

LEVERAGED AND INVERSE ETFs¹

ETFs PROVIDING LEVERAGED AND INVERSE EXPOSURE TO MAJOR INDICES

THIRD QUARTER 2008

INVESTMENT STRATEGY FOR 2X ETFs

Seeks to provide investment results that correspond to 200% of the index's daily performance

FUND HIGHLIGHTS & APPLICATIONS¹

- Strives to amplify the index returns
- Allows investors to attain more market exposure with the same capital

INVESTMENT STRATEGY FOR INVERSE 2X ETFs

Seeks to provide investment results that inversely correspond to 200% of the index's daily performance

FUND HIGHLIGHTS & APPLICATIONS¹

- Employs a strategy to potentially capitalize on stock downturns
- Employs a potentially powerful, inexpensive hedge against downturns

EXCHANGE

American Stock Exchange

INCOME DISTRIBUTION FREQUENCY

Quarterly

FUND TYPE

Leveraged and Inverse 2x Exchange Traded Fund

INDEX REBALANCE

Annual, In December

SHORT SALE/MARGIN ELIGIBLE⁴

Yes

For information, call 877.RYDEX34 or visit us at www.rydexinvestments.com

AVERAGE ANNUAL TOTAL RETURNS (AS OF 09/30/2008)

Fund Name	YTD ²	1-Year	3-Year	SI	Total Expense Ratio ³	Inception Date
S&P 500® Index						
Rydex 2x S&P 500 ETF (Market Close)	-38.05%	N/A	N/A	-41.35%	0.70%	11/5/2007
Rydex 2x S&P 500 ETF (NAV)	-39.23%	N/A	N/A	-42.36%	0.70%	11/5/2007
Rydex Inverse 2x S&P 500 ETF (Market Close)	39.12%	N/A	N/A	44.95%	0.70%	11/5/2007
Rydex Inverse 2x S&P 500 ETF (NAV)	38.50%	N/A	N/A	44.17%	0.70%	11/5/2007
S&P 400 MidCap™ Index						
Rydex 2x S&P MidCap 400 ETF (Market Close)	-31.70%	N/A	N/A	-35.39%	0.70%	11/5/2007
Rydex 2x S&P MidCap 400 ETF (NAV)	-32.15%	N/A	N/A	-36.10%	0.70%	11/5/2007
Rydex Inverse 2x S&P MidCap 400 ETF (Market Close)	25.62%	N/A	N/A	30.17%	0.70%	11/5/2007
Rydex Inverse 2x S&P MidCap 400 ETF (NAV)	23.09%	N/A	N/A	28.81%	0.70%	11/5/2007
Russell 2000® Index						
Rydex 2x Russell 2000® ETF (Market Close)	-29.07%	N/A	N/A	-34.10%	0.70%	11/5/2007
Rydex 2x Russell 2000® ETF (NAV)	-25.03%	N/A	N/A	-30.49%	0.70%	11/5/2007
Rydex Inverse 2x Russell 2000® ETF (Market Close)	6.76%	N/A	N/A	10.12%	0.70%	11/5/2007
Rydex Inverse 2x Russell 2000® ETF (NAV)	5.77%	N/A	N/A	10.12%	0.70%	11/5/2007

Performance displayed represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate so that when shares are redeemed, they may be worth more or less than original cost. Returns reflect the reinvestment of all dividends. Current performance may be lower or higher than the performance data quoted. For up-to-date fund performance, including performance current to the most recent month-end, visit our web site at www.rydexinvestments.com. For additional information, see the fund's prospectus. ETFs are subject to third party transaction fees/commissions. Net asset value (NAV) is calculated by subtracting total assets, then dividing by the number of shares outstanding. Market close is the last price at which shares are traded. Shares may trade at, above or below NAV.

SYMBOL & CUSIP NUMBER

Fund Name	Ticker	Indicative Value Ticker	Beta	CUSIP
Rydex 2x S&P 500 ETF	RSU	RSU.IV	2	783-55W-78-3
Rydex Inverse 2x S&P 500 ETF	RSW	RSW.IV	-2	783-55W-76-7
Rydex 2x S&P MidCap 400 ETF	RMM	RMM.IV	2	783-55W-75-9
Rydex Inverse 2x S&P MidCap 400 ETF	RMS	RMS.IV	-2	783-55W-73-4
Rydex 2x Russell 2000® ETF	RRY	RRY.IV	2	783-55W-72-6
Rydex Inverse 2x Russell 2000® ETF	RRZ	RRZ.IV	-2	783-55W-69-2

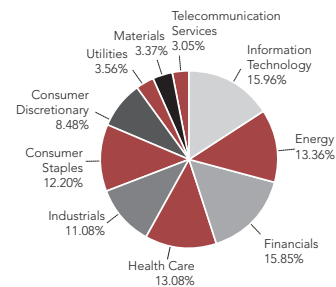
¹ RydexShares are subject to risks similar to those of stocks and may not be suitable for all investors. Investment returns and principal value will fluctuate so that when shares are redeemed, they may be worth more or less than original cost. **Inverse and leveraged ETFs may not be suitable for all investors.** The more an ETF invests in leveraged instruments, the more the leverage will magnify any gains or losses on those investments. Inverse funds involve certain risks, which include increased volatility due to the fund's possible use of short sales of securities and derivatives, such as options and futures. The funds' use of derivatives, such as futures, options and swap agreements, may expose the funds' shareholders to additional risks that they would not be subject to if they invested directly in the securities underlying those derivatives. Short-selling involves increased risks and costs. You risk paying more for a security than you received from its sale. Securities are not guaranteed by any bank, are not insured by the FDIC or any other agency, and involve investment risks, including possible loss of the principal amount invested. ² Returns are cumulative not annualized. Performance results are short-term and may provide inadequate basis evaluation of the performance potential to the fund over varying market conditions or economic cycles. ³ The fund has adopted a distribution (12b-1) plan pursuant to which the fund may bear an annual 12b-1 fee of up to 0.25%. However, no such fee is currently charged to the fund and no such fees will be charged prior to 3/01/2009. ⁴ There are special risks associated with margin investing. Investors may be called upon to deposit additional cash or securities if their account value decreases. This strategy may not be suitable for all investors.

UNDERLYING INDICES⁵

S&P 500® INDEX⁵ (AS OF 09/30/08)

The S&P 500® Index is a cap-weighted index composed of 500 common stocks from a wide range of industries that are traded on the New York Stock Exchange, the American Stock Exchange and the Nasdaq.

Sector Breakdowns



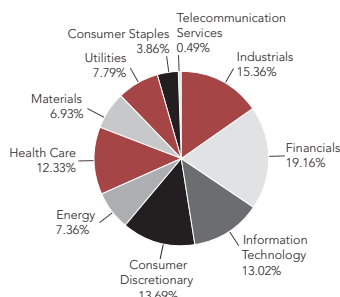
Top Five Company Holdings

Exxon Mobil Corp.	3.96%
General Electric Co.	2.49%
Procter & Gamble Co.	2.08%
Microsoft Corp.	2.06%
Johnson & Johnson	1.90%

S&P MIDCAP 400™ INDEX⁶ (AS OF 09/30/08)

The S&P MidCap 400™ Index is a cap-weighted index that measures the performance of medium-sized U.S. companies.

Sector Breakdowns



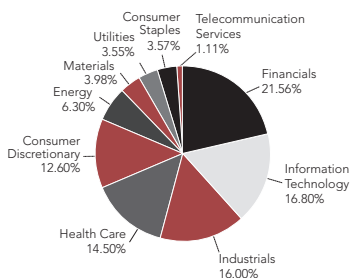
Top Five Company Holdings

Fmc Technologies Inc.	0.64%
New York Community Bancorp Inc.	0.62%
Cleveland-Cliffs Inc.	0.61%
Dentsply International Inc.	0.60%
Covance Inc.	0.60%

RUSSELL 2000® INDEX⁶ (AS OF 09/30/08)

The Russell 2000® Index represents the performance of the 2,000 smallest U.S. companies. The index is reconstituted annually and sector weightings are adjusted accordingly.

Sector Breakdowns



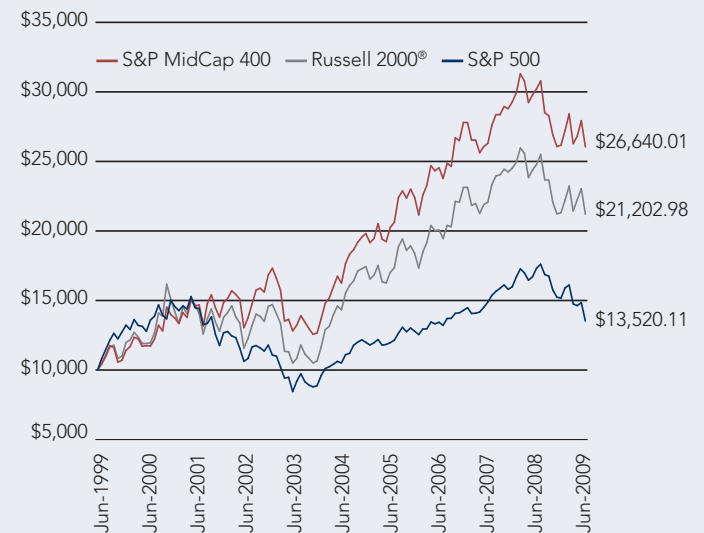
Top Five Company Holdings

Ralcorp Holdings Inc.	0.37%
Penn Virginia Corp.	0.30%
Energy Conversion Devices Inc.	0.28%
W-H Energy Services Inc.	0.28%
Alexion Pharmaceuticals Inc.	0.27%

AVERAGE ANNUAL TOTAL RETURNS⁷ (AS OF 09/30/2008)

Index	YTD ⁸	1-Year	3-Year	5-Year	10-Year	3-Year Standard Deviation ⁹
S&P 500 ⁵	-19.29%	-21.98%	0.22%	5.15%	3.05%	11.23
S&P MidCap 400 ⁵	-14.34%	-16.68%	1.78%	8.62%	10.26%	13.45
Russell 2000 ⁶	-10.38%	-14.48%	1.83%	8.12%	7.78%	14.35

GROWTH OF \$10,000 LAST 10 YEARS⁷ (AS OF 09/30/2008)



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⁵ The indices are unmanaged and not available for direct investment. ⁶ Source data used: FactSet as of 09/30/08. Composition is subject to change. Information is provided for illustration purposes only and may not reflect actual investments by the fund. ⁷ Source: Ibbotson Encorr as of 09/30/2008. ⁸ Partial returns are cumulative, not annualized. Performance results are short-term and may not provide an adequate basis for evaluating the performance potential of the fund over varying market conditions or economic cycles. ⁹ A statistical measure of the historical volatility of an investment, usually computed using 36 monthly returns. More generally, a measure of the extent to which numbers are spread around their average. The higher the number, the more volatility is to be expected.

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