

Direxion Flight to Safety Strategy ETF

Overview

The Direxion Flight to Safety Strategy ETF aims to deliver a simple, yet robust, approach to portfolio risk mitigation from equity market drawdowns while also providing long-term appreciation potential. By combining long-term U.S. treasury bonds, utility stocks, and gold bullion, the ETF may act as a diversified ballast for portfolios while also acting as a source of uncorrelated returns.

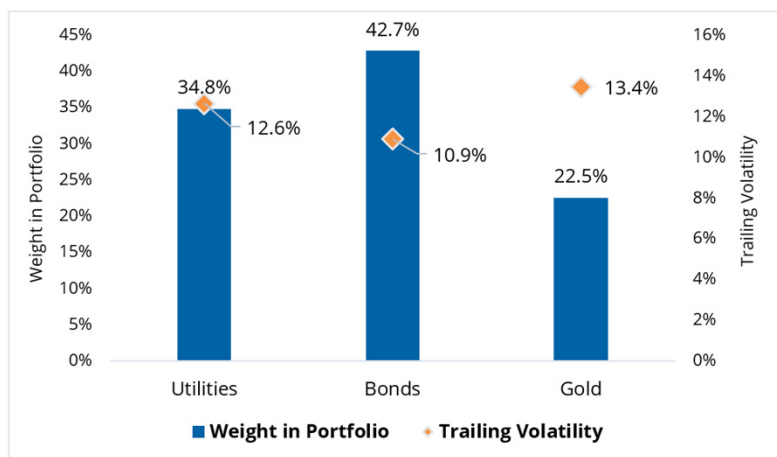
- A strategy that delivers attractive total return potential with defensive equity characteristics
- A way to introduce portfolio risk mitigation that does not require precision in timing and ongoing carry costs
- An ETF with a low correlation to equities and stable volatility can help deliver added diversification to portfolios

Investment Objective

The Direxion Flight to Safety Strategy ETF seeks to provide total returns that exceed the total return of the Solactive Flight to Safety Index over a complete market cycle. **There is no guarantee that the fund will achieve its stated investment objective.**

Fund Exposure

Asset Classes with Lower Volatility are Assigned Greater Weights in the Portfolio



Source: Bloomberg.

Volatility is a statistical measure of the dispersion of returns for a given security or market index. In most cases, the higher the volatility, the riskier the security.

Fund Facts

Fund Symbol	FLYT
Intra-day Indicative Value	FLYT.IV
Bloomberg Index Symbol	SOLFTS
CUSIP	25460G203
Gross Expense Ratio	0.40%
Net Expense Ratio*	0.40%
Inception Date	February 5, 2020

* 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 0.30%. Rafferty Asset Management, LLC ("Rafferty") has entered into an Operating Services Agreement with the Fund. Under this Operating Services Agreement, Rafferty has contractually agreed to pay all expenses of the Fund through September 1, 2021 other than the following: management fees, Rule 12b-1 distribution and/or service fees, taxes, swap financing and related costs, dividends or interest on short positions, other interest expenses, brokerage commissions, expenses incurred in connection with any merger or reorganization, acquired fund fees and expenses, and extraordinary expenses. If these expenses were included, the expense ratio would be higher.

Index Description

The Solactive Flight to Safety Index (the "Index") measures the performance of a volatility-weighted basket of gold, U.S. listed large-capitalization utility stocks, and U.S. treasury bonds with remaining maturities of greater than 20 years. The Index rebalances on a quarterly basis such that the weight of each component (U.S. treasury bonds, utility stocks, and gold) will be based on the contribution of the volatility of each component to the overall Index. The least volatile component of the Index, based on each component's trailing 5 year volatility measure, will receive the largest weighting. The gold component will be limited to 22.5% of the Index and its volatility will be based on the volatility of the spot price of gold. One cannot directly invest in an index.

Index Construction

The Solactive Flight to Safety Index combines long-term U.S. treasury bonds, utility stocks, and gold to provide multi-asset defensive exposures.

- Asset classes were selected for their defensive characteristics
- Asset classes were selected for their low-to-negative correlations to each other
- Risk-weighted approach based on trailing volatility

Index Holdings and Weightings

Top 10 Holdings %

Gold Bullion	22.38
NextEra Energy Inc	4.59
The Southern Co	2.59
Duke Energy Corp	2.49
Dominion Energy Inc	2.41
American Electric Power Co Inc	1.79
US Treasury N/B	1.77
US Treasury N/B	1.67
Exelon Corp	1.63
US Treasury N/B	1.62

Asset Class Weightings %

US 20+ Year Treasury Bonds	44.91
US Large & Mid Cap Utilities	32.71
Gold Bullion	22.38

Source: Bloomberg. Index holdings and sector weightings are net and as of 12/31/2019 and subject to change.

Performance (as of 12/31/2019)

	1M %	3M %	YTD %	1Y %	S/I of the Fund %	Inception Date
NAV						
FLYT						2/5/2020
Market Close						

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 fund's website at direxion.com.

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. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes. For additional information, see the fund's prospectus.

For Information: 866-476-7523 | info@direxion.com | direxion.com

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 Shares. To obtain a Fund's prospectus and summary prospectus call 866-476-7523 or visit our website at direxion.com. A Fund's prospectus and summary prospectus should be read carefully before investing.

Solactive AG is not a sponsor of, or in any way affiliated with, the Direxion Flight to Safety Strategy ETF.

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Shares of the Direxion Shares are bought and sold at market price (not NAV) and are not individually redeemed from a Fund. Market Price returns are based upon the midpoint of the bid/ask spread at 4:00 pm EST (when NAV is normally calculated) and do not represent the returns you would receive if you traded shares at other times. Brokerage commissions will reduce returns. Fund returns assume that dividends and capital gains distributions have been reinvested in the Fund at NAV. Some performance results reflect expense reimbursements or recoupments and fee waivers in effect during certain periods shown. Absent these reimbursements or recoupments and fee waivers, results would have been less favorable.

The Fund is an actively managed ETF that does not seek to replicate the performance of a specified index and is not required to invest in the specific components of its benchmark index.

Direxion Shares ETF Risks - An investment in the Fund involves risk, including the possible loss of principal. There are risks associated with the Fund's investment in gold, U.S. treasury bonds, and utility stocks. The value of gold has historically experienced extended periods of flat or declining prices in addition to sharp fluctuations, which may result in significant volatility and potential losses to the Fund. A security backed by the U.S. Treasury or the full faith and credit of the United States is guaranteed only as to the timely payment of interest and principal when held to maturity. The market prices for such securities are not guaranteed and will fluctuate. Utility companies are affected by supply and demand, operating costs, government regulation, environmental factors, liabilities for environmental damage and general liabilities, and rate caps or rate changes. Additional risks of the Fund include, but are not limited to Commodity-Linked Derivatives Risk, Counterparty Risk, Cash Transaction Risk, Other Investment Companies (including ETFs) 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.

Distributor for Direxion Shares: Foreside Fund Services, LLC.