

Direxion High Growth ETF (HIPR)

A Smart Way to Isolate Sustained Growth Potential

Certain types of growth stocks can be expected to outperform the market due to their earnings potential materializing, and investors becoming willing to pay higher multiples for this probability. However, with so many factors impacting stocks, this may not always turn out to be true, and often the higher volatility associated with growth stocks can be painful when this high growth potential fails to transpire.

A way to address these challenges is to target firms with robust historical sales, along with high forecasted earnings and cash flow growth. This offers a way to target companies with the potential for consistent growth. Further identifying companies with strong price momentum and balance sheet resiliency can be a mechanism to seek stocks with the ability to sustain their competitive advantages when compared to a portfolio of stocks with the highest historical or expected growth.

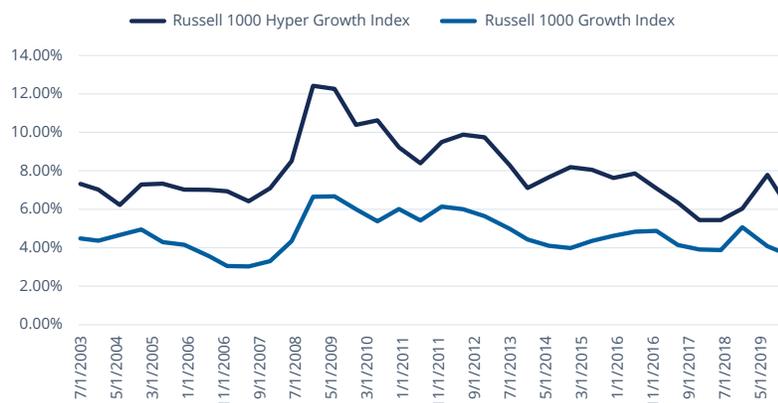
FUND FACTS

| | |
|-------------------------------|--|
| Symbol | HIPR |
| CUSIP | 25460G765 |
| Expense Ratio* (Gross/Net) | 0.40%/0.40% |
| Inception Date | 6/11/2020 |
| Rebalance | Semi-annually |
| Benchmark Index | Russell 1000 Hyper Growth Index ("Index") |

Target Growth, Minimize Side Effects

The Index for HIPR measures the performance of US large- and mid-capitalization quality growth stocks. The Index achieves this by targeting exposure to the Quality and Momentum factors and the Growth style, while maintaining neutral exposures to the value and volatility factors. Seeking out this combination of factors by tracking the Index can lead to those companies with the potential for high and sustained growth. As seen below, HIPR's Index offers a higher cash flow yield than the broader market indicating that HIPR's Index provides superior exposure to companies that have the ability to generate cash from their operations.

Free Cash Flow Yield is Strong for Hyper Growth Index

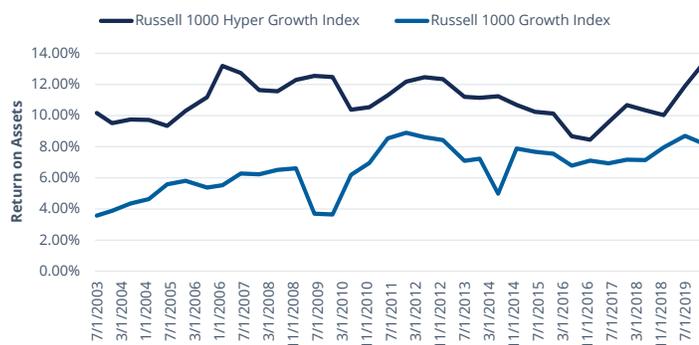


Source: Bloomberg, L.P. and FTSE Russell, as of December 31, 2019. The Russell 1000 Hyper Growth Index was inceptioned on 3/30/2020. Data prior to 3/30/2020 represent hypothetical asset chosen with the benefit of hindsight. The Free Cash Flow Yield does not represent investment returns and there is no guarantee favorable metrics will translate into favorable investment results. Past performance is not indicative of future results. One cannot invest directly in an index.

Robust In, Robust Out

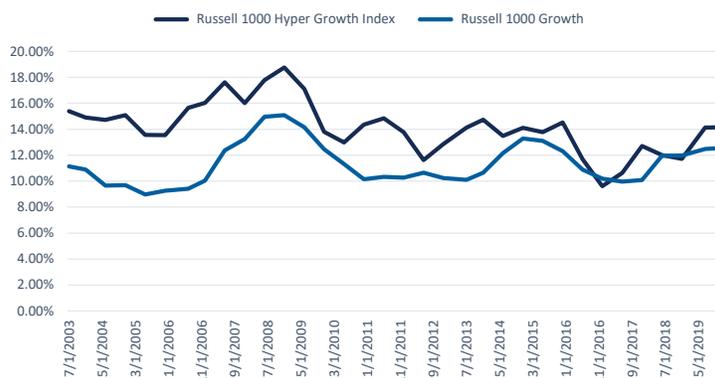
HIPR may be considered a core holding for investors looking to tilt their portfolio to companies having seen the highest historical growth, and continue to expect growth, along with positive momentum and high quality characteristics. For growth investors this combination is paramount, as they may otherwise find themselves purchasing companies whose expected growth is based only on an optimistic story, or belief the firm may deliver on those expectations. While there is no guarantee screening for growth firms by including momentum and quality factors will deliver superior performance, these added components should help increase the odds of success. The Index has considerable exposure to high growth sectors such as information technology, communication services and consumer discretionary. These overweights, driving the investment process, lead to considerably greater profitability and lower leverage highlighting the balance sheet strength offered.

The Hyper Growth Offers Exposure to Return on Assets to High Profit Companies



Source: FTSE Russell, as of December 31, 2019. The Russell 1000 Hyper Growth Index was inceptioned on 3/30/2020. Data prior to 3/30/2020 represent hypothetical asset chosen with the benefit of hindsight. Past performance is not indicative of future results. One cannot invest directly in an index. Profitability does not represent investment returns and there is no guarantee favorable metrics will translate into favorable investment results.

5-Year Sales Growth is Favorable for Hyper Growth Index



Source: FTSE Russell, as of December 31, 2019. The Russell 1000 Hyper Growth Index was inceptioned on 3/30/2020. Data prior to 3/30/2020 represent hypothetical asset chosen with the benefit of hindsight. Past performance is not indicative of future results. One cannot invest directly in an index. 5-year sales growth does not represent investment returns and there is no guarantee favorable metrics will translate into favorable investment results.

Implementation: May be considered a core equity holding which tilts heavily toward historically fast growing, high-quality companies.

Definitions:

Russell 1000 Hyper Growth Index: The Index seeks to identify domestic “high” growth companies by scoring securities for Quality, Momentum, Value, and Volatility factors and for representing Value or Growth stocks. The Index identifies Growth companies as those that, historically, have had high sales and forecasted high earnings and high cash flow growth relative to increases in share value.

Russell 1000 Growth Index: The Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

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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.

* The Fund’s adviser, 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 as long as it is the advisor of the Fund 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.

The Russell 1000 Hyper Growth Index is a trademark of Frank Russell Company (“Russell”) and has been licensed for use by the Trust. The Direxion High Growth ETF is not sponsored, endorsed, sold or promoted by Russell. Russell makes no representation regarding the advisability of investing in the Direxion High Growth ETF.

Direxion Shares ETF Risks - Investing involves risk including possible loss of principal. There is no guarantee that the investment strategy will be successful in identifying high growth stocks. Investing in growth securities involves risk. Growth companies usually invest a high portion of earnings in their businesses and may lack the dividends of value stocks that can cushion stock prices in a falling market. Growth stocks may be volatile and may also be more expensive, relative to their earnings or assets, compared to value or other stocks. Additional risks of the Fund include, but are not limited to, Index Correlation/Tracking Risk, Index Strategy Risk, Market Disruption Risk, Growth Investing Risk, Momentum Securities Risk, Quality Securities Risk, Communication Services Sector Risk, Consumer Discretionary Sector Risk, and Information Technology Sector 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.

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