2	5.4	27.9	*****
na	1/31/2017	Fn S T R1<61d	Fidelity Fltg Rate High Income	FFRHX	BH	B	9.5	7.9	4.8	1.5	0.6	9.64	0.9	29.1	30.9	*****
na	to buy	Fn S T	Fidelity Ltd Term Bond	FJRLX	BS	B	2.4	0.7	-0.7	-1.0	0.0	11.45	0.4	6.2	17.3	****
na		Fn S T R1<91d	Fidelity Capital & Income	FAGIX	BH	B	10.2	9.5	7.1	1.0	1.1	9.71	1.6	33.7	20.9	*****
na	12/30/2016	Fn S T R1<91d	Fidelity High Incm	SPHIX	BH	B	15.3	12.1	7.1	1.2	1.8	8.71	1.8	42.3	23.8	*****
na		Fn S T R1<91d	Fidelity Fcsc High Income	FHIFX	BH	B	10.5	8.0	5.0	0.6	1.1	8.49	1.5	30.0	20.2	*****
na		Fn S T R1<91d	Fidelity Gbl High Income	FGHNX	BH	B	11.4	8.2	4.5	-0.9	1.2	9.27	1.7	29.2	17.2	****
na		Fn S T	Fidelity GNMA	FGMNX	BG	B	1.5	-0.2	-1.2	-1.7	-0.2	11.43	0.3	2.9	8.6	***
na		Fn S T	Fidelity Strategic Income	FSICX	BI	B	8.4	5.3	2.1	-1.7	0.8	10.66	1.3	19.7	15.3	****
na		Fn S T	Fidelity Total Bond	FTBFX	BL	B	5.5	2.2	-0.7	-2.4	0.2	10.52	0.9	9.5	11.2	***
na		Fn S T R1<91d	Fidelity New Markets Income	FNMIK	BW	B	14.1	9.2	1.9	-2.8	1.8	15.60	2.2	29.1	12.9	****
na		Fn S T	Fidelity Invst Grade Bond	FBNDX	BF	B	5.1	1.9	-1.1	-2.6	0.3	7.79	0.9	8.3	9.5	***
na		Fn S T	Fidelity Mortgage Security	FMSFX	BG	B	1.6	-0.3	-1.6	-2.2	-0.3	11.20	0.4	2.0	4.9	**
na		Fn S T	Fidelity Ltd Term Govt	FFXSX	BL	B	0.4	-1.0	-1.7	-1.4	-0.3	9.93	0.4	0.7	2.0	**
na		Fn S T	Fidelity Corp Bond	FCBFX	BI	B	6.2	2.9	-0.8	-2.9	0.5	11.28	1.1	10.7	9.8	***
na		Fn S T	Fidelity Intermediate Bond	FTHRX	BI	B	2.6	0.1	-1.6	-2.2	0.0	10.79	0.5	3.7	6.7	****
na		Fn S T	Fidelity ST Treasury	FSBIX	BS	B	0.7	-0.9	-1.6	-1.3	0.0	10.38	0.4	1.7	4.8	**
na		Fn S T	Fidelity Inflation Prctcd	FINPX	BI	B	4.3	-0.2	-1.7	-2.7	-0.1	11.93	0.9	4.4	4.8	**
na		Fn S T	Fidelity Intrm Gov	FSTGX	BI	B	0.8	-1.4	-2.5	-2.3	-0.2	10.45	0.5	-0.8	0.0	*
na		Fn S T	Fidelity US Bond Index	FBIDX	BI	B	2.2	-0.8	-2.9	-3.3	-0.1	11.50	0.7	0.0	0.0	**
na		Fn S T	Fidelity Govt Income	FGOVX	BG	B	0.9	-1.8	-3.6	-3.5	-0.3	10.17	0.6	-3.5	-0.2	*
na		Fn S T	Fidelity Intrmtd Treasury	FIBIX	BI	B	0.7	-3.2	-5.4	-5.0	-0.3	10.63	1.0	-8.6	-0.8	*
na		Fn S T	Fidelity LT Treasury	FLBIX	BL	B	0.9	-6.9	-12.7	-12.3	-0.6	12.58	2.3	-26.9	-6.3	*

### FIDELITY INCOME, selected & timed (3 month hold at least), style and asset allocated (bond, cash)

Past & Future	Activity	Fund	Action Price	Number of Shares	Action Value	Positions	Fund Style	Symbols	Ending NAV	Number of Shares	Current Value	Percent of Total	
<b>PAST</b>						These positions were held at month's end.							
	1-Nov	buy	FFRHX	9.57	2,037.618	19,500	Fltg Rate	BH	FFRHX	9.64	2,044.3817	19,708	20%
	1-Dec	buy	FCONX	10.03	1,944.167	19,500	Cnsvrt In	BS	FCONX	10.03	1,945.5238	19,514	19%
	1-Dec	buy	FSHBX	8.59	2,270.081	19,500	Shrt Trm	BS	FSHBX	8.59	2,271.6666	19,514	19%
<b>TO DO ON</b>													
	4-Jan	buy	FJRLX			19,500							
buys are about 20% of total portfolio							Cash	Money Mrkt	1.00	41,500.0000	41,500	41%	
							Total Valuation=			100,235	100%		

We are beginning a Fidelity Bond Portfolio focused only on bond funds from Fidelity. The Special Report is posted at [SelectionsAndTiming.com](http://SelectionsAndTiming.com).

This portfolio will officially start on 1/1/2017, but we are beginning to invest it based on bringing the back-test results into real time. The "sell eligible" column reflects the buys and sell dates. As sells come up and buys are made with the proceeds, the portfolio will become more fully invested.

Please note that the funds are ranked within their own pool. So a fund in this pool above may rank differently or have a different C rank than its rankings in the page 2 pool made up of a cross section of equity, bond, and balanced funds from Fidelity.

## Fidelity Equity by C

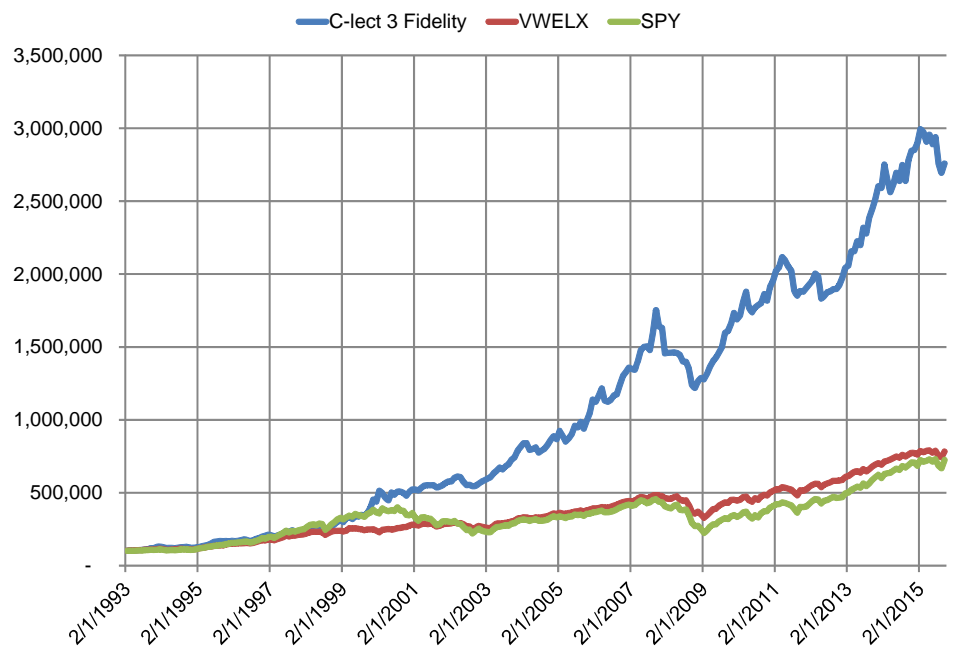
We are beginning a Fidelity Equity Portfolio focused only on equity funds from Fidelity. The Special Report will be posted at [SelectionsAndTiming.com](http://SelectionsAndTiming.com).

This portfolio will officially start on 2/1/2017, but we are beginning to invest it based on bringing the back-test results into real time. The “sell eligible” column reflects the buys and sell dates. As sells come up and buys are made with the proceeds, the portfolio will become more fully invested.

Please note that the funds are ranked within their own pool. So a fund in this pool above may rank differently or have a different C rank than its rankings in the page 2 pool made up of a cross section of equity, bond, and balanced funds from Fidelity.

# Back Test Results Fidelity Family C-lect

## How C-lect May Work For You



TRAILING RETURNS	to year end 2014
1 year	9.5
3 years	14.4
5 years	10.5
10 years	12.4
15 years	13.0
20 years	17.0
Inception	16.4

## PAST PERFORMANCE

2014	9.5
2013	31.7
2012	3.9
2011	(0.7)
2010	10.5
2009	37.0
2008	(22.5)
2007	23.0
2006	26.5
2005	18.1
2004	12.5
2003	37.0
2002	1.7
2001	11.9
2000	11.5
1999	50.9
1998	25.1
1997	17.0
1996	24.4
1995	34.2
1994	(4.0)
1993	32.7
1992	17.7
1991	24.5

The chart and tables show the back tested results of buying the top three Fidelity Family funds as measured by C, holding for at least 90 days, and rotating out of the laggards into the leaders on an ongoing continuous basis. On the chart, C-lect 3 Fidelity is the blue line following a rotation strategy, VWELX (Vanguard Wellington), a balanced fund, is the red line following a buy and hold approach, and SPY (S&P 500), a domestic large cap ETF, is the green line following a buy and hold approach. The period is from 1/1/1993 through 9/30/2015. Account start values were \$100,000. No additions or subtractions were made thereafter.

While buying and selling based on C, the risk-adjusted relative performance metric, over the years and decades in the back test produced superior results, in any one year the C ranking may or may not outperform the markets. This may be due to increased market volatility in that year.

For the test, one fund's sell amount rebalanced all funds held, though in real time, one sell buys one fund for about the same dollar amount.

The same funds were used for the whole back test.

Dividends are reinvested.

Taxes are not considered.

Information does not take into account your personal situation.

Past performance does not guarantee future performance. There is no assurance that future periods will be equivalent or similar to past periods. In a back test, there is no guarantee that actual trades could actually be made at the actual prices. All investments have risk; you may lose principle when investing. There are no guarantees. Read the fund's prospectus.

# Legend

ETF Altrntv	Sell Eligible	Legend	Fund Name	Symbol	S	A	12m	9m	6m	3m	1m	NAV	V	CS	C	Fmly Rank
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This information below identifies the column headings shown above, which are also on page 2.

**ETF Altrntv** is the ETF alternative to its mutual fund, if available.

**Sell Eligible** is the earliest date from purchase that the fund may be sold to avoid broker short-term redemption charges. For Fidelity, it is three months (90 days), though Fidelity itself requires 60 days. If there is a green highlight, it means the fund was part of the back test. If there is a date, it means the portfolio owns the fund and it is the earliest date the fund may be sold, assuming a minimum of a three-month hold.

**Legend** shows fund specific information. It is a short list of where the fund is available for purchase (F is Fidelity, S is Schwab, T is TD Ameritrade). C means the fund is closed. R means the fund may charge a short-term redemption fee.

**Fund Name** is the fund name.

**Symbol** is the fund ticker symbol. This is the official identification.

**S** is Style. The first letter is for the A, the next letter or two is the style. BS is bond short-term. BI is bond intermediate. BL is bond long. BH is bond high-yield. BW is bond world. BU is bond government. EG is equity gold. EGI is equity growth/income. ELC is large cap. EMC is mid cap. ESC is small cap. EV is value. EW is world. H is hybrid. A is Asset. B is bond. H is hybrid. E is equity.

**12m, 9m, 6m, 3m, 1m** is a fund's returns over those periods. Dividends are reinvested.

**NAV** is net asset value.

**V** is volatility, a measure of risk.

**CS** is comet strength, a measure of relative performance to an index. The index is 60% of the World Growth Index and 40% of the World Income Index.

**C** is comet, the risk-adjusted relative performance metric. The higher the C is the better.

**Fmly Rank** is family rank. This shows where the fund ranks by C within the fund family. This is either 5, 4, 3, 2, or 1 comets. 5 is the highest ranked by C.

World Growth Index (WGI) is made up of 20% EEM, EFA, IWM, QQQ, SPY.

World Income Index (WII) is made up of 20% PCY, BSV, TLH, LQD, JNK.

World Hybrid Index is made up of 60% WGI and 40% WII.

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**Email SMcKee@SelectionsAndTiming.com or call 1-800-800-6563** with any questions or comments.

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