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Direxion Launches Long/Short Global IPO Mutual Fund

New Fund Offers Institutional-Style Access to Global Initial Public Offering Market

Boston, MA – March 1, 2010 - Direxion, a pioneer in providing alternative investment strategies to sophisticated investors, is pleased to announce the launch of the Direxion Long/Short Global IPO mutual fund (DXIIX). The new Fund provides institutional-style access to investment opportunities in the global Initial Public Offering (IPO) market, plus active long/short management through the distinctive early stages of the new-issue life-cycle. The result is a non-correlating, liquid fund that offers potential diversification to any portfolio.

IPOX® Capital Management, LLC, will serve as the Fund's sub advisor. The Fund's objective is to seek capital appreciation through a risk-controlled portfolio. To achieve this, the Fund invests in IPOs and spin-offs using a combined long/short strategy.

"IPOs have substantial economic significance, and are the lifeblood of global Equity Capital Markets activity," stated Dan O'Neill, Direxion Funds' President. "We view IPOs as a separate asset class which, globally, can diverge significantly over time from the performance of traditional benchmark indices. For investment professionals and sophisticated investors who seek tactical exposure to alternative asset classes, the Direxion Long/Short Global IPO fund provides an opportunity to take advantage of this relatively unexplored realm with a hedged strategy that helps to mitigate risk."

As a buy-and-hold managed tactical fund, the Direxion Long/Short Global IPO fund is best suited for investors who value a tactical approach, yet are unable to manage an active strategy on their own. The long portion of the Fund's portfolio holds stocks that are within their first year of public offering and are expected to deliver short-run outperformance. The short portion of the portfolio holds stocks that are within their second-through-fourth year of public offering and are expected to underperform.

The Fund is managed through three distinct parts of the IPO Life cycle:

- Initial Offerings, held in long positions. The fund will participate in IPOs to take advantage of potential under-pricing in the market. IPOs can often be priced significantly below market expectations, providing the potential for capital appreciation on the first trading day and throughout the first few weeks of a new issue's public offering.
- Year-1 New Issues selected to over perform, held in long positions.
- Year 2-through-4 New Issues selected to under perform, held in short positions.

“Direxion’s managed tactical funds offer an alternative to traditional buy-and-hold investing,” continued Mr. O’Neill. “In addition to diversification and non-correlation, the Long/Short Global IPO fund seeks to offer retail investors access to areas typically reserved for institutional capital. It combines multiple features into one vehicle designed to capitalize on an ever-changing market environment.”

To request more information on Direxion Funds, or to speak to a member of the Direxion team, please contact Katrine Winther-Olesen at (973) 400-1341 or katrine@jcpublicrelations.com.

About Direxion

Direxion Funds and Direxion Shares, managed by Rafferty Asset Management, LLC, offer leveraged index funds, ETFs and alternative-class fund products for investment advisors and sophisticated investors who seek to effectively manage risk and return in both bull and bear markets. Founded in 1997, the company has approximately \$6.2 billion in assets under management as of 10/31/09. The company’s business model is built on continuous product innovation, exceptional customer service and a commitment to building strategic relationships with distribution partners. *For more information, please visit www.direxionfunds.com.*

About IPOX Capital Management, LLC

IPOX Capital Management, LLC is an SEC-registered investment advisor specialized in portfolio management for investment companies. The company was founded by Josef Schuster who is also the principal portfolio manager of the Direxion Global Long/Short IPO Fund. He is the chief architect of the IPOX® Indexes, an index series which encompasses a technology allowing for asset-allocation focused exposure into global IPO’s and spin-offs. With more than USD 3.0bn benchmarked since inception in August 2004, IPOX has become an alternative growth benchmark for many of the leading financial products sponsors around the world. Before starting IPOX, Josef Schuster pursued his academic work on IPO’s in the Financial Markets Group (FMG) at the London School of Economics (LSE), where he completed his MSc and PhD. Between 1996 and 2003, he was also a member of the Chicago Mercantile Exchange (CME) specializing in equity index derivatives trading.

An investor should consider the investment objectives, risks, charges, and expenses of the Direxion Funds carefully before investing. The prospectus contains this and other information about Direxion Funds. To obtain a prospectus, please contact the Direxion Funds at 800.851.0511. The prospectus should be read carefully before investing.

The principal risks of investing in the Direxion Long Short Global IPO Fund are Adverse Market Conditions Risk, Counterparty Risk, Currency Exchange Rate Risk, Derivatives Risk, Emerging Markets Risk, Equity Securities Risk, Foreign Instrument Risk, High Portfolio Turnover, IPO Risk, Leverage Risk, Market Risk, Non-Diversification Risk, Options and Futures Contracts Risk, Security Selection Risk, Shorting Instruments Risk, Tracking Error Risk, Valuation Time Risk, and Volatile Markets Risk. There is no affiliation between IPOX Capital Management, LLC and Rafferty Capital Markets, LLC.

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