Direxion
ETFs | Funds

COMmentary: Q3 2026

BY: ELLIOT WELLENBACH, SENIOR VICE PRESIDENT - INSTITUTIONAL ETF STRATEGIST

The Direxion Auspice Broad Commodity Strategy ETF (COM) returned 7.40% on a NAV total return basis for the quarter ended September 30, 2026 as performance varied across commodity markets.[1] Energy and Agriculture were the primary sources of strength, while Metals experienced a more mixed quarter, with late-quarter weakness reflecting renewed inflation concerns and expectations for a more restrictive Federal Reserve policy.

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.

The ongoing U.S.-Iran conflict and disruptions to flows through the Strait of Hormuz tightened global energy supplies and intensified inflation concerns. In September, the Federal Reserve raised interest rates by 25 basis points amid persistent inflation, while expectations for further tightening and a strengthening U.S. dollar added pressure to precious metals. Meanwhile, China's continued transition away from fossil fuels weighed on the demand outlook for certain energy commodities.

COM seeks to track, before fees and expenses, the performance of 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.

Performance Highlights by Sector

Energy: Energy markets experienced significant price increases, particularly in refined petroleum products. Heating Oil led the advance as disruptions to global diesel supplies were compounded by Russian export restrictions and concerns about winter demand. Gasoline also rallied sharply and contributed on equal footing for the quarter. Crude Oil also strengthened as shipments through the Strait of Hormuz remained well below normal levels. Natural Gas moved in the opposite direction, weighed down by softer demand expectations, particularly in China. COM remained in cash for Natural Gas throughout the quarter, helping mitigate volatility and avoid exposure to the commodity's underperformance.

COM carried its Energy positions through the quarter at the reduced sizes set by its rule-based volatility triggers in March and April. While COM lagged some major commodity benchmarks during the quarter, many of these indices maintain heavier Energy exposure and may be more vulnerable to sharp reversals, particularly with Oil prices elevated.

Agriculture: Agriculture was the largest contributor to COM's performance during the quarter, as concerns over crop conditions and global production supported broad strength across the sector. Soybeans, held throughout the quarter, were the largest single contributor. Wheat also added meaningfully, supported by lower production estimates in Canada and globally, alongside continued uncertainty surrounding Black Sea exports. Corn benefited from lower U.S. ending-stock estimates and below-average crop conditions, while Sugar advanced amid weather-related damage to European sugar beet crops and tightening global supply. In August, Corn and Sugar generated long signals as their respective price trends strengthened. Despite supportive supply dynamics, demand remained a key variable, particularly as U.S.-China trade developments offered mixed signals for agricultural exports.

Metals: Metals experienced a more challenging end to the quarter, although COM avoided much of the volatility as Gold and Silver remained in cash throughout Q3. Copper benefited from supply constraints and growing demand associated with AI infrastructure and data centers, before reversing late in the quarter amid uncertainty surrounding potential U.S. tariffs. Gold and Silver weakened late in the quarter as elevated energy prices and the prospect of further monetary tightening weighed on precious metals.

Outlook

COM enters the fourth quarter long 9 of the 12 commodities, with Gold, Silver, and Natural Gas remaining in cash. The Fund continues to offer advisors a tactical approach to broad commodity investing, seeking to capture opportunities across commodity markets while mitigating downside risk.

Looking ahead, geopolitical developments, the persistence of inflation, and the potential for further Federal Reserve rate hikes will remain important influences on commodity markets. The trajectory of the U.S. dollar and evolving global supply and demand conditions will also shape price trends across the commodity complex. The divergent performance across Energy, Agriculture, and Metals during Q3 underscores the potential value of a tactical, diversified approach to commodity investing.

Sources:

1 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.

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

Direxion Shares Risks - An investment in the Fund involves risk, including the possible loss of principal. The Fund is non-diversified and includes risks associated with concentration that results from the Fund's investments in a particular industry, sector, or geographic region which can result in increased volatility. The Fund's use of derivatives such as futures contracts and swaps are subject to market risks that may cause their price to fluctuate over time. Risks of the Fund include, but are not limited to, Index Correlation Risk, Derivatives Risk, Commodity-Linked Derivatives Risk, Futures Strategy Risk, Passive Investment and Index Performance Risk, Counterparty Risk, Cash Transaction Risk, Subsidiary Investment Risk, Interest Rate Risk, and Tax Risk. Please see the summary and full prospectuses for a more complete description of these and other risks of the Fund.

Exchange-traded commodity futures contracts generally are volatile and are not suitable for all investors. The value of a commodity-linked derivative investment typically is based upon the price movements of a physical commodity and may be affected by changes in overall market movements, volatility of the index, changes in interest rates, or factors affecting a particular industry or commodity, such as global pandemics, weather and other natural disasters, changes in supply and production, embargoes, tariffs and international economic, political and regulatory developments and changes in speculators' and/or investors' demand. Commodity-linked derivatives also may be subject to credit and interest rate risks that in general affect the value of debt securities. The Fund's investments in derivatives may pose risks in addition to, and greater than, those associated with directly investing in securities or other investments.

Risks associated with the use of futures contracts are (a) the imperfect correlation between the change in market value of the instruments held by the Fund and the price of the futures contract; (b) possible lack of a liquid secondary market for a futures contract and the resulting inability to close a futures contract when desired; (c) losses caused by unanticipated market movements, which are potentially unlimited; (d) the Index's inability to predict correctly the direction of securities prices, interest rates, currency exchange rates and other economic factors; (e) the possibility that the counterparty will default in the performance of its obligations; and (f) if the Fund has insufficient cash, it may have to sell securities or financial instruments from its portfolio to meet daily variation margin requirements, which may lead to the Fund selling securities or financial instruments at a time when it may be disadvantageous to do so.

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