

MOON

Direxion Moonshot Innovators ETF

Fund Description

MOON tracks a tier-weighted index that selects US-listed companies seeking innovative technologies.

FactSet Analyst Report

MOON targets US companies that pursue innovative and disruptive technologies, or moonshot innovators. The selection universe is drawn from companies in the S&P Kensho New Economy indices or from the Wireless Telecommunication or Internet industries. To construct the portfolio, the index picks the top 50 companies with the highest early-stage composite innovation scores. This score is based on a natural language processing (NLP) algorithm used for keyword searches relating to the theme and on the companies research and development expense ratio to revenue. While MOON may include stocks of all capitalizations in its portfolio, the fund aims to focus on mid- and small-cap stocks and exclude mega-cap stocks. Furthermore, the index applies modified equal-weighting stocks are first equal-weighted, and then adjusted to meet liquidity, industry group, and diversification constraints. The index is rebalanced quarterly and reconstituted semi-annually.

