

PMR

As of September 30, 2010

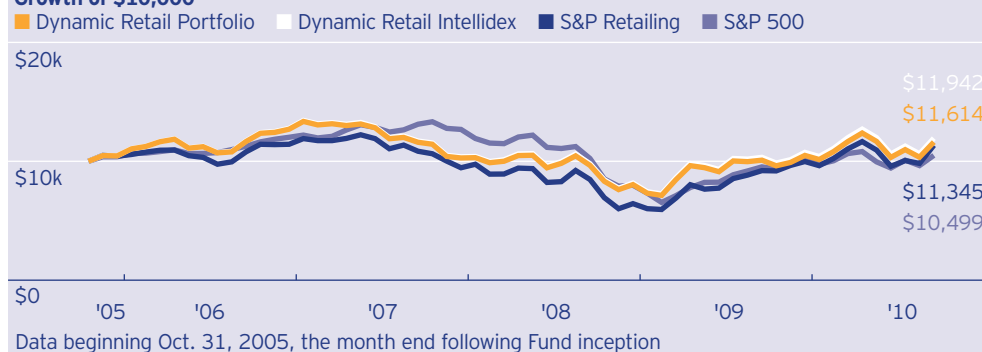
Fund Description

The PowerShares Dynamic Retail Portfolio is based on the Dynamic Retail Intellidex. The Fund will normally invest at least 90% of its total assets in common stocks that comprise the Index. The Intellidex thoroughly evaluates companies based on a variety of investment merit criteria, including fundamental growth, stock valuation, investment timeliness and risk factors. The Underlying Intellidex is comprised of stocks of 30 U.S. retailers. These are companies that are principally engaged in operating general merchandise stores such as department stores, discount stores, warehouse clubs and superstores; specialty stores, including apparel, electronics, accessories and footwear stores; and home improvement and home furnishings stores.

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. Concentrated industry investments involve greater risks than more diversified investments.

PowerShares Dynamic Retail Portfolio

Growth of \$10,000¹



Fund Performance & Index History (%)¹

	1 Year	3 Year	5 Year	10 Year	Fund Inception ²
Underlying Index					
Dynamic Retail Intellidex	15.57	0.68	3.92	-	4.09
Benchmark Indexes					
S&P Retailing	23.13	1.52	2.78	-	2.60
S&P 500	10.18	-7.15	0.64	-	1.00
Fund					
NAV	15.06	0.05	-	-	3.51
After Tax Held	14.68	-0.22	-	-	3.31
After Tax Sold	9.77	-0.12	-	-	2.89
Market Price	15.00	0.01	-	-	3.47

Performance data quoted represents past performance. As stated in the Fund's prospectus, the gross annual fund operating expense ratio is 0.89%. However, the Adviser has contractually agreed to waive fees and/or pay certain Fund expenses which resulted in the total net operating expense of 0.63%. These waivers and reimbursement contracts extend through at least Aug. 30, 2011. 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 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 of the bid/ask spread at 4 p.m. ET and do not represent the returns an investor would receive if shares were traded at other times.

Fund Data³

Dynamic Retail Portfolio	PMR
Intraday NAV (IIV)	PMR.IV

Underlying Index Data

Dynamic Retail Intellidex	DWR
Index Provider	NYSE Arca

5-Year Alpha, Beta and Correlation^{1,3}

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

	Alpha	Beta	Correlation
S&P Retailing	1.09	0.86	0.88
S&P 500	4.03	1.01	0.66

5-Year Index Statistics^{1,3}

	Performance (%)	Volatility (%)	Sharpe Ratio
Dynamic Retail Intellidex	3.92	21.77	0.07
S&P Retailing	2.78	23.70	0.02
S&P 500	0.64	17.59	-0.10

Fund Inception: Oct. 26, 2005

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

² 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.

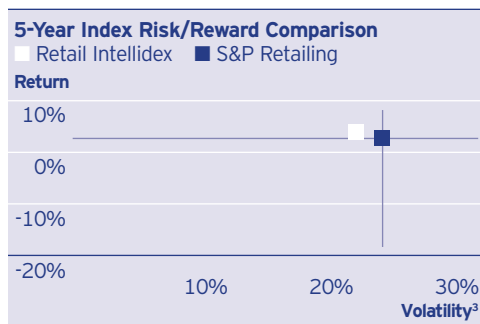
The S&P SuperComposite Retailing Index (S&P Retailing) consists of all retailing stocks included in the S&P SuperComposite 1500 Index. The S&P 500® Index is an unmanaged index considered representative of the U.S. stock market.

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.

As of September 30, 2010

Top 30 Fund Holdings (%) ⁴	
Name	Weight
Bed Bath & Beyond Inc.	5.35
Costco Wholesale Corp.	5.24
O'Reilly Automotive Inc.	5.10
Home Depot Inc.	5.03
TJX Cos.	4.95
Limited Brands Inc.	4.90
Kroger Co.	4.86
Dollar General Corp.	4.75
Ulta Salon Cosmetics & Fragrance Inc.	3.07
Talbots Inc.	3.05
DSW Inc. CI A	2.94
Cato Corp. (CI A)	2.91
Genesco Inc.	2.84
Asbury Automotive Group Inc.	2.80
Jos. A. Bank Clothiers Inc.	2.78
Dress Barn Inc.	2.76
PriceSmart Inc.	2.75
Children's Place Retail Stores Inc.	2.74
Rent-A-Center Inc.	2.72
Ross Stores Inc.	2.67
Ruddick Corp.	2.65
Dollar Tree Inc.	2.65
Big Lots Inc.	2.64
Advance Auto Parts Inc.	2.63
Brown Shoe Co. Inc.	2.61
Genuine Parts Co.	2.59
Finish Line Inc. (CI A)	2.55
Family Dollar Stores Inc.	2.54
Amerco	2.50
Copart Inc.	2.45



Fund Details³

Weighted Harmonic Average Stock Price-to-Earnings Ratio	15.80
Weighted Harmonic Average Stock Price-to-Book-Value Ratio	2.53
Weighted Average Return on Equity	18.84
Weighted Market Cap (mm)	9,005
Number of Securities	30
Expense Cap ⁵	0.60%
CUSIP	73935X617
Listing Exchange	NYSE Arca

Fund Sector Allocations (%)

Consumer Discretionary	79.55
Consumer Staples	15.50
Energy	-
Financials	-
Health Care	-
Industrials	4.95
Information Technology	-
Materials	-
Telecommunication Services	-
Utilities	-

Annual Index Performance (%)

	Retail Intellidex	S&P Retailing
2006	22.01	9.64
2007	-18.76	-17.28
2008	-21.25	-31.94
2009	31.58	55.08
2010 YTD	11.10	13.68

Fund Market-Cap Allocations (%)

Large-Cap Growth	25.33
Large-Cap Value	4.86
Mid-Cap Growth	25.57
Mid-Cap Value	2.59
Small-Cap Growth	17.14
Small-Cap Value	24.51

Fund Subindustry Allocations (%)

Apparel Retail	37.69
General Merchandise Stores	12.58
Automotive Retail	10.53
Hypermarkets & Super Centers	7.99
Food Retail	7.52
Homefurnishing Retail	5.35
Home Improvement Retail	5.03
Specialty Stores	3.07
Computer & Electronics Retail Distributors	2.72
Distributors	2.59

Leading the Intelligent ETF Revolution[®]

Underlying Index performance does not represent Fund performance.

³ 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.

⁴ Please see the website for complete holdings information. Holdings are subject to change.

⁵ The weighted costs excluded from the expense cap include: legal fees pertaining to the Fund's shares offered for sale, SEC and state registration fees, initial fees paid to be listed on an exchange and sublicensing fees. The expense cap is not representative of the total expenses the investor may pay. Please refer to the prospectus for a complete fee schedule.

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

The Fund contains securities in the retail industry. Companies engaged in this industry are subject to greater risks, 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.

The Intellidex™ Indexes are trademarks of NYSE Euronext or its affiliates and are licensed for use by Invesco PowerShares Capital Management LLC in connection with the PowerShares Intellidex investment products. The products are not sponsored or endorsed by NYSE Arca, and NYSE

Arca makes no warranty or representation as to the accuracy and/or completeness of the Indexes or results to be obtained by any person from use of the Indexes or the trading of the products.

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

PowerShares® is a registered trademark of Invesco PowerShares Capital Management LLC. Invesco PowerShares Capital Management LLC and Invesco Distributors, Inc. are indirect, wholly owned subsidiaries of Invesco Ltd.

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 for a prospectus. Please read the prospectus carefully before investing.

Note: Not all products available through all firms.