

**Comparison of  
Fidelity Health Sector Funds**

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**OLLI Investment Forum**  
**July 20, 2022**



Fidelity® Select Portfolios®

Health Care Sector

**Fund**

**Biotechnology Portfolio**

**Health Care Portfolio**

**Health Care Services Portfolio**

**Medical Technology and Devices Portfolio**

**Pharmaceuticals Portfolio**

**Ticker**

FBIOX

FSPHX

FSHCX

FSMEX

FPHAX

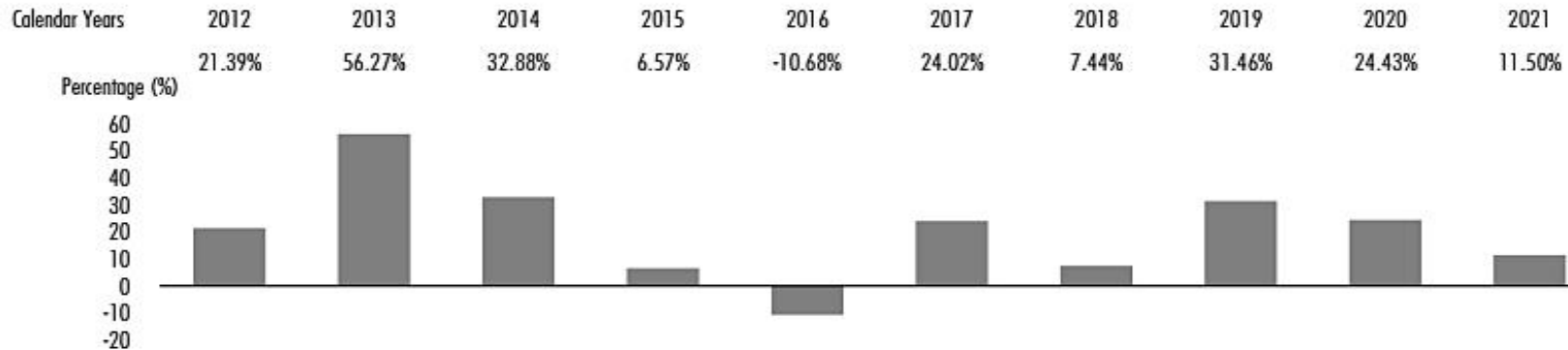
**Prospectus**

**April 29, 2022**



# Fidelity Select Health Care - FSPHX

## Year-by-Year Returns



During the periods shown in the chart:

Highest Quarter Return

Lowest Quarter Return

Year-to-Date Return

|         |                   |
|---------|-------------------|
| Returns | Quarter ended     |
| 22.15%  | December 31, 2019 |
| -15.01% | December 31, 2018 |
| -8.76%  | March 31, 2022    |

## Average Annual Returns

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, but do not reflect the impact of state or local taxes. Actual after-tax returns may differ depending on your individual circumstances. The after-tax returns shown

are not relevant if you hold your shares in a retirement account or in another tax-deferred arrangement, such as an employee benefit plan (profit sharing, 401(k), or 403(b) plan). Return After Taxes on Distributions and Sale of Fund Shares may be higher than other returns for the same period due to a tax benefit of realizing a capital loss upon the sale of fund shares.

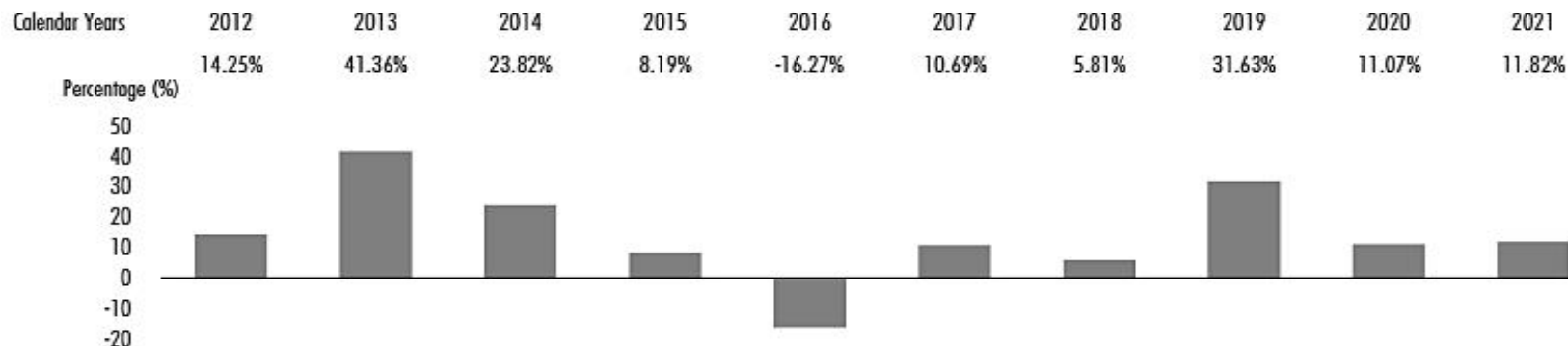
For the periods ended December 31, 2021

### Health Care Portfolio

|   | Past 1 year | Past 5 years | Past 10 years |
|---|-------------|--------------|---------------|
| Return Before Taxes   | 11.50%      | 19.43%       | 19.28%        |
| Return After Taxes on Distributions   | 9.12%       | 17.57%       | 16.99%        |
| Return After Taxes on Distributions and Sale of Fund Shares                                   | 8.30%       | 15.46%       | 15.62%        |
| S&P 500® Index<br>(reflects no deduction for fees, expenses, or taxes)                        | 28.71%      | 18.47%       | 16.55%        |
| MSCI U.S. IMI Health Care 25-50 Index<br>(reflects no deduction for fees, expenses, or taxes) | 20.61%      | 17.81%       | 17.53%        |

# Fidelity Select Pharmaceuticals - FPHAX

## Year-by-Year Returns



During the periods shown in the chart:

Highest Quarter Return

Lowest Quarter Return

Year-to-Date Return

|         |                   |
|---------|-------------------|
| Returns | Quarter ended     |
| 17.28%  | December 31, 2019 |
| -11.62% | March 31, 2016    |
| -0.13%  | March 31, 2022    |

## Average Annual Returns

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, but do not reflect the impact of state or local taxes. Actual after-tax returns may differ depending on your individual circumstances. The after-tax returns shown

are not relevant if you hold your shares in a retirement account or in another tax-deferred arrangement, such as an employee benefit plan (profit sharing, 401(k), or 403(b) plan). Return After Taxes on Distributions and Sale of Fund Shares may be higher than other returns for the same period due to a tax benefit of realizing a capital loss upon the sale of fund shares.

For the periods ended December 31, 2021

### Pharmaceuticals Portfolio

Return Before Taxes

Return After Taxes on Distributions

Return After Taxes on Distributions and Sale of Fund Shares

S&P 500® Index

(reflects no deduction for fees, expenses, or taxes)

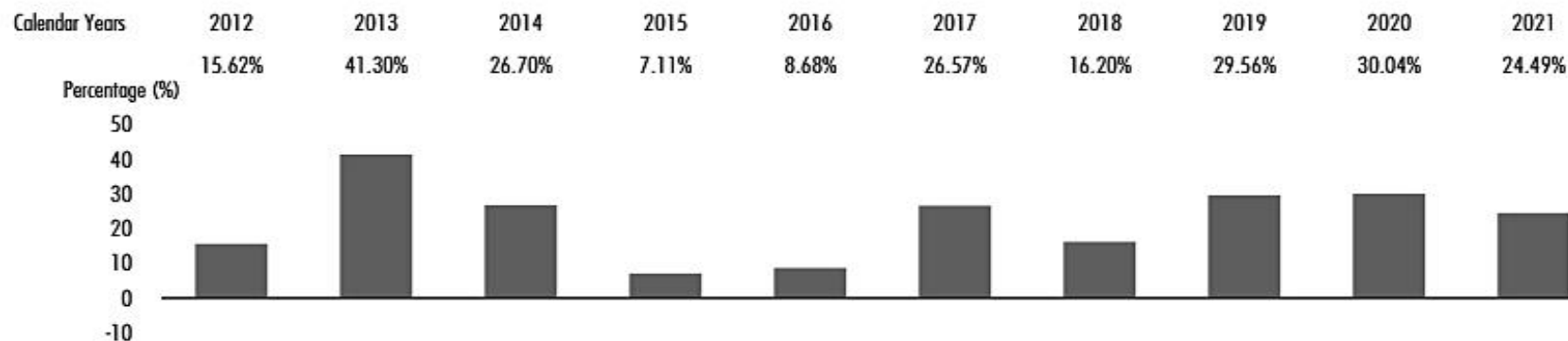
MSCI North America IMI + ADR Custom Pharmaceuticals 25/50 Linked Index

(reflects no deduction for fees, expenses, or taxes)

|  | Past 1<br>year | Past 5<br>years | Past 10<br>years |
|--|----------------|-----------------|------------------|
| Pharmaceuticals Portfolio  |                |                 |                  |
| Return Before Taxes  | 11.82%         | 13.87%          | 13.24%           |
| Return After Taxes on Distributions                                    | 8.87%          | 12.11%          | 11.38%           |
| Return After Taxes on Distributions and Sale of Fund Shares            | 8.71%          | 10.84%          | 10.56%           |
| S&P 500® Index   | 28.71%         | 18.47%          | 16.55%           |
| MSCI North America IMI + ADR Custom Pharmaceuticals 25/50 Linked Index | 14.49%         | 11.52%          | 11.62%           |

# Fidelity Select Medical Technology and Devices - FSMEX

## Year-by-Year Returns



During the periods shown in the chart:

Highest Quarter Return

Lowest Quarter Return

Year-to-Date Return

|         |                |
|---------|----------------|
| Returns | Quarter ended  |
| 22.41%  | June 30, 2020  |
| -14.04% | March 31, 2020 |
| -12.77% | March 31, 2022 |

## Average Annual Returns

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, but do not reflect the impact of state or local taxes. Actual after-tax returns may differ depending on your individual circumstances. The after-tax returns shown

are not relevant if you hold your shares in a retirement account or in another tax-deferred arrangement, such as an employee benefit plan (profit sharing, 401(k), or 403(b) plan). Return After Taxes on Distributions and Sale of Fund Shares may be higher than other returns for the same period due to a tax benefit of realizing a capital loss upon the sale of fund shares.

For the periods ended December 31, 2021

### Medical Technology and Devices Portfolio

Return Before Taxes

Return After Taxes on Distributions

Return After Taxes on Distributions and Sale of Fund Shares

S&P 500® Index

(reflects no deduction for fees, expenses, or taxes)

MSCI U.S. IMI Custom Health Care Technology and Equipment 25/50 Linked Index

(reflects no deduction for fees, expenses, or taxes)

|  | Past 1<br>year | Past 5<br>years | Past 10<br>years |
|--|----------------|-----------------|------------------|
| Return Before Taxes  | 24.49%         | 25.27%          | 22.21%           |
| Return After Taxes on Distributions  | 21.85%         | 23.42%          | 19.79%           |
| Return After Taxes on Distributions and Sale of Fund Shares  | 15.81%         | 20.33%          | 18.03%           |
| S&P 500® Index<br>(reflects no deduction for fees, expenses, or taxes)   | 28.71%         | 18.47%          | 16.55%           |
| MSCI U.S. IMI Custom Health Care Technology and Equipment 25/50 Linked Index<br>(reflects no deduction for fees, expenses, or taxes) | 20.89%         | 24.94%          | 20.86%           |

## Some comparisons

|                  | Health Care | Pharma   | Tech & Devices |
|------------------|-------------|----------|----------------|
| Expense          | 0.68%       | 0.75%    | 0.68%          |
| Mstar Projection | Gold        | Bronze   | Gold           |
| Yield            | Nil         | 1.13%    | Nil            |
| Size             | 7.9 Bil     | 809 Mil  | 7 Bil          |
| 10-yr            | \$48,834    | \$34,940 | \$53,081       |
| Above cat&index? | Yes         | No       | Yes            |
| YTD              | -18.47      | -1.23    | -30.58         |

## More Comparisons

|                | Health Care | Pharma   | Tech & Devices |
|----------------|-------------|----------|----------------|
| Sharpe Index   | 0.52        | 0.84     | 0.41           |
| Std. Deviation | 18.39       | 14.34    | 20.61          |
| Avg. P/E       | 22.41       | 16.73    | 29.03          |
| Moats          | 19 W 49 N   | 67 W 4 N | 26 W 46 N      |

## Ten Top Holdings – Health Care

- United Health
    - Eli Lilly
    - Danaher
  - Boston Scientific \*
  - ThermoFisher
    - Humana
    - Cigna
    - Insulet
  - Regeneron
  - Penumbra
- (\*Considered undervalued at Morningstar)



# Top Ten Holdings -- Pharma

- Eli Lilly
- AstraZeneca
  - Sanofi\*
- Bristol Myers
  - Roche\*
  - Royalty
- Merck (2)
- Johnson & Johnson
  - Novartis\*
- (\*Considered Undervalued at Mstar)

# Top Ten Holdings – Tech and Devices

- ThermoFisher
  - Danaher
- Boston Scientific\*
  - ResMed\*
  - Insulet
  - Abbott Labs
  - West Pharma
- Charles River Labs\*
  - Avantor
  - Penumbra
- (\* Considered Undervalued at Mstar)

## Some individual stock comments

- Boston Scientific (BSX) -- cardiac devices
- ResMed (RMD) – sleep apnea, software
- Charles River Labs (CRL) -- animal research models
- Sanofi – (SNY) French pharma & biopharma
- Roche – (RHHBY) Swiss pharma & biopharma
- Novartis – (NVS) also Swiss pharma & Biopharma
- Penumbra – (PEN) neurovascular medical devices; 19% yearly growth but negative income presently