



Martha Redding
Associate General Counsel
Assistant Secretary

New York Stock Exchange
11 Wall Street
New York, NY 10005

November 28, 2016

VIA E-MAIL

Brent J. Fields
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Re: Securities Exchange Act Rel. 34-78433 (SR-NYSEArca-2016-100)

Dear Mr. Fields:

NYSE Arca, Inc. filed the attached Partial Amendment No. 2 to the above-referenced filing on November 23, 2016.

Sincerely,

A handwritten signature in blue ink, appearing to be "BJF", written in a cursive style.

Encl. (Partial Amendment No. 2 to SR-NYSEArca-2016-100)

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 4 SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4 File No.* SR - 2016 - * 100 Amendment No. (req. for Amendments *) 2

Filing by NYSE Arca
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) <input type="checkbox"/> Section 806(e)(2) <input type="checkbox"/>	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) <input type="checkbox"/>
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Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description
 Provide a brief description of the action (limit 250 characters, required when Initial is checked *).
 Proposal Relating to the Listing and Trading of Shares of Direxion Daily Municipal Bond Taxable Bear 1X Fund under NYSE Arca Equities Rule 5.2j3

Contact Information
 Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Kevin Last Name * Lee
 Title * Counsel NYSE Group Inc
 E-mail * [REDACTED]
 Telephone * [REDACTED] Fax [REDACTED]

Signature
 Pursuant to the requirements of the Securities Exchange Act of 1934,
 has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.
 (Title *)
 Date 11/23/2016 Senior Counsel
 By David De Gregorio
 (Name *)
 David DeGregorio,
 NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

SR-NYSEArca-2016-100 Amendment No. 2

NYSE Arca, Inc. (“Exchange”) hereby amends SR-NYSEArca-2016-100, as amended by Amendment No. 1 (“Filing”) as follows:

1. The second sentence of the first full paragraph on page 5 of the Filing and the second sentence of the first full paragraph on page 26 of Exhibit 1 to the Filing are deleted and are replaced with the following:

“The Fund, under normal circumstances,^{5/6} will create net short positions by investing at least 80% of the Fund’s assets (plus any borrowings for investment purposes) in the following financial instruments (“Financial Instruments”): options on exchange-traded funds (“ETFs”) and indices, traded on U.S. exchanges (based on aggregate gross notional value); swaps that provide short exposure to the securities included in the Index and various ETFs (based on aggregate gross notional value); and short positions in ETFs, as described below in this “Principal Investments” section, that, in combination, provide inverse exposure to the Standard & Poor’s National AMT-Free Municipal Bond Index (“Index”).^{6/7}”

2. The second sentence of the third full paragraph on page 6 of the Filing and the first full sentence on page 28 of Exhibit 1 to the Filing are deleted and are replaced with the following:

“The Fund will not (i) take long positions in ETFs or (ii) invest in options that overlie inverse, leveraged or inverse leveraged ETFs (e.g., -2X, -3X, 2X or 3X).”

3. The second sentence of the first full paragraph on page 11 of the Filing and the second sentence of the first full paragraph on page 34 of Exhibit 1 to the Filing are deleted and are replaced with the following:

“If the NASDAQ Official Closing Price is not available, such securities shall be valued at the last sale price on the day of valuation, or if there has been no sale on such day, at the mean between the last bid and last offer prices.”

4. The third sentence of the first full paragraph on page 11 of the Filing and the third sentence of the first full paragraph on page 34 of Exhibit 1 to the Filing are deleted and are replaced with the following:

“Securities that are listed on a market other than NASDAQ shall be valued using the last sale price on the day of valuation, or if there has been no sale on such day, the mean of the last bid and last offer prices will be used.”

The Exchange believes that the proposed rule change, as modified by this amendment, is consistent with the requirement of Section 6(b)(5) of the Securities Exchange Act of 1934¹ (“Act”) that an exchange have rules that are designed, among other things, to

¹ 15 U.S.C. 78f(b)(5).

prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general to protect investors and the public interest. Item 1 above clarifies that the value of options on exchange-traded funds (“ETFs”) and indices and of swaps that provide short exposure to the securities included in the Index and various ETFs will be based on aggregate gross notional value. Item 2 above makes clear that the options overlie inverse, leveraged and inverse leveraged ETFs. Item 3 above clarifies the valuation methodology for purposes of determining net asset value by specifying that for securities primarily traded on NASDAQ, if the NASDAQ Official Closing Price is not available and no last sale price on the day of valuation is available, the mean between the last bid and last offer prices will be used. Item 4 above clarifies the valuation methodology for purposes of determining net asset value by specifying that the last sale price on the day of valuation will be used to value a security that is listed on a market other than NASDAQ if such last sale price is available.

All other representations in the Filing remain as stated therein and no other changes are being made.