

LOPX

Direxion Low Priced Stock ETF

Fund Description

LOPX tracks an equal-weighted index of 50 low-priced US securities selected using a technical-focused strategy that varies depending on the quarter of rebalancing.

FactSet Analyst Report

LOPX focuses on a stocks price rather than a stocks value. The fund narrows down its broad all-cap US equity selection universe through a methodology that varies depending on the quarter at which the portfolio is rebalanced. At each August rebalance, the fund screens for securities that have a closing price between \$2 and \$5 per share, whereas during February, May and November, the fund picks stocks with a closing price between \$1.25 and \$10 per share. The selection process also includes an \$85 million minimum market-cap and liquidity requirements. An exclusionary screen filters out stocks that have had a reverse stock split between rebalance periods. Stocks are ranked and selected by market-cap. The market-cap requirement may be reduced until the target number of 50 constituents is reached. Holdings are reconstituted and equally-weighted at each quarterly rebalance.