

Liquid Alternative Funds

Direxion Indexed Commodity & Income Strategy Fund

Fund Information

| Share Class | Institutional Shares | Investor Shares |
|--|----------------------|-----------------|
| Symbol | DXCIX | DXCTX |
| Fees (Gross/Net)* | 1.72/1.08% | 1.97/1.33% |
| CUSIP | 254939382 | 254939457 |
| ¹ Overall Morningstar Rating™ | ★★★ | ★★★ |

Out of 103 Commodity Broad basket funds as of 6/30/2019. An investments overall Morningstar Rating, based on its risk adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosures below.

Components and Current Positionings (as of 6/30/2019)

| Agriculture | | Energy | | Metals | |
|-------------|------|-------------|------|--------|------|
| Soybeans | Flat | Crude Light | Flat | Copper | Flat |
| Corn | Long | Natural Gas | Flat | Gold | Long |
| Wheat | Long | Gasoline | Long | Silver | Flat |
| Cotton | Flat | Heating Oil | Flat | | |
| Sugar | Flat | | | | |

When the positions within the various components are flat, they will be invested in cash and U.S. Treasury Bills. Individual components may vary based on risk levels.

The Auspice Broad Commodity ER Index (ABCERI) vs. Long-only Commodity Indexes (10/01/2010 - 6/30/2019)

| | ABCERI | S&P GSCI ⁶ | BCOM TR ⁷ | DBC CI ⁸ |
|-------------------------------------|--------|-----------------------|----------------------|---------------------|
| Annualized Return ² (%) | -1.66 | -6.24 | -5.67 | -5.29 |
| Annualized Std Dev ³ (%) | 8.51 | 18.90 | 13.43 | 16.70 |
| Correlation ⁴ | | 0.65 | 0.77 | 0.70 |
| Max Drawdown ⁵ (%) | -38.87 | -67.78 | -58.34 | -64.49 |

Source: Bloomberg. This data is as of October 1, 2010, which is the inception of the Auspice Broad Commodity ER Index. The three indexes above are composite indexes of commodity sector returns representing unmanaged, unleveraged, long-only investment in commodity futures that are broadly diversified across the spectrum of commodities. The indexes are further defined on the back page. One cannot invest directly in an index.

* The Net Expense Ratio includes management fees, other operating expenses and Acquired Fund Fees and Expenses. If Acquired Fund Fees and Expenses were excluded, the Net Expense Ratio would be 1.26% for Investor Class Shares and 1.01% for Institutional Class Shares. The Fund's adviser, Rafferty Asset Management, LLC ("Rafferty") has entered into an Operating Expense Limitation Agreement with the Fund. Under the Operating Expense Limitation Agreement, Rafferty has contractually agreed to waive all or a portion of its management fee and/or reimburse the Fund for Other Expenses through September 1, 2020, to the extent that the Fund's Total Annual Fund Operating Expenses exceed 1.26% for Investor Class Shares and 1.01% for Institutional Class Shares of the Fund's average daily net assets (excluding, as applicable, among other expenses, taxes, swap financing and related costs, acquired fund fees and expenses, dividends or interest on short positions, other interest expenses, brokerage commissions and extraordinary expenses). If these expenses were included, the expense ratio would be higher.

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Investment Objective

The Direxion Indexed Commodity & Income Strategy Fund seeks investment results, before fees and expenses, that track the performance of the Auspice Broad Commodity ER Index, (ABCERI), a long/ flat index, that can be exposed to up to 12 commodities (long) or cash (flat).

Principal Investment Strategy

The investment strategy includes:

- A quantitative, strategic index-based approach to commodity investing
- Exposure to 12 commodities that can individually be long or flat (if a short signal is triggered the position is moved to cash)
- The ability to make position changes intra-month based on trends
- Monthly rebalance based on risk reduction where the allocation of individual components is reduced if volatility exceeds certain predetermined risk levels
- A "smart" contract roll approach designed to select cost effective futures contracts to roll into upon expiration of current contract.

²Past performance does not guarantee future results. Index returns and correlations are historical and are not representative of any Fund performance. Total returns of the index include reinvested dividends. One cannot invest directly in an index.

³Standard Deviation is a measure of the dispersion of a set of data from its mean.

⁴Correlation is a statistical measure of how two securities move in relation to each other.

⁵Maximum Drawdown is the greatest percent decline from a previous high.

Why consider long/flat commodities?

Most traditional commodity funds can only benefit if commodity prices rise. However, these long-only commodity strategies have shown to be inconsistent over time because:

- Commodity returns are typically cyclical and sporadic
- Individual commodity sub-sectors tend to perform dissimilarly in different market environments
- Significant draw-downs can be damaging to the long-term performance of a portfolio

Within the inherently volatile commodity markets, a long/flat approach is potentially more adaptive to whip-sawing market conditions.

The Direxion Indexed Commodity & Income Strategy Fund allows investors to take advantage of rising commodity prices, in addition to mitigate risk by going flat (cash) when individual commodities are experiencing downward trends. It seeks to potentially provide commodity investment returns with lower risk characteristics than long-only commodity strategies.

The historic volatility and returns of long only commodity indices

| | S&P GSCI ⁶ | BCOM TR ⁷ | DBC CI ⁸ |
|-------------------------------------|-----------------------|----------------------|---------------------|
| Maximum Drawdown ⁵ (%) | -67.78 | -58.34 | -64.49 |
| Annualized Std Dev ³ (%) | 19.53 | 14.17 | 17.25 |
| Annualized Return ² (%) | -5.19 | -3.74 | -3.64 |

Index data from 6/30/2009 - 6/30/2019.

Definitions

⁶S&P Goldman Sachs Commodity Index (S&P GSCI), a composite index of commodity sector returns representing an unleveraged, long-only investment in commodity futures that is broadly diversified across the spectrum of commodities;

⁷The Bloomberg Commodity Total Return Index (BCOM TR), a broadly diversified index that allows investors to track 19 commodity futures through a single, simple measure, and

⁸The Deutsche Banc Liquid Commodity Optimum Yield Index (DBC CI), an index composed of futures contracts on 14 of the most heavily-traded and important physical commodities in the world.

Disclosures:

An investor should carefully consider a Fund's investment objective, risks, charges, and expenses before investing. A Fund's prospectus and summary prospectus contain this and other information about the Direxion Funds. To obtain a prospectus and summary prospectus call 866-476-7523 or visit our website at direxioninvestments.com. A Fund's prospectus and summary prospectus should be read carefully before investing.

Calendar year total returns since inception of the Auspice Broad Commodity ER Index compared to other Commodity indexes

| | ABCERI | S&P GSCI ⁶ | BCOM TR ⁷ | DBC CI ⁸ |
|----------|--------|-----------------------|----------------------|---------------------|
| 2018 (%) | -0.98 | -15.51 | -12.99 | -12.91 |
| 2017 (%) | -7.92 | 5.77 | 1.70 | 7.81 |
| 2016 (%) | 8.55 | 11.37 | 11.77 | 8.98 |
| 2015 (%) | -13.45 | -32.86 | -24.66 | -26.73 |
| 2014 (%) | -8.97 | -33.06 | -17.01 | -25.94 |
| 2013 (%) | -3.27 | -1.22 | -9.52 | -9.02 |

Effective February 1, 2012, the index for the fund changed to the Auspice Broad Commodity Index (ABCERI), a long/flat index.

Performance (as of 6/30/2019)

| Share Class | Investor Shares* | Institutional Shares | ABCERI |
|--------------------|------------------|----------------------|--------|
| 1 Month (%) | 2.59 | 2.63 | 2.52 |
| 3 Month (%) | -3.76 | -3.63 | -4.09 |
| YTD (%) | -3.83 | -3.70 | -4.36 |
| 1 Year (%) | -5.98 | -5.68 | -6.73 |
| 3 Year (%) | -4.42 | -4.18 | -4.32 |
| 5 Year (%) | -5.77 | -5.54 | -5.21 |
| 10 Year (%) | -7.04 | -6.80 | 0.06 |
| Fund Inception (%) | -6.57 | -6.59 | -0.96 |
| Inception Date | 06/10/08 | 05/01/09 | |

The performance shown are those of the Fund's Investor Class Shares. However, during the calendar year ended December 31, 2018, the Investor Class Shares were Class A Shares until June 30, 2018. Effective at the close of business on June 30, 2018, the Fund's Class A Shares converted to Investor Class Shares.

The performance data quoted represents past performance net of annual expenses and any sales charge, and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 866-476-7523 or visiting direxioninvestments.com.

Returns for performance for less than one year are cumulative, not annualized. Short term performance, in particular, is not a good indication of the fund's future performance, and an investment should not be made based solely on returns.

* The performance for the Investor Class Shares of the Fund includes the period prior to conversion of the Investor Class Shares on July 2, 2018. Effective July 2, 2018, the Class A Shares of the Fund converted to Investor Class Shares.

Risks: An investment in the Fund involves risk, including the possible loss of principal. The Fund is non-diversified and includes risk associated with concentration risk which results from the Fund's investments in a particular industry or sector and can increase volatility over time. Investing in a fund that invests in specific industries or geographic regions may be more volatile than investing in a broadly diversified fund. Active and frequent trading associated with a regular rebalance of the Fund can cause the price to fluctuate, therefore impacting its performance compared to other investment vehicles. Commodities are subject to significant volatility and entail a high degree of risk. Leverage by the Fund can accelerate the velocity of potential losses. Risks of the Fund include Leverage Risk, Market Risk, Liquidity Risk, Derivatives Risk, Commodity-Linked Derivatives Risk, Futures Strategy Risk, Counterparty Risk, Other Investment Companies (Including ETFs) Risk, Subsidiary Investment Risk, Interest Rate Risk, Index Correlation/Tracking

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Risk, and Tax Risk. Please see the summary and full prospectuses for a more complete description of these and other risks of the Fund.

Auspice Capital Advisors Ltd. is a registered Portfolio Manager/Investment Fund Manager in Canada and a registered Commodity Trading Advisor (CTA/CPO) and National Futures Association (NFA) member in the US.

Distributor: Rafferty Capital Markets, LLC.

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