



July 2010

Portfolio Insights

by Hundredfold Advisors, LLC

Hundredfold Advisors, LLC, Sub adviser to the Spectrum Funds offered through Direxionfunds provides this information to reflect thoughts and actions within each fund for the period indicated. Hundredfold Advisors recommends that all readers direct attention to the disclosures at the end of this document for additional information.

Direxion Select Alternative (SFHYX)

SFHYX gained 2.83% in July. Exposure at the beginning of the month was 84% (53% high yield, 41% alternative, -10% equity). The fund adjusted to take advantage of two main themes. The first was the rebound in the equity market that warranted a closing of the hedge positions early in the month and establishing modest equity exposure. The second theme was increasing exposure in the high yield space to take advantage of its resumption of strength. Exposure at the end of the month was 113% (66% high yield, 42% alternative, 5% equity).

Expense Ratio information below.

Direxion Equity Opportunity (SFE0X)

SFE0X rose 4.10% in July, taking advantage of the rebound in the equity market. The fund had exposure of 0% equity at the beginning of the month but quickly ramped up as the market regained its footing. Investors appeared to have shifted focus in July toward a positive earnings season and away from economic news that pointed to a sluggish recovery. Exposure in SFE0X peaked at 100% late in the month but backed off to 90% at the end of the month as the market displayed subtle signs that the rally could pause.

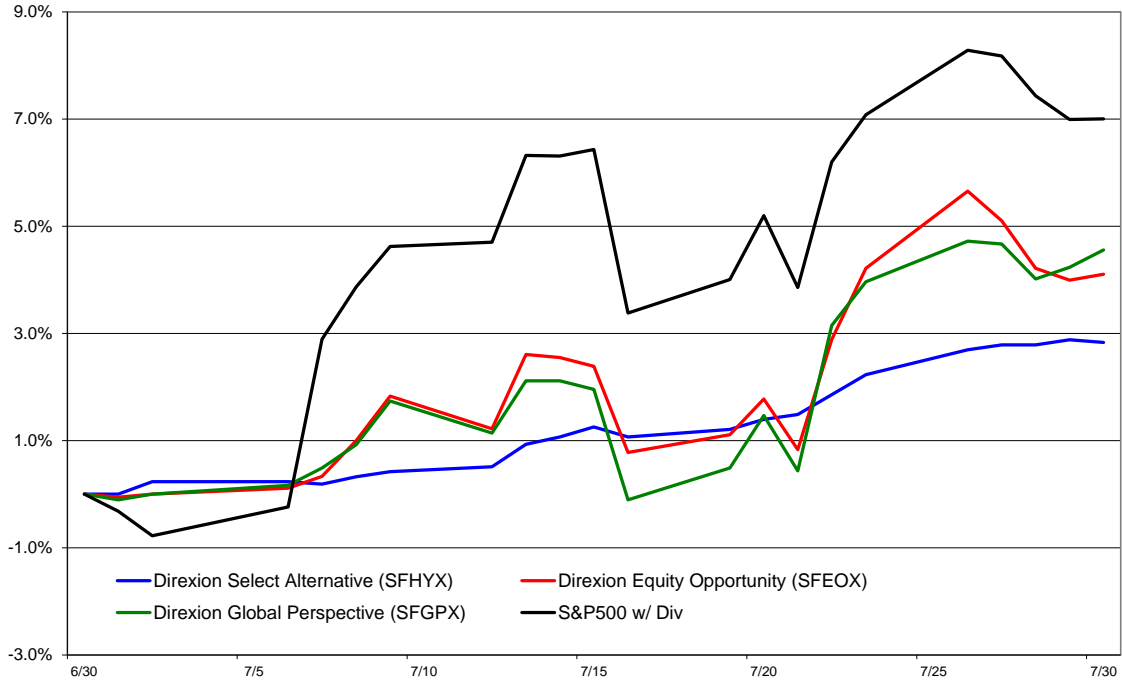
Expense Ratio information below.

Direxion Global Perspective (SFGPX)

SFGPX climbed 4.58% in July. Exposure at the beginning of the month was 3% equity and 35% U.S. Dollar. Early in the month, the IMF raised global growth forecasts, sparking the rally in foreign markets and precipitated a decline in the U.S. Dollar. SFGPX exposure quickly adjusted to the changing investment landscape. By the latter part of the month, exposure had grown to 104% but scaled back to 94% by month's end as momentum eased.

Expense Ratio information below.

**Absolute Daily % Return
July 2010**



		SFHXY	SFEOX	SFGPX	Lipper HY Index	S&P 500 Index	MXWO Index
July		2.83%	4.10%	4.58%	3.57%	7.01%	8.13%
Qtr Ending	6/30/2010	0.74%	-4.55%	-5.17%	-0.83%	-11.43%	-12.47%
YTD		5.09%	0.05%	-2.74%	7.49%	-0.11%	-2.15%
12 Month		15.64%	8.22%	1.07%	21.72%	13.84%	10.49%
5 Year		34.20%	6.01%	26.41%	29.70%	-0.86%	8.01%
Since Inception		*36.62%	**17.09%	*** 48.79%			

Dividends reinvested for performance calculations.

* 9/1/2004 - fund name change from High Yield Plus on June 11, 2007.

** 10/11/2004

***9/28/2004

Lipper High Yield Index (Lipper Analytical Services, Inc.) contains high current yield fixed income securities, having no quality or maturity restrictions and invests in lower grade debt issues.

Standard & Poor's 500 Index (w/dividends) is an aggregate market value of 500 domestic stocks representing all major industries.

MSCI World Index (MXWO) is a capitalization-weighted index that monitors the performance of stocks from around the world.

Total Annual Fund Operations Expense Ratios:

SFHXY – *Spectrum Select Alternative Fund* 3.74%

SFEOX – *Spectrum Equity Opportunity Fund* 2.85%

SFGPX – *Spectrum Global Perspective Fund* 2.93%

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. Please call 1-800-851-0511 for monthly performance updates.

The risks associated with the Funds are detailed in the prospectus which include risks of the Sub adviser's investment strategy, aggressive investing techniques, high portfolio turnover, investing in ETF's, investing in other investment companies, swap agreements, asset-backed securities, leverage, shorting and non-diversification. Aggressive investing techniques would include the use of futures, enhanced betas and shorting securities. Shorting occurs when investors sell securities they do not own and are committed to repurchasing eventually. Because the Fund's holdings include small-cap, mid-cap, and international equities, there are additional risks such as the possibility of greater price volatility and reduced liquidity, fluctuations in currency exchange rates, and political diplomatic and economic conditions as well as regulatory requirements in foreign countries. There are additional risks associated with investing in instruments rated below investment grade (i.e., junk bonds) because such instruments generally involve greater risk of default or price changes than other types of fixed-income instruments, therefore the Fund's performance may vary significantly as a result.

An investor should consider the investment objectives, risks, charges, and expenses of the Direxionfunds carefully before investing. The prospectus contains this and other information about the Direxionfunds. To obtain a prospectus please call the Direxionfunds at 800-851-0511. The prospectus should be read carefully before investing. Date of first use: August 6, 2010. Distributor: Rafferty Capital Markets, LLC. Rafferty Capital Markets, LLC has no affiliation with Hundredfold Advisors, LLC.