

PNXQ

As of Dec. 31, 2009

Fund Description

The PowerShares NXQ Portfolio is based on the NASDAQ Q-50 Index, which is designed to track the performance of the 50 securities that are next in line to replace the securities currently included in the NASDAQ-100 Index. The Fund will normally invest at least 90% of its total assets in securities that comprise the Index. The Index reflects companies across major, non-financial industry groups and is 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. Concentrated industry investments involve greater risks than more diversified investments.

Fund Data ³	
NXQ Portfolio	PNXQ
Intraday NAV (IIV)	PNXQ.IV
Options	Yes

Underlying Index Data	
NASDAQ Q-50	NXTQ
Index Provider	NASDAQ

1-Year Alpha, Beta and Correlation ^{1,3}			
Data shown are that of the underlying Index relative to each respective benchmark index.			
	Alpha	Beta	Correlation
NASDAQ-100	-4.58	0.90	0.87
S&P 500	15.44	0.85	0.83

Fund Inception: April 3, 2008

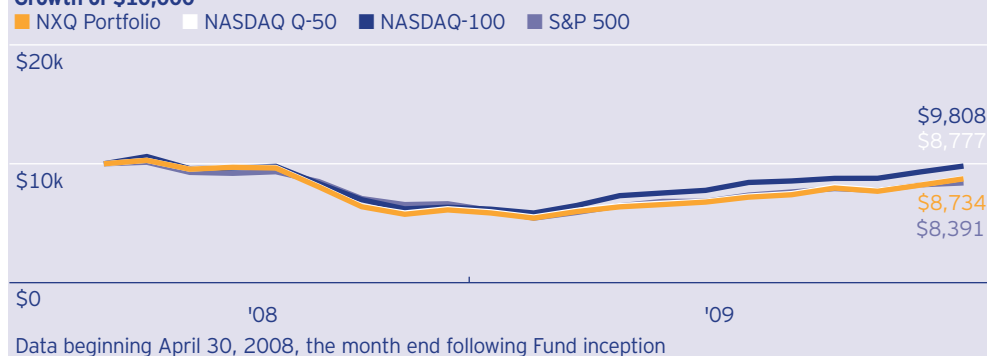
¹ Index returns do not represent Fund returns. An investor cannot invest directly in an index.

² Returns for the benchmark indexes are based on the closest month end to the Fund's inception date. Fund performance figures include the reinvestment of dividends but the return figures for the respective underlying Index do not. As a result, Fund performance returns may appear to be more favorable when compared to the underlying Index's returns.

Neither the underlying Index nor the benchmark indexes charge management fees or brokerage expenses, and no such fees or expenses were

PowerShares NXQ Portfolio

Growth of \$10,000¹



Fund Performance & Index History (%) ¹	1 Year	3 Year	5 Year	10 Year	Fund Inception ²
	Underlying Index				
NASDAQ Q-50	41.10	-	-	-	-4.21
Benchmark Indexes					
NASDAQ-100	54.61	-	-	-	3.14
S&P 500	26.47	-	-	-	-7.05
Fund					
NAV	42.69	-	-	-	-4.47
After Tax Held	42.69	-	-	-	-4.51
After Tax Sold	27.75	-	-	-	-3.82
Market Price	43.33	-	-	-	-4.00

Performance data quoted represents past performance. As stated in the Fund's prospectus, the expense ratio of 0.70% is expressed as a unitary fee to cover expenses incurred in connection with managing the portfolio. 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 powershares.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.

1-Year Index Statistics ^{1,3}	Performance (%)	Volatility (%)	Sharpe Ratio
	NASDAQ Q-50	41.10	25.43
NASDAQ-100	54.61	26.41	2.04
S&P 500	26.47	27.17	0.96

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.

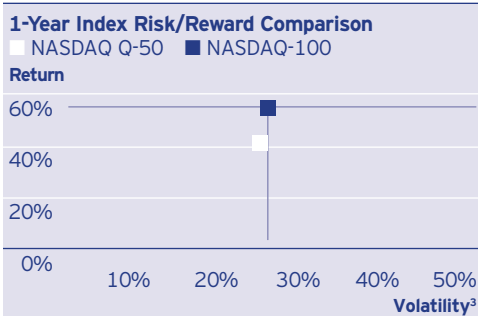
The NASDAQ-100 Index includes 100 of the largest domestic and international nonfinancial securities listed on The Nasdaq Stock Market based on market capitalization. The S&P 500® Index is an unmanaged index considered representative of the U.S. stock market.

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 Funds and tender those shares for redemption to the Funds in Creation Unit aggregations only, typically consisting of 50,000 shares.

As of Dec. 31, 2009

Top 30 Fund Holdings (%) ⁴	
Name	Weight
Cree Inc.	3.35
Randgold Resources Ltd. (ADS)	2.90
Human Genome Sciences Inc.	2.90
Ctrip.com International Ltd. (ADS)	2.89
R.R. Donnelley & Sons Co.	2.62
ASML Holding N.V.	2.56
Akamai Technologies Inc.	2.49
Nuance Communications Inc.	2.48
Alexion Pharmaceuticals Inc.	2.48
Dollar Tree Inc.	2.44
Bucyrus International Inc.	2.43
F5 Networks Inc.	2.41
Discovery Communications Inc. Series A	2.38
Equinix Inc.	2.38
SBA Communications Corp.	2.29
Whole Foods Market Inc.	2.22
Ansys Inc.	2.21
Steel Dynamics Inc.	2.19
ON Semiconductor Corp.	2.15
Perrigo Co.	2.09
Linn Energy LLC	2.08
Green Mountain Coffee Roasters Inc.	2.03
Hansen Natural Corp.	1.97
PetSmart Inc.	1.89
Rovi Corp	1.88
Synopsys Inc.	1.87
Brocade Communications Systems Inc.	1.84
Shire PLC (ADS)	1.83
Ryanair Holdings PLC (ADS)	1.82
IDEXX Laboratories Inc.	1.80



Fund Details³

Weighted Harmonic Average Stock Price-to-Earnings Ratio	28.74
Weighted Harmonic Average Stock Price-to-Book-Value Ratio	2.98
Weighted Average Return on Equity	5.44
Weighted Market Cap (mm)	4,771
Approximate Number of Securities	50
Expense Ratio	0.70%
CUSIP	73935X120
Listing Exchange	NASDAQ

Fund Industry Allocations (%)

Biotechnology	10.19
Commercial Services & Supplies	4.39
Communications Equipment	6.76
Electronic Equipment Instruments & Components	3.30
Internet Software & Services	6.45
Media	7.05
Metals & Mining	5.09
Pharmaceuticals	5.30
Semiconductors & Semiconductor Equipment	8.07
Software	8.44

Annual Index Performance (%)

	NASDAQ Q-50	NASDAQ-100
2008	-38.74	-41.57
2009	41.10	54.61

Fund Sector Allocations (%)

Consumer Discretionary	19.29
Consumer Staples	6.21
Energy	3.43
Financials	-
Health Care	22.04
Industrials	8.64
Information Technology	33.00
Materials	5.09
Telecommunication Services	2.29
Utilities	-

Fund Market-Cap Allocations (%)

Large-Cap Growth	6.48
Large-Cap Value	2.56
Mid-Cap Growth	68.77
Mid-Cap Value	6.89
Small-Cap Growth	8.37
Small-Cap Value	6.92

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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 monthly 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.

The Fund may contain securities in the health care, consumer discretionary and technology sectors. Companies engaged in these sectors are subject to greater risks, and are more greatly impacted by market volatility, than more diversified investments. Returns on investments in securities of large U.S. companies could trail the returns on investments in stocks of smaller companies.

Investing in securities of medium capitalization companies involves greater risk than is customarily associated with investing in larger, more established companies.

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

The Fund is considered non-diversified and can invest a greater portion of its assets in securities of individual issuers, and may be subject to greater risks than a diversified fund.

PowerShares NXQ Portfolio is not sponsored, endorsed, sold or promoted by NASDAQ OMX or its affiliates (NASDAQ OMX, with its affiliates, are referred to as the "Corporations"). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of, descriptions and disclosures relating to the PowerShares NXQ Portfolio. The Corporations make no representation

or warranty, express or implied, to the owners of the PowerShares NXQ Portfolio or any member of the public regarding the advisability of investing in securities generally or in the PowerShares NXQ Portfolio particularly, or the ability of the NASDAQ Q-50 IndexSM to track general stock market performance. The Corporations' only relationship to the Adviser is in the licensing of the NASDAQ[®] and NASDAQ Q-50 IndexSM trade/service marks and certain trade names of the Corporations, and the use of the NASDAQ Q-50 IndexSM, which is determined, composed and calculated by Nasdaq without regard to the Adviser or the PowerShares NXQ Portfolio.

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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 www.invescopowershares.com for a prospectus. Please read the prospectus carefully before investing.

Note: Not all products available through all firms.