



AlphaProfitTM

Sector Investors' Newsletter

Service for \$ophisticated \$ector Investors

Repositioning Alert

The first two sections present preview of repositioning changes to the AlphaProfit model portfolios, while the third section features ETF and non-Fidelity mutual fund selections to play AlphaProfit's investment thesis.

AlphaProfit FocusTM Model Portfolio

The following changes will be made to the Focus model portfolio at today's closing prices:

60.671% of the position in Fidelity Select Medical Equipment & Systems (FSMEX) will be **removed**.

31.382% of the position in Fidelity Select Natural Gas (FSNGX) will be **removed**.

One-half (50.00%) of the proceeds from the sale of FSMEX and FSNGX will be **invested** in Fidelity Select Biotechnology (FBIOX).

The other-half (50.00%) of the proceeds from the sale of FSMEX and FSNGX will be **invested** in Fidelity Select IT Services (FBSOX)

After repositioning, the Focus model portfolio will include FBIOX, FBSOX, FSMEX and FSNGX.

Notes

New subscribers starting with the **Focus** model portfolio can invest the targeted monies in the following proportion: FBIOX 25.0%, FBSOX, 25.0%, FSMEX 25.0% and FSNGX 25.0%. The exact composition of the Focus model portfolio will be determined based on today's closing prices and provided in the Model Portfolio Composition and Investment Selections section of the Subscriber Login area tomorrow.

AlphaProfit Core™ Model Portfolio

The following changes will be made to the Core model portfolio at today's closing prices:

60.671% of the position in Fidelity Select Medical Equipment & Systems (FSMEX) will be **removed**.

31.382% of the position in Fidelity Select Natural Gas (FSNGX) will be **removed**.

One-half (50.00%) of the proceeds from the sale of FSMEX and FSNGX will be **invested** in Fidelity Select Biotechnology (FBIOX).

The other-half (50.00%) of the proceeds from the sale of FSMEX and FSNGX will be **invested** in Fidelity Select IT Services (FBSOX)

Positions in Fidelity Select Chemicals (FSCHX), Fidelity Select Communications Equipment (FSDCX), Fidelity Select Computers (FDCPX), Fidelity Select Software and Computer Services (FSCSX) and Fidelity Select Spartan 500 Index Fund (FSMKX) will be **maintained as is**.

After repositioning, the Core model portfolio will include FBIOX, FBSOX, FSCHX, FSDCX, FDCPX, FSMEX, FSNGX, FSCSX, and FSMKX.

Notes

New subscribers starting with the **Core** model portfolio can invest the targeted monies in the following proportion: FBIOX 7.655%, FBSOX 7.655%, FSCHX 10.758%, FSDCX 9.451%, FDCPX 9.259%, FSMEX 7.655%, FSNGX 7.655%, FSCSX 9.181% and FSMKX 30.732%. The exact composition of the Core model portfolio will be determined based on today's closing prices and provided in the Model Portfolio Composition and Investment Selections section of the Subscriber Login area tomorrow.

AlphaProfit ETF and Mutual Fund Selections

The following table features mutual funds and exchange-traded fund recommendations for playing the investment thesis for the sectors, industry groups, and index discussed in the AlphaProfit Sector Investors' Newsletter. Preferred mutual funds and ETFs are in **bold**.

Sector, Industry Group, or Index	Mutual Funds					ETFs
	Recommendation (Ticker)	Availability, Trans. Fees, and Min. Holding Period				Recommendation (Ticker, Liquidity)
		E*Trade	Fidelity	Schwab	Ameritrade	
Biotechnology	Allianz RCM Biotech (DRBNX)	C, NTF, 90'	C, NTF, 180	A, NTF, 90	A, NTF, 90	iShares Nasdaq Biotechnology (IBB, Good)
	Fidelity Sel Biotech (FBIOX)	A, F	A, NTF, 30	R, F	A, F	SPDR S&P Biotech (XBI, Good)
	Rydex Biotechnology (RYOIX)	A, NTF, 90	A, NTF, 180	A, NTF, No	A, F	
	Biotech Ultra ProFund (BIPIX)	A, NTF, 90	A, NTF, 180	A, NTF, No	A, F	
Chemicals	Fidelity Sel Chemicals (FSCHX)	A, F	A, NTF, 30	R, F	A, F	70% iShares DJ US Basic Mat (IYM, Good) +30% Market Vectors Agribus (MOO, Good) iShares DJ US Basic Mat (IYM, Good) Materials Select SPDR (XLB, Good) Vanguard Materials (VAW, Good)
Computers	Fidelity Sel Computers (FDCPX)	A, F	A, NTF, 30	R, F	A, F	Internet Arch HOLDERS (IAH, Limited) PowerShares Dyn Hard (PHW, Limited)
IT Services	Fidelity Select IT Serv (FBSOX)	A, F	A, NTF, 30	R, F	A, F	Equal weight mix of ACN, ADP, V, & WU <small>(no pure-play ETF available)</small>
Medical Equip	Fidelity Sel Med Equip (FSMEX)	A, F	A, NTF, 30	R, F	A, F	iShares DJ US Med Device (IHI, Limited)
Oil & Gas E&P	AIM Energy (FSTEX)	C, NTF, 90	A, NTF, 180	C, NTF, 90	C, F	85% iShares DJ US O&G (IEO, Good)+15% SPDR S&P O&G Equip (XES, Limited)
	Fidelity Sel Natural Gas (FSNGX)	A, F	A, NTF, 30	R, F	A, F	iShares DJ US O&G Exp & Prd (IEO, Good) SPDR S&P O&G Exp & Prd (XOP, Good)
Software	Fidelity Sel Software (FSCSX)	A, F	A, NTF, 30	R, F	A, F	60% Software HOLDERS (SWH, Limited) +40% First Trust DJ Internet (FDN, Limited) First Trust DJ Internet (FDN, Limited) iShares S&P Software (IGV, Good) Software HOLDERS (SWH, Limited)
S&P 500	Dreyfus S&P 500 Index (PEOPX)	A, NTF, 90	A, NTF, 180	A, NTF, 90	A, NTF, 90	iShares S&P 500 (IVV, Good)
	E*TRADE S&P 500 Index (ETSPX)	A, NTF, 4m	A, F	A, F	A, F	SPDR S&P 500 (SPY, Good)
	Fidelity Spartan 500 Idx (FSMKX)	A, F	A, NTF, No	A, F	A, F	
	Schwab S&P 500 Index (SWPIX)	A, F	A, F	A, NTF, 30	A, F	
Telecom Equip	Fidelity Sel Com Equip (FSDCX)	A, F	A, NTF, 30	R, F	A, F	Broadband HOLDERS (BDH, Limited) iShares S&P Network (IGN, Limited) PowerShares Dyn Network (PXQ, Limited)
Minimum Purchase Requirements					Availability: A-Available, C-Limited to current shareholders, I-Limited to Institutional investors, N-Not available, R-Limited to retail investors. Trans. Fees: F-Transaction fee applies, NTF-No transaction fee subject to holding period. Min. Holding Period: For no transaction fee (NTF) funds, minimum number of days or months a fund needs to be held to avoid both fund's short-term redemption fee and broker's transaction fee. Minimum holding period not provided for transaction fee (F) funds. Liquidity: Investors should consider limit orders when trading ETFs with limited liquidity. Note: The above table is for information purposes only. Before buying any mutual fund or exchange-traded fund, read its prospectus carefully. For securities held in brokerage accounts, read the broker's specific terms and conditions which apply to trading of the securities.	
ETF/Fidelity Fund	Regular Accounts	Retirement Accounts				
Fidelity Select	\$2,500	\$500*				
Fidelity Spartan 500 Index Inv	\$10,000	\$10,000				
ETFs	1 share	1 share				
HOLDERS	100 shares	100 shares				
* \$500 for SEP-IRA, Keogh, and prototype retirement accounts. \$2,500 for traditional, Roth, and rollover IRA accounts.						

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The AlphaProfit Sector Investors' Newsletter™ is edited and published by Dr. Sam Subramanian, Managing Principal and Chief Investment Officer of AlphaProfit Investments, LLC. Sam is an avid stock market investor and has tracked Fidelity Select Funds for several years. With a strong quantitative and analytical bent, Sam has honed his skills in security research and analysis. Sam developed the ValuM Investment Process™ for managing investments. The ValuM Investment Process has helped Sam build a successful track record in managing his investments since 1985. Prior to founding AlphaProfit Investments, LLC, Sam worked in positions of increasing responsibility in Finance and Corporate Strategy advising in Acquisitions and Divestitures, Asset Valuation, Trading, Bankruptcies, and Risk Management. Sam graduated with honors from the MBA program at the University of Michigan and has a Doctorate Degree in Chemical Engineering from Syracuse University. Sam also holds 16 U. S. patents.