TEXU

Direxion Daily Energy Top 5 Bull 2X ETF

Fund Description

TEXU is passively managed, providing 2x leveraged exposure to an equally-weighted index of the top 5 largest US companies in the energy sector.

FactSet Analyst Report

TEXU provides 2x leveraged exposure to the top 5 US energy companies from the S&P 500. These five stocks are selected based on their market capitalization and are weighted equally. The fund primarily invests in financial instruments, such as swaps, futures, and ETFs tracking the index. Additionally, it may hold both index and non-index constituents. Providing hyper-concentration in the energy sector, TEXU is not designed to be a long-term investment. Instead, it should be used as a short-term trading vehicle. The fund is a leveraged product with a 2x daily resetting factor and is likely to stray from the returns of the underlying index, especially over longer holding periods due to compounding. The fund may have a high portfolio turnover rate. The Index is rebalanced quarterly and reconstituted annually.