

> Liquidity

> Leverage

> Long Exposure

> Short Exposure

Direxion Funds offers innovative investment products which may help to increase upside returns in bull market conditions and hedge against, or profit from, bear market conditions.

Fund Name	Index	Monthly Target	Fund Symbol
Monthly Small Cap Bull 2x Fund	Russell 2000®	200%	DXRLX
Monthly Small Cap Bear 2x Fund	Russell 2000®	-200%	DXRSX

Fund Objective

The Direxion Monthly Small Cap Bull 2X Fund seeks monthly investment results, before fees and expenses, of 200% of the calendar month price performance of the Russell 2000® Index.

The Direxion Monthly Small Cap Bear 2X Fund seeks monthly investment results, before fees and expenses, of 200% of the inverse (or opposite) of the calendar month price performance of the Russell 2000® Index.

Target Index

The Russell 2000® Index is comprised of the smallest 2000 companies in the Russell 3000® Index. The Frank Russell Company is not a sponsor of, or in any way affiliated with, the Direxion Funds.

Index Sector Weightings

Financial Services	14.59%	Materials & Processing	4.34%
Consumer Discretionary	10.45%	Energy	3.67%
Technology	10.41%	Consumer Staples	2.10%
Health Care	10.35%	Utilities	2.00%
Producer Durables	9.18%		

Data as of 6/30/2010 is subject to change at any time.

As of 9/30/2009, the Bull Fund's investment objective has changed from seeking **daily** investment results, before fees and expenses, of **250%** of the price performance of its benchmark to seeking **monthly** investment results, before fees and expenses, of **200%** of the price performance of its benchmark. The Bear Fund's investment objective has changed from seeking **daily** investment results, before fees and expenses, of **-250%** of the price performance of its benchmark to seeking **monthly** investment results, before fees and expenses, of **-200%** of the price performance of its benchmark.

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

Investing in index funds may be more volatile than investing in broadly diversified funds. The use of leverage by a mutual fund increases the risk to the fund. The more a fund invests in leveraged instruments the more the leverage will magnify gains or losses on those investments. The principal risks of investing in Small Cap Funds are Adverse Market Conditions Risk, Adviser's Investment Strategy Risk, Aggressive Investment Techniques Risk, Counterparty Risk, Credit Risk, Early Close/Trading Halt Risk, Equity Securities Risk, Gain Limitation Risk, Interest Rate Risk, Intra-Calendar Month Investment Risk, Leverage Risk, Market Risk, Market Timing Activity and High Portfolio Turnover, Monthly Correlation Risk, Negative Implications of Monthly Goals in Volatile Markets, Non-Diversification Risks, Regulatory Risk, Small and Mid Capitalization Company Risk, Special Risks of Investing in Other Investment Companies and ETFs and Tracking Error Risk. Additional risks of investing in the Direxion Monthly Small Cap Bear 2X Fund are Shorting Risk and Inverse Correlation Risk. For more information on the risks of the Small Cap Funds, including a description of each risk, please refer to the "Principal Risks" section above.

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