

Daily China Bull 3x Shares

Fund Objective

The Daily China Bull 3X Shares seeks daily investment results, before fees and expenses, of 300% of the price performance of the BNY China Select ADR Index.

Fund Symbol CZM
 Intra-day Indicative Value CZM.IV
 Daily Target 300%
 Bloomberg Index Symbol BKTCN
 CUSIP 25459W771
 ISIN US25459W7719
 Gross Expense Ratio 0.94%
 Net Expense Ratio** 0.94%
 Inception Date 12/03/2009

Target Index - BNY Mellon China Select ADR IndexSM

Index Description

The BNY Mellon China Select ADR IndexSM is a free float-adjusted modified capitalization weighted index designed by BNY Mellon that tracks the performance of depositary receipts in ADR form that are listed for trading on the NYSE, NYSE Amex and Nasdaq Stock Market ("NASDAQ") of companies from China which meet certain criteria. As of December 31, 2010, the index is comprised of 48 constituents with an average market capitalization of over \$0.9 billion dollars and a median market capitalization of \$500 million dollars. One cannot directly invest in an index.

Index Sector Weightings (%)

CHINA 74.73
 HONG KONG 25.27

Performance

Fund		1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	Since Inception
Daily China Bull 3x Shares	NAV	1.23	-3.71	22.12	22.12	12.03
	Market Close	0.09	-4.10	21.38	21.38	11.72
Daily China Bear 3x Shares	NAV	-3.16	-7.41	-56.53	-56.53	-51.34
	Market Close	-1.92	-7.77	-56.32	-56.32	-51.27

Daily China Bear 3x Shares

Fund Objective

The Daily China Bull 3X Shares seeks daily investment results, before fees and expenses, of 300% of the inverse (or opposite) of the price performance of the BNY China Select ADR Index.

Fund Symbol CZI
 Intra-day Indicative Value CZI.IV
 Daily Target -300%
 Bloomberg Index Symbol BKTCN
 CUSIP 25459W763
 ISIN US25459W7636
 Gross Expense Ratio 0.96%
 Net Expense Ratio** 0.95%
 Inception Date 12/03/2009

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 funds website at www.direxionshares.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 or summary prospectus.

**Rafferty has contractually agreed to waive all or a portion of it's fees and/or reimburse the fund for expenses through March 1, 2011, to the extent that the funds net annual operating expenses exceed 0.95%.

There is no guarantee these funds will meet their stated investment objectives.

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

ADR (American Depository Receipt) is a negotiable certificate issued by a US bank representing a specified number of shares (or one share) in a foreign stock that is traded on a US exchange.

An investor should consider the investment objectives, risks, charges, and expenses of Direxion Shares carefully before investing. The prospectus and summary prospectus contain this and other information about Direxion Shares. [Click here](#) to obtain a prospectus and summary prospectus or visit our website at www.direxionshares.com. The prospectus and summary prospectus should be read carefully before investing.

Investing in the funds may be more volatile than investing in broadly diversified funds. The use of leverage by a fund increases the risk to the fund. The Funds are not suitable for all investors and should be utilized only by sophisticated investors who understand leverage risk, consequences of seeking daily leveraged investment results and intend to actively monitor and manage their investment. The Funds are not designed to track the underlying index over a longer period of time.

The principal risks of investing in the China Funds are Adverse Market Conditions Risk, Adviser's Investment Strategy Risk, Aggressive Investment Techniques Risk, Counterparty Risk, Credit Risk, Currency Exchange Rate Risk, Daily Correlation Risk, Daily Rebalancing and Market Volatility Risk, Depositary Receipt Risk (Direxion Daily China Bull 3X Shares only), Early Close/Trading Halt Risk, Emerging Markets Risk, Equity Securities Risk, Foreign Securities Risk, Gain Limitation Risk, Geographic Concentration Risk, Interest Rate Risk, Intra-Day Investment Risk, Leverage Risk, Market Risk, Non-Diversification Risk, Regulatory Risk, Tax and Distribution Risk, Tracking Error Risk, Valuation Time Risk and Special Risks of Exchange Traded Funds. Additional risks of investing in the Direxion Daily China Bear 3X Shares are Inverse Correlation Risk and Shorting Risk. Shorting securities occurs when investors sell securities they don't own and are committed to repurchase eventually.

Also, it is important to note that China is a totalitarian country and the central government has historically exercised substantial control over virtually every sector of the Chinese economy. Government power raises the risk of nationalization, expropriation, or confiscation of property. The legal system is still developing and the ability to obtain or enforce judgments is uncertain. China's relationship with Taiwan is poor and the possibility of military action exists. China differs, often unfavorably, from more developed countries in such respects as structure, general development, government involvement, wealth distribution, rate of inflation, growth rate, allocation of resources and capital reinvestment, among others.

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