

# PGJ

As of December 31, 2011

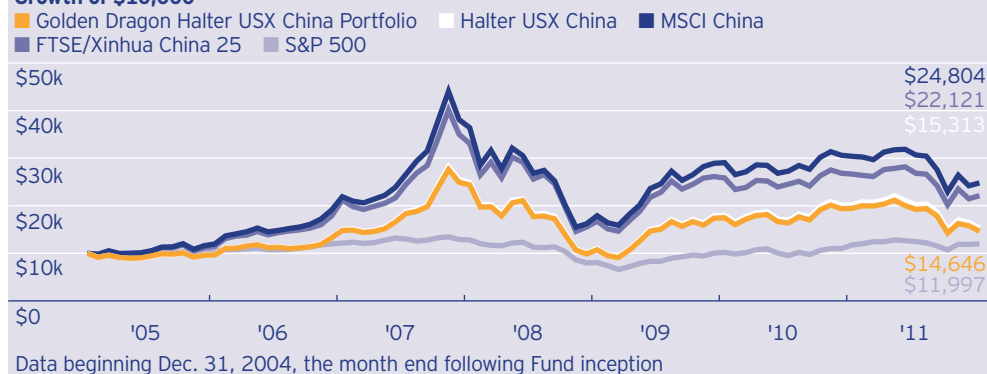
## Fund Description

The PowerShares Golden Dragon Halter USX China Portfolio is based on the Halter USX China Index<sup>SM</sup>. The Fund will normally invest at least 90% of its total assets in equity securities that comprise the Index. The Index is composed of U.S.-listed securities of companies that derive a majority of their revenue from the People's Republic of China. The Index is designed to provide insight and access to the unique economic opportunities taking place in China while still providing investors with the transparency<sup>3</sup> offered with U.S.-listed securities. The portfolio is reconstituted and rebalanced quarterly.

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, including those regarding short selling and margin maintenance requirements. Ordinary brokerage commissions apply. The Fund's return may not match the return of the Underlying Index.

## PowerShares Golden Dragon Halter USX China Portfolio

### Growth of \$10,000<sup>1</sup>



### Fund Performance & Index History (%)<sup>1</sup>

	1 Year	3 Year	5 Year	10 Year	Fund Inception <sup>2</sup>
<b>Underlying Index</b>					
Halter USX China	-24.24	11.80	0.38	-	6.17
<b>Benchmark Indexes</b>					
MSCI China	-18.41	11.49	2.52	15.08	13.40
FTSE/Xinhua China 25	-17.03	9.70	0.84	16.05	11.65
S&P 500	2.11	14.12	-0.25	2.92	3.09
<b>Fund</b>					
NAV	-24.71	10.88	-0.21	-	5.50
After Tax Held	-25.26	10.41	-0.57	-	5.09
After Tax Sold	-16.03	9.13	-0.36	-	4.54
Market Price	-24.65	10.96	-0.23	-	5.45

Performance data quoted represents past performance. As stated in the Fund's prospectus, the total expense ratio is 0.72%. However, the Adviser has contractually agreed to waive fees and/or pay certain Fund expenses which resulted in a net expense ratio of 0.70%. The expenses borne by the Adviser are subject to recapture by the Adviser for up to three years from the date the fee or expense was borne by the Adviser. These waivers and reimbursement contracts extend through at least Aug. 31, 2012. Past performance is not a guarantee of future results; current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and Shares, when redeemed, may be worth more or less than their original cost. The Shares' performance reflects fee waivers, absent which performance would have been lower. See [invescopowershares.com](http://invescopowershares.com) to find the most recent month-end performance numbers. After Tax Held represents total return after taxes on distributions and assumes Shares have not been sold. After Tax Sold represents total return after taxes on distributions and the sale of Fund Shares. After-tax returns reflect the highest federal income tax rate but exclude state and local taxes. Market returns are based on the midpoint between the highest bid and the lowest offer, as of the time that the Fund's NAV is calculated, generally around 4 p.m. ET and do not represent the returns an investor would receive if shares were traded at other times.

### 5-Year Index Statistics<sup>1,3</sup>

	Performance (%)	Volatility (%)	Sharpe Ratio
Halter USX China	0.38	33.95	-0.03
MSCI China	2.52	33.39	0.04
FTSE/Xinhua China 25	0.84	33.69	-0.01
S&P 500	-0.25	18.88	-0.08

### Fund Data<sup>3</sup>

Golden Dragon Halter USX China Portfolio	PGJ
Intraday NAV (IIV)	PGJ.IV
Options	Yes

### Underlying Index Data

Halter USX China	HXC
Index Provider	Halter

### 5-Year Alpha, Beta and Correlation<sup>1,3</sup>

Data shown are that of the underlying Index relative to each respective benchmark index.

	Alpha	Beta	Correlation
MSCI China	-1.46	0.93	0.91
FTSE/Xinhua China 25	0.04	0.91	0.91
S&P 500	4.61	1.45	0.81

### Fund Inception: Dec. 9, 2004

<sup>1</sup> Index returns do not represent Fund returns. An investor cannot invest directly in an index.

<sup>2</sup> Returns for the benchmark indexes are based on the closest month end to the Fund's inception date.

Neither the underlying Index nor the benchmark indexes charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown; nor do any of the indexes lend securities, and no revenues from

securities lending were added to the performance shown. In addition, the results actual investors might have achieved would have differed from those shown because of differences in the timing, amounts of their investments, and fees and expenses associated with an investment in the Fund.

The MSCI China Index, the FTSE/Xinhua China 25 Index and the S&P 500® Index are unmanaged indexes considered representative of Chinese stocks, Chinese blue chip stocks and the U.S. stock market, respectively.

**Shares are not FDIC insured, may lose value and have no bank guarantee.**

**Shares are not individually redeemable and owners of the Shares may acquire those Shares from the Fund and tender those Shares for redemption to the Fund in Creation Unit aggregations only, typically consisting of 50,000 Shares.**



# PowerShares Golden Dragon Halter USX China Portfolio

As of December 31, 2011

Top 30 Fund Holdings (%) <sup>4</sup> Name	Weight
PetroChina Co. Ltd. ADR	4.63
China Mobile ADR	4.59
China Life ADR	4.53
Baidu.com	4.53
Huaneng Power International Inc. ADR	4.51
Yanzhou Coal Mining Co. Ltd.	4.51
China Unicom Ltd. ADR	4.49
CNOOC Ltd. ADR	4.48
China Petro ADR	4.47
China Teleco ADR	4.46
Aluminum Corp. of China Ltd. ADR	3.98
Netease.com Inc. ADR	3.97
China Southern Airlines Co. Ltd. ADR	3.40
China Eastern Airlines Corp. ADR	2.73
New Oriental Educational and Technology Group Inc. ADR	2.59
Sina Corp.	2.33
Ctrip.com International Ltd.	2.29
Mindray Medical Intl Ltd. ADR	2.01
Focus Media Holding ADR	1.85
Guangshen Railway Co. Ltd. ADR	1.70
SINOPEC Shanghai Petrochemical ADR	1.62
Shanda Interactive Entertainment Ltd. ADR	1.54
Sohu.com Inc.	1.29
Semiconductor Manufacturing Intl. ADR	0.88
Qihoo 360 Technology Co. ADR	0.83
51job Inc. ADR	0.80
Home Inns & Hotels Management Inc. ADR	0.79
Soufun Holdings Ltd. ADR	0.75
Silvercorp Metals Inc.	0.74
Spreadtrum Communications Inc. ADR	0.68

Fund Details <sup>3</sup>	
Weighted Harmonic Average Stock Price-to-Earnings Ratio	9.84
Weighted Harmonic Average Stock Price-to-Book-Value Ratio	1.11
Weighted Average Return on Equity	18.67%
Weighted Market Cap (mm)	20,468
Number of Holdings	168
Net Expense Ratio	0.70%
CUSIP	73935X401
Listing Exchange	NYSE Arca

Fund Industry Allocations (%) <sup>5</sup>	
Oil, Gas & Consumable Fuels	18.28
Internet Software & Services	13.89
Diversified Telecommunication Services	9.71
Airlines	6.13
Metals & Mining	5.09
Insurance	4.77
Software	4.61
Wireless Telecommunication Services	4.59
Independent Power Producers & Energy Traders	4.58
Hotels, Restaurants & Leisure	4.35

	Annual Index Performance (%)		
	Halter USX China	MSCI China	FTSE/ Xinhua
2005	-2.63	19.77	15.05
2006	54.30	82.87	84.37
2007	66.04	66.24	55.99
2008	-56.06	-50.83	-49.35
2009	64.21	62.29	54.23
2010	12.31	4.63	3.15
2011	-24.24	-18.41	-17.03

Fund Market-Cap Allocations (%) <sup>5</sup>	
Large-Cap Growth	30.77
Large-Cap Value	26.49
Mid-Cap Growth	17.93
Mid-Cap Value	11.05
Small-Cap Growth	9.40
Small-Cap Value	4.31

Fund Sector Allocations (%) <sup>5</sup>	
Consumer Discretionary	11.27
Consumer Staples	0.89
Energy	18.28
Financials	5.75
Health Care	4.08
Industrials	10.47
Information Technology	23.27
Materials	6.92
Telecommunication Services	14.30
Utilities	4.60

## Leading the Intelligent ETF Revolution<sup>®</sup>

Underlying Index performance does not represent Fund performance.

<sup>3</sup> ETFs offer transparency, meaning they disclose their full portfolio holdings daily.

The Intraday NAV is a symbol representing estimated fair value based on the most recent intraday price of underlying assets.

Volatility is the annualized standard deviation of index returns.

Beta is a measure of relative risk and the slope of regression.

Sharpe Ratio is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. A higher Sharpe Ratio indicates better risk-adjusted performance.

Correlation indicates the degree to which two investments have historically moved in the same direction and magnitude.

Alpha is a measure of performance on a risk-adjusted basis.

Stock Price-to-Earnings Ratio is the share price divided by earnings per share. It is measured on a 12-month trailing basis.

Stock Price-to-Book-Value Ratio is the ratio of a stock's market price to a company's net asset value.

Weighted Harmonic Average is a method of calculating an average value that lessens the impact of large outliers and increases the impact of small ones.

Weighted Average Return on Equity is net income divided by net worth.

Weighted Market Capitalization is the sum of each underlying securities' market value.

<sup>4</sup> Please see the website for complete holdings information. Holdings are subject to change.

<sup>5</sup> Security classifications used in calculating allocation tables are as of Nov. 30, 2011.

The Global Industry Classification Standard was developed by and is the exclusive property and a service mark of MSCI, Inc. and Standard & Poor's.

Investments focused in a particular industry are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

Investing in securities of small and medium-sized companies may involve greater risk than is customarily associated with investing in large companies.

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

Securities lending involves a risk of loss because the borrower may fail to return the securities in a timely manner or at all. If a Fund is not able to recover the securities loaned, it may sell the collateral and purchase a replacement security in the market.

Lending securities entails a risk of loss to the Funds if and to the extent that the market value of the loaned securities increases and the collateral is not increased accordingly.

The value of the securities of companies which derive the majority of their revenues from China is likely to be more volatile than that of other issuers. The Fund is subject to market fluctuations caused by such factors as economic, political, regulatory

or market developments, changes in interest rates and perceived trends in security prices. Overall security values could decline generally or could underperform other investments.

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**An investor should consider the Fund's investment objective, risks, charges and expenses carefully before investing. 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.**

Note: Not all products available through all firms.