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# COMmentary: Q2 2026


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The Direxion Auspice Broad Commodity Strategy ETF (COM) finished the second quarter slightly negative, with a net asset value (NAV) total return of -1.86% for the quarter ended June 30, 2026.[1] Broad commodity markets fell over the same period, and COM's rules-based approach moved several positions to cash and trimmed others as trends turned, which shaped how the fund came through the decline. That trimming and exiting held COM NAV's max decline to -4.8%, against -11.8% for the BCOM TR* and -16.7% for the GSCI TR*.

*One cannot invest directly in an index.*

To view the Fund's full standardized performance, click here.

*The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. Returns for performance under one year are cumulative, not annualized. For the most recent month-end performance please visit the funds website at www.direxion.com.*

COM seeks to track the **Auspice Broad Commodity Excess Return Index (ABCERI)**, a rules-based index built by Auspice Capital Advisors. The index doesn't stay long every commodity all the time. When one starts trending lower, it moves that position to cash. When one is still climbing but has gotten volatile past a certain point, it trims the position rather than ride the swings. Both happened this quarter, and that discipline shaped how the Fund participated in the quarter's decline.

Oil set the tone. The U.S.-Iran conflict was still running as the quarter opened, and with no resolution in sight, Oil and the commodities tied to it climbed. Then the market started betting on a lasting ceasefire and a reopening of the Strait of Hormuz, and Oil handed most of those gains back. By late June it had dragged the rest of the complex down with it. Inflation didn't play along with the selloff, though. It's stayed sticky, and the market is still pricing in higher prices for longer.

All three sectors ended lower, some worse than others. Only three individual commodities finished the quarter in the green: Copper, Gasoline, and Cotton.

Energy was the round trip. Up on the conflict, back down on the ceasefire, with Gasoline the one piece that hung onto a gain. Precious metals got squeezed by a stronger dollar. Gold and Silver both slipped into the red for the year, and COM was out of both by June, sitting in cash on each. Copper went the other way and finished up.

Corn was the one worth watching. It ran to multi-year highs and then came apart. Inventories are about where they were a year ago, but the high price pulled sellers in, and the catalysts people were waiting on, more buying from China or a weather scare, never showed up. Without them, there wasn't much holding it up. Cotton, on the other hand, finished positive.

You can read all of this in the positioning. COM came into the quarter long 11 of a possible 12 commodities, everything but Natural Gas. As things turned, the rules did their job. Out of Sugar in April, then out of Corn, Gold, and Silver in June. It closed the quarter long 7 of 12.

A strategy that steps out of the way on the way down is going to miss some of the bounce on the way back up. You don't get one without the other. What you do get is a rule for when to carry risk and when to set it down, instead of a gut call made in the middle of a selloff.

That's the case for owning COM. Commodities have historically shown low correlation to stocks and bonds, though correlations can change over time, which is part of what makes them useful as a diversifier. COM takes that and adds a layer of discipline on top. It decides when the exposure is on and when it's off, and it seeks to earn a cash return on the collateral it holds in cash and cash equivalents.

For all the red this quarter, COM's year-to-date NAV total return of 11.79% was ahead of the S&P 500 Index's total return of 9.57% for the same period, as of June 30, 2026.[2]

**Sources**:


1 Auspice Capital Advisors and Bloomberg L.P., "Direxion Auspice Broad Commodity Strategy ETF (COM): NAV Total Return, Quarter Ended June 30, 2026," Auspice Investment Operations, data as of June 30, 2026.

2 "S&P 500 Index (^GSPC): Historical Data," Yahoo! Finance, accessed June 30, 2026, https://finance.yahoo.com/quote/%5EGSPC/history/; Direxion, "COM: Auspice Broad Commodity Strategy ETF," accessed June 30, 2026, https://www.direxion.com/product/auspice-broad-commodity-strategy-etf.

*The S&P 500 Index is an unmanaged index of large-capitalization U.S. equities. It differs materially from COM in investment objective, holdings, risk profile, volatility, and asset class, and is not a comparable investment. You cannot invest directly in an index, and index returns do not reflect any fees, expenses, or transaction costs.*

*Definitions and Index Descriptions

The Auspice Broad Commodity Index (ABCERI) is a rules-based long/flat broad commodity index that seeks to capture the majority of the commodity upside returns, while seeking to mitigate downside risk. The Index is made up of a diversified portfolio of 12 commodities futures contracts (Silver, Gold, Copper, Heating Oil, Natural Gas, Gasoline, Crude Oil, Wheat, Soybeans, Corn, Cotton, and Sugar) that based on price trends can individually be Long or Flat (in Cash). One cannot directly invest in an index.

The S&P GSCI Index (SPGSCI) is 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.

The Bloomberg Commodity Excess Return Index (BCOM) is a broadly diversified index that allows investors to track 19 commodity futures through a single, simple measure.

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