

> 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

Dynamic HY Bond Fund	PDHYX	254939762
HY Bear Fund	PHBRX	254939754

Fund Objective

The Dynamic HY Bond Fund seeks to maximize total return (income plus capital appreciation) by investing primarily in debt instruments, including convertible securities, and derivatives of such instruments, with an emphasis on lower-quality debt instruments.

The HY Bear Fund seeks to profit from a decline in the value of lower-quality debt instruments by creating short positions in such instruments and derivatives of such instruments.

Portfolio Manager (as of July 1, 2006)

Loren Norton, High Yield Portfolio Manager, has over 8 years of fixed income trading experience at Investments, Morgan Stanley and, most recently, Credit Suisse. For the past 4 years Loren has traded high crossover and investment grade single name credit derivatives and has experience in a breadth of industry sectors credit market. Furthermore, he was the index-flow trader for the DJ CDX products at Credit Suisse and was Suisse's board member for the DJ CDX Index Consortium. Loren has an MBA from Columbia Business School.

Data as of 9/30/2008 is subject to change at any time.

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.

The risks associated with the Dynamic HY Bond and HY Bear Funds include risks of the Investment Adviser's Investment Strategy, Credit Risk and Lower-Quality Debt Instruments, Market Timing Activity and High Portfolio Turnover, Risks of Aggressive Investment Techniques, Risks of Investing in Derivatives, Swap Agreement Risks, Adverse Market Conditions, Interest Rate Changes, Prepayment Risk, Risk of Non-Diversification, and Risk of Shorting Instruments. For more information on the risks of the High Yield Funds, including a description of each risk, please refer to the prospectus.

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Date of First Use July 19, 2007