

# LABD

## Direxion Daily S&P Biotech Bear 3X Shares

### Fund Description

LABD provides daily 3 times inverse exposure to the S&P Biotechnology Select Industry Index.

### FactSet Analyst Report

LABD is a daily leveraged inverse (-3x) bet on an equal-weighted index of US biotech stocks. The vast majority of the fund's exposure is to biotechnology and medical research but also captures significant exposure to pharmaceuticals as well. As a leveraged product, the fund is not a buy-and-hold investment. It gets its leverage exposure through a through a portfolio of swaps that gets rebalanced at the end of each trading day. Because of that, the fund's return for periods longer than a day becomes path-dependent and is likely to be different from -3x the return of the index for the same period. This makes LABD suitable primarily for short-term traders. Over time, compounding effects can lead to profound differences in expected returns relative to the index.