



## **Invesco PowerShares Announces Shift to Fundamental Index<sup>®</sup> Approach for High Yield Corporate Bond Portfolio (PHB)**

### **Fund renamed to reflect change to new Index**

**CHICAGO – August 2, 2010** – Invesco PowerShares, a leading provider of exchange-traded funds (ETFs), announced that effective Aug. 2, 2010, the PowerShares High Yield Corporate Bond Portfolio (PHB) began tracking the RAFI<sup>®</sup> High Yield Bond Index and was renamed the PowerShares Fundamental High Yield<sup>®</sup> Corporate Bond Portfolio. PHB is the first fixed-income ETF to use Research Associates' Fundamental Index methodology.

"We are very pleased to expand our relationship with Research Associates and offer investors another industry first with the introduction of an innovative fixed-income index strategy that incorporates the Fundamental Index methodology," said Ben Fulton, Invesco PowerShares managing director of global ETFs. Invesco PowerShares already offers eight equity ETFs based on FTSE RAFI indexes, which also make use of the Fundamental Index methodology.

Traditional bond indices give the largest weights to the biggest debtors, potentially exposing investors to greater risks of default. In contrast, Research Associates' Fundamental Index methodology uses fundamental measures of company size, including book value, sales, dividends and cash flow, to set constituent weights.

"By weighting companies based on fundamental measures of their resources available to service debt, we believe the PowerShares Fundamental High Yield Corporate Bond Portfolio represents a compelling alternative to market-cap-weighted fixed-income portfolios and provides investors the potential for improved risk-adjusted returns," Mr. Fulton added.

"Traditional bond indexes are flawed. Why would you want to give the biggest portion of assets to those companies that are the biggest debtors?" said Rob Arnott, chairman and founder of Research Associates, LLC, which developed the new index in conjunction with Ryan ALM, Inc. "The RAFI High Yield Bond Index offers a compelling alternative to traditional high-yield bond indexes." Ron Ryan, CEO of Ryan ALM, adds, "We believe the index rules that we designed and maintain for the RAFI Index provide the highest liquidity, creditworthiness, investability and interest rate risk balance for a high-yield index today."

PHB will normally invest at least 80% of its total assets in high-yield bonds that comprise the Index. The Index measures potential returns of a theoretical portfolio of high yield, U.S. dollar denominated corporate bonds registered for sale in the United States whose issuers are public companies listed on a major U.S. stock exchange.

The underlying index is rebalanced at the end of every month based on the index rules and weighted according to a composite RAFI weight that is calculated for each eligible company. Composite RAFI weights are calculated using the following four factors: current book value of assets as well as gross sales, gross dividends and cash flow, each based on five-year averages. The target RAFI weights are reconstituted annually.

The Fund previously tracked the WellsFargo<sup>®</sup> High Yield Bond Index. The fund continues to be offered on the NYSE Arca under the existing ticker symbol PHB.

Invesco PowerShares Capital Management LLC is leading the Intelligent ETF Revolution<sup>®</sup> through its family of more than 120 domestic and international exchange-traded funds, which seek to outperform traditional benchmark indexes while providing advisors and investors access to an innovative array of focused investment opportunities. With franchise assets over \$44 billion as of June 30, 2010, PowerShares ETFs trade on both U.S. stock exchanges. For more information, please visit us at [www.invescopowershares.com](http://www.invescopowershares.com).

Invesco PowerShares is part of Invesco Ltd., a leading independent global investment manager, dedicated to helping investors worldwide achieve their financial objectives. By delivering the combined power of our distinctive investment management capabilities, Invesco provides a wide range of investment strategies and vehicles to our retail, institutional and high net worth clients around the world. Operating in 20 countries, the company is listed on the New York Stock Exchange under the symbol IVZ. Additional information is available at [www.invesco.com](http://www.invesco.com).

There are risks involved with investing in ETFs including possible loss of money. Shares are not actively managed and are subject to risks similar to those of stocks. For a description of the risks of investing in the Funds, please see the Funds' prospectuses. Ordinary brokerage commissions apply.

High-yield securities have additional risks, including interest-rate changes, decreased market liquidity and a larger amount of outstanding debt than investment-grade securities.

Foreign securities have additional risks, including exchange-rate changes, decreased market liquidity, political instability and taxation by foreign governments.

The Fund's underlying securities may be subject to call risk, which may result in the Fund having to reinvest the proceeds at lower interest rates, resulting in a decline in the Fund's income.

The Fund may invest in illiquid securities, resulting in a decline of the Fund's returns.

The Fund is considered non-diversified and may be subject to greater risks than a diversified fund.

Not FDIC Insured | May Lose Value | No Bank Guarantee

Note: Not all products available through all firms.

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**Shares are not individually redeemable and owners of the Shares may acquire those Shares from the Funds and tender those Shares for redemption to the Funds in Creation Unit aggregations only, typically consisting of 100,000 Shares.**

**Invesco Distributors, Inc. is the distributor of the PowerShares Exchange-Traded Fund Trust II.**

***An investor should consider the Fund's investment objective, risks, charges and expenses. For this and more complete information about the Fund, call 800 983 0903 or visit [invescopowershares.com](http://invescopowershares.com) for a prospectus. Please read the prospectus carefully before investing.***

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