Invesco PowerShares

PowerShares Xchange Traded Funds

2011 Annual Report to Shareholders

April 30, 2011

PowerShares Dynamic MagniQuant Portfolio (PIQ)
PowerShares Dynamic Market Portfolio (PWC)
PowerShares Dynamic OTC Portfolio (PWO)
PowerShares FTSE RAFI US 1000 Portfolio (PRF)
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio (PRFZ)

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The Market Environment

For the fiscal year ended April 30, 2011, the market environment saw continued improvement. Global equities ended up 18.25% after declining the first two months of the period. Emerging markets led equities up during the fiscal year with the MSCI Emerging Markets Index returning 20.67%. Developed International and U.S. Equities followed closely behind emerging markets with the MSCI EAFE Index up 19.18% and the S&P 500® Index up 17.24%. Volatility continued to decline on a year-over-year basis with the CBOE Volatility Index® (VIX®) dropping 33.11% for the fiscal year. Fixed income markets moved higher for the fiscal year with the Barclays Aggregate Bond Index ending up 5.37%.

Manager's Analysis

PowerShares Dynamic MagniQuant Portfolio (ticker: PIQ)

The PowerShares Dynamic MagniQuant Portfolio (the "Fund") seeks investment results that correspond (before fees and expenses) generally to the price and yield performance of the Dynamic Top 200 Intellidex℠ Index (the "Index").

For the fiscal year ended April 30, 2011, the Fund returned 20.72%. Over this same year, the Index returned 21.64%, while the S&P 500® Equal Weight Index returned 21.39% and the Russell 3000® Index returned 18.35%. The Fund benefited from positive performance of securities of companies in energy, materials, and health care sectors. Fund performance was positive for securities of companies within each sector for the reporting period.

Sector Breakdown (% of the Fund's Net Assets) as of April 30, 2011

Industrials	23.2
Information Technology	16.5
Financials	14.2
Consumer Discretionary	13.9
Health Care	13.4
Consumer Staples	7.6
Materials	5.8
Energy	3.6
Utilities	1.0
Telecommunication Services	0.8
Money Market Fund	0.3
Liabilities in excess of other assets	(0.3)

Top Ten Fund Holdings (% of the Fund's Net Assets) as of April 30, 2011

Security	
Sauer-Danfoss, Inc.	0.9
Biogen Idec, Inc.	0.7
Polaris Industries, Inc.	0.7
TPC Group, Inc.	0.6
Limited Brands, Inc.	0.6
Coca-Cola Bottling Co. Consolidated	0.6
Kinetic Concepts, Inc.	0.6
Kronos Worldwide, Inc.	0.6
Albemarle Corp.	0.6
Cooper Cos., Inc. (The)	0.6
Total	6.5

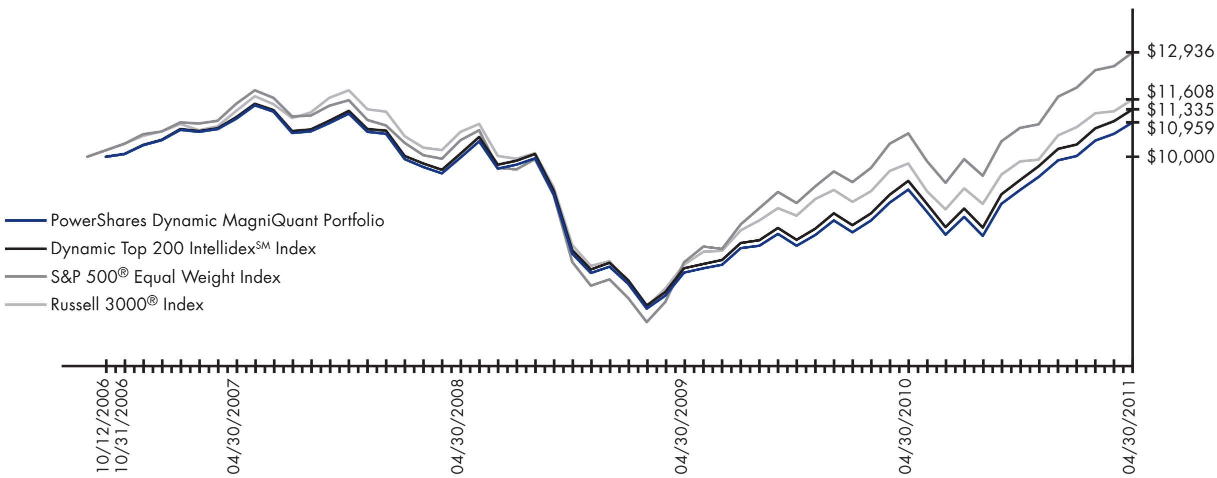
Style Allocation (% of the Fund's Total Investments) as of April 30, 2011

Small-Cap Value	25.0
Mid-Cap Value	16.8
Small-Cap Growth	16.3
Mid-Cap Growth	15.4
Large-Cap Value	13.6
Large-Cap Growth	12.9

Manager's Analysis (Continued)

PowerShares Dynamic MagniQuant Portfolio (ticker: PIQ)

Growth of a $10,000 Investment Since Inception†



Fund Performance History (%)

As of April 30, 2011

		Avg. Ann.†† 1 Year	Avg. Ann.†† 3 Year	Fund Inception Avg. Ann.††	Fund Inception Cumulative
Index	Dynamic Top 200 Intellidex℠ Index	21.64%	3.97%	2.79%	13.35%
Index	S&P 500® Equal Weight Index	21.39%	7.34%	5.78%	29.36%
Index	Russell 3000® Index	18.35%	2.75%	3.31%	16.08%
Fund	Net Asset Value ("NAV") Return	20.72%	3.16%	2.03%	9.59%
Fund	Share Price Return	20.76%	3.19%	2.07%	9.76%

Fund Inception: October 12, 2006

Performance quoted represents past performance. Past performance is not a guarantee of future results and 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 Adviser has waived fees and reimbursed other expenses, absent which, performance would have been lower. The Adviser has contractually agreed to waive fees and/or pay certain Fund expenses through August 31, 2012. According to the Fund's current prospectus, the total gross annual operating expense ratio was indicated as 0.98%. In the Financial Highlights section of this Shareholder Report, the Fund's net total operating expense ratio was determined to be 0.65%, while the Fund's gross total expense ratio was determined to be 1.08%. NAV and Share Price returns assume that dividends and capital gain distributions have been reinvested in the Fund at NAV and Share Price, respectively. The returns shown in the table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption or sale of Fund Shares. See invescopowershares.com to find the most recent month-end performance numbers.

Index performance results are based upon a hypothetical investment in its constituent securities. Index returns do not represent Fund returns. An investor cannot invest directly in an index. The Index does not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the hypothetical 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 500® Equal Weight Index and Russell 3000® Index (the "Benchmark Indices") are unmanaged indices used as a measurement of change in stock market conditions based on the average performance of approximately 500 and 3,000 common stocks, respectively.

† Fund and underlying Index returns are based on the inception date of the Fund. Returns for the Benchmark Indices are based on the closest month-end to the Fund's inception date.

†† Average annualized.

Manager's Analysis

PowerShares Dynamic Market Portfolio (ticker: PWC)

The PowerShares Dynamic Market Portfolio (the "Fund") seeks investment results that correspond (before fees and expenses) generally to the price and yield performance of the Dynamic Market Intellidex℠ Index (the "Index").

For the fiscal year ended April 30, 2011, the Fund returned 21.34%. Over this same year, the Index returned 22.12%, while the Russell 3000® Index returned 18.35% and the S&P 500® Index returned 17.24%. The Fund benefited from positive performance of securities of companies in information technology, health care and consumer discretionary sectors. Fund performance was positive for securities of companies within each sector for the reporting period.

Sector Breakdown (% of the Fund's Net Assets) as of April 30, 2011

Information Technology	17.9
Financials	14.8
Consumer Discretionary	12.7
Energy	12.6
Industrials	11.7
Health Care	11.0
Consumer Staples	9.3
Materials	4.1
Utilities	3.2
Telecommunication Services	2.7
Money Market Fund	0.1
Liabilities in excess of other assets	(0.1)

Top Ten Fund Holdings (% of the Fund's Net Assets) as of April 30, 2011

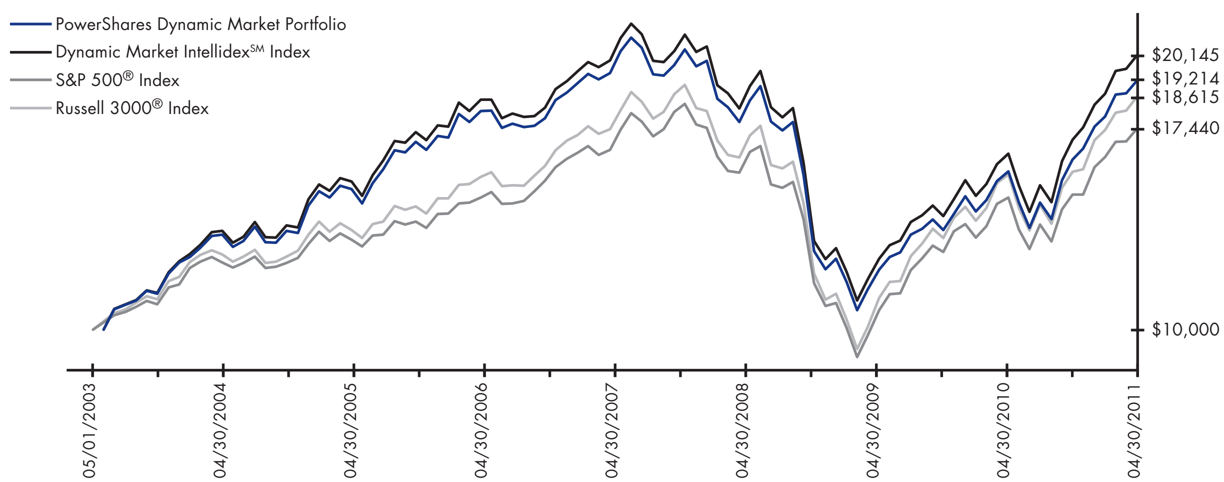
Security	
Exxon Mobil Corp.	4.6
National Oilwell Varco, Inc.	4.3
Estee Lauder Cos., Inc. (The)	3.2
Walgreen Co.	3.2
Joy Global, Inc.	2.7
International Business Machines Corp.	2.7
Mosaic Co. (The)	2.6
United Parcel Service, Inc.	2.6
Limited Brands, Inc.	2.6
Verisk Analytics, Inc.	2.6
Total	31.1

Style Allocation (% of the Fund's Total Investments) as of April 30, 2011

Large-Cap Value	25.7
Large-Cap Growth	24.1
Mid-Cap Growth	21.9
Small-Cap Value	12.0
Mid-Cap Value	9.3
Small-Cap Growth	7.0

PowerShares Dynamic Market Portfolio (ticker: PWC)

Growth of a $10,000 Investment Since Inception†



Fund Performance History (%) — As of April 30, 2011

		Avg. Ann.†† 1 Year	Avg. Ann.†† 3 Year	Avg. Ann.†† 5 Year	Fund Inception Avg. Ann.††	Fund Inception Cumulative
Index	Dynamic Market Intellidex℠ Index	22.12%	2.00%	1.74%	9.15%	101.45%
Index	S&P 500® Index	17.24%	1.74%	2.95%	7.20%	74.40%
Index	Russell 3000® Index	18.35%	2.75%	3.33%	8.08%	86.15%
Fund	Net Asset Value ("NAV") Return	21.34%	1.36%	1.24%	8.51%	92.14%
Fund	Share Price Return	21.29%	1.37%	1.22%	8.50%	92.04%

Fund Inception: May 1, 2003

Performance quoted represents past performance. Past performance is not a guarantee of future results and 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 Adviser has waived fees and reimbursed other expenses, absent which, performance would have been lower. The Adviser has contractually agreed to waive fees and/or pay certain Fund expenses through August 31, 2012. According to the Fund's current prospectus, the total gross annual operating expense ratio was indicated as 0.60%. In the Financial Highlights section of this Shareholder Report, the Fund's net total operating expense ratio was determined to be 0.60%, while the Fund's gross total expense ratio was determined to be 0.64%. NAV and Share Price returns assume that dividends and capital gain distributions have been reinvested in the Fund at NAV and Share Price, respectively. The returns shown in the table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption or sale of Fund Shares. See invescopowershares.com to find the most recent month-end performance numbers.

Index performance results are based upon a hypothetical investment in its constituent securities. Index returns do not represent Fund returns. An investor cannot invest directly in an index. The Index does not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the hypothetical 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 500® Index and Russell 3000® Index (the "Benchmark Indices") are unmanaged indices used as a measurement of change in stock market conditions based on the average performance of approximately 500 and 3,000 common stocks, respectively.

† Fund and underlying Index returns are based on the inception date of the Fund. Returns for the Benchmark Indices are based on the closest month-end to the Fund's inception date.

†† Average annualized.

Manager's Analysis

PowerShares Dynamic OTC Portfolio (ticker: PWO)

The PowerShares Dynamic OTC Portfolio (the "Fund") seeks investment results that correspond (before fees and expenses) generally to the price and yield performance of the Dynamic OTC Intellidex℠ Index (the "Index").

For the fiscal year ended April 30, 2011, the Fund returned 19.34%. Over this same year, the Index returned 20.20%, while the NASDAQ-100® Index returned 21.07% and the NASDAQ Composite Index returned 16.75%. The Fund benefited from positive performance of securities of companies in information technology, industrials and consumer discretionary sectors.

Sector Breakdown (% of the Fund's Net Assets) as of April 30, 2011

Information Technology	53.6
Consumer Discretionary	16.0
Health Care	13.3
Financials	6.7
Industrials	4.9
Consumer Staples	2.3
Energy	1.4
Telecommunication Services	1.0
Materials	0.8
Money Market Fund	0.2
Liabilities in excess of other assets	(0.2)

Style Allocation (% of the Fund's Total Investments) as of April 30, 2011

Large-Cap Growth	26.5
Mid-Cap Growth	25.9
Small-Cap Growth	22.3
Small-Cap Value	12.8
Mid-Cap Value	6.3
Large-Cap Value	6.2

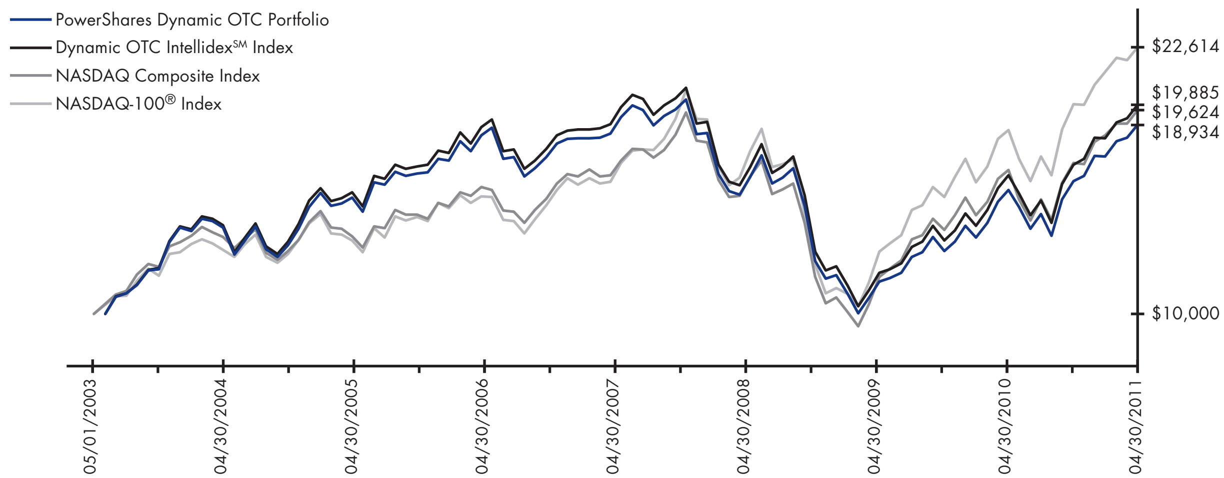
Top Ten Fund Holdings (% of the Fund's Net Assets) as of April 30, 2011

Security	
TIBCO Software, Inc.	3.7
MICROS Systems, Inc.	3.4
Automatic Data Processing, Inc.	3.4
Symantec Corp.	3.3
BMC Software, Inc.	3.2
Bed Bath & Beyond, Inc.	3.1
Apple, Inc.	3.1
CA, Inc.	3.0
Paychex, Inc.	3.0
Microsoft Corp.	3.0
Total	32.2

Manager's Analysis (Continued)

PowerShares Dynamic OTC Portfolio (ticker: PWO)

Growth of a $10,000 Investment Since Inception†



Fund Performance History (%)

As of April 30, 2011

		1 Year	Avg. Ann.†† 3 Year	5 Year	Fund Inception Avg. Ann.††	Fund Inception Cumulative
Index	Dynamic OTC IntellidexSM Index	20.20%	5.47%	0.72%	8.97%	98.85%
Index	NASDAQ Composite Index	16.75%	6.00%	4.35%	8.79%	96.24%
Index	NASDAQ-100® Index	21.07%	8.56%	7.81%	10.74%	126.14%
Fund	Net Asset Value ("NAV") Return	19.34%	4.77%	0.16%	8.31%	89.34%
Fund	Share Price Return	19.31%	4.75%	0.15%	8.29%	89.08%

Fund Inception: May 1, 2003

Performance quoted represents past performance. Past performance is not a guarantee of future results and 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 Adviser has waived fees and reimbursed other expenses, absent which, performance would have been lower. The Adviser has contractually agreed to waive fees and/or pay certain Fund expenses through August 31, 2012. According to the Fund's current prospectus, the total gross annual operating expense ratio was indicated as 0.85%. In the Financial Highlights section of this Shareholder Report, the Fund's net total operating expense ratio was determined to be 0.60%, while the Fund's gross total expense ratio was determined to be 0.91%. NAV and Share Price returns assume that dividends and capital gain distributions have been reinvested in the Fund at NAV and Share Price, respectively. The returns shown in the table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption or sale of Fund Shares. See invescopowershares.com to find the most recent month-end performance numbers.

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The NASDAQ Composite Index and NASDAQ-100® Index (the "Benchmark Indices") are unmanaged indices used as a measurement of change in stock market conditions based on the average performance of approximately 2,995 and 100 common stocks, respectively.

† Fund and underlying Index returns are based on the inception date of the Fund. Returns for the Benchmark Indices are based on the closest month-end to the Fund's inception date.

†† Average annualized.

Manager's Analysis

PowerShares FTSE RAFI US 1000 Portfolio (ticker: PRF)

The PowerShares FTSE RAFI US 1000 Portfolio (the "Fund") seeks investment results that correspond (before fees and expenses) generally to the price and yield performance of the FTSE RAFI US 1000 Index (the "Index").

For the fiscal year ended April 30, 2011, the Fund returned 16.72%. Over this same year, the Index returned 17.16%, while the S&P 500® Index returned 17.24% and the Russell 1000® Index returned 18.02%. The Fund benefited from positive performance of securities of companies in the energy, industrials and consumer discretionary sectors.

Sector Breakdown (% of the Fund's Net Assets) as of April 30, 2011

Financials	20.1
Energy	11.7
Industrials	11.5
Health Care	10.7
Information Technology	10.7
Consumer Discretionary	10.6
Consumer Staples	10.5
Utilities	5.6
Telecommunication Services	4.7
Materials	3.9
Money Market Fund	0.0
Liabilities in excess of other assets	(0.0)

Top Ten Fund Holdings (% of the Fund's Net Assets) as of April 30, 2011

Security	
Exxon Mobil Corp.	3.0
AT&T, Inc.	2.3
General Electric Co.	2.1
Bank of America Corp.	2.0
Chevron Corp.	1.9
JPMorgan Chase & Co.	1.7
Citigroup, Inc.	1.7
Pfizer, Inc.	1.6
Wal-Mart Stores, Inc.	1.5
Verizon Communications, Inc.	1.4
Total	19.2

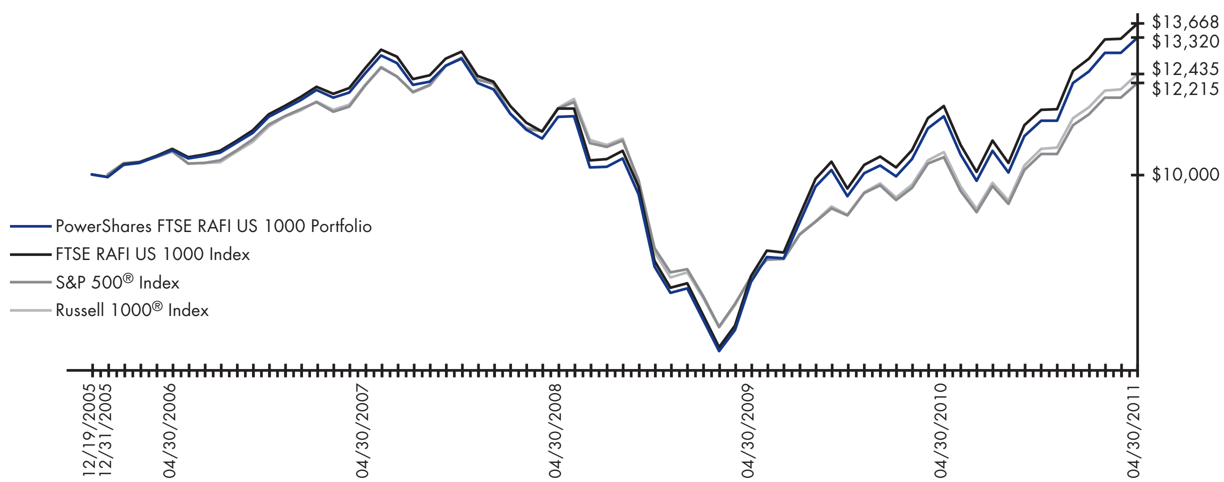
Style Allocation (% of the Fund's Total Investments) as of April 30, 2011

Large-Cap Value	44.2
Large-Cap Growth	30.3
Mid-Cap Value	12.7
Mid-Cap Growth	8.3
Small-Cap Value	3.2
Small-Cap Growth	1.3

Manager's Analysis (Continued)

PowerShares FTSE RAFI US 1000 Portfolio (ticker: PRF)

Growth of a $10,000 Investment Since Inception†



Fund Performance History (%)

As of April 30, 2011

		Avg. Ann.††			Fund Inception	
		1 Year	3 Year	5 Year	Avg. Ann.††	Cumulative
Index	FTSE RAFI US 1000 Index	17.16%	5.64%	5.18%	6.00%	36.68%
Index	S&P 500® Index	17.24%	1.74%	2.95%	3.82%	22.15%
Index	Russell 1000® Index	18.02%	2.30%	3.30%	4.17%	24.35%
Fund	Net Asset Value ("NAV") Return	16.72%	5.31%	4.70%	5.49%	33.20%
Fund	Share Price Return	16.63%	5.34%	4.69%	5.54%	33.53%

Fund Inception: December 19, 2005

Performance quoted represents past performance. Past performance is not a guarantee of future results and 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 Adviser has waived fees and reimbursed other expenses, absent which, performance would have been lower. The Adviser has contractually agreed to waive fees and/or pay certain Fund expenses through August 31, 2012. According to the Fund's current prospectus, the total gross annual operating expense ratio was indicated as 0.45%. In the Financial Highlights section of this Shareholder Report, the Fund's net total operating expense ratio was determined to be 0.39%, while the Fund's gross total expense ratio was determined to be 0.44%. NAV and Share Price returns that dividends and capital gain distributions have been reinvested in the Fund at NAV and Share Price, respectively. The returns shown in the table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption or sale of Fund Shares. See invescopowershares.com to find the most recent month-end performance numbers.

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The S&P 500® Index and Russell 1000® Index (the "Benchmark Indices") are unmanaged indices used as a measurement of change in stock market conditions based on the average performance of approximately 500 and 1,000 common stocks, respectively.

† Fund and underlying Index returns are based on the inception date of the Fund. Returns for the Benchmark Indices are based on the closest month-end to the Fund's inception date.

†† Average annualized.

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio (ticker: PRFZ)

The PowerShares FTSE RAFI US 1500 Small-Mid Portfolio (the “Fund”) seeks investment results that correspond (before fees and expenses) generally to the price and yield performance of the FTSE RAFI US 1500 Small-Mid Index (the “Index”).

For the fiscal year ended April 30, 2011, the Fund returned 19.04%. Over this same year, the Index returned 19.39%, while the S&P Small Cap 600® Index returned 21.42% and the Russell 2000® Index returned 22.20%. The Fund benefited from positive performance of securities of companies in the information technology, industrials and energy sectors. The Fund was positive for securities of companies within each sector in which it was invested.

Sector Breakdown (% of the Fund’s Net Assets) as of April 30, 2011

Financials	18.9
Industrials	18.6
Information Technology	17.7
Consumer Discretionary	17.1
Health Care	8.7
Energy	6.7
Materials	6.2
Consumer Staples	3.1
Utilities	1.8
Telecommunication Services	1.2
Money Market Fund	0.1
Liabilities in excess of other assets	(0.1)

Style Allocation (% of the Fund’s Total Investments) as of April 30, 2011

Small-Cap Value	47.4
Small-Cap Growth	40.3
Mid-Cap Growth	9.3
Mid-Cap Value	2.7
Large-Cap Growth	0.3

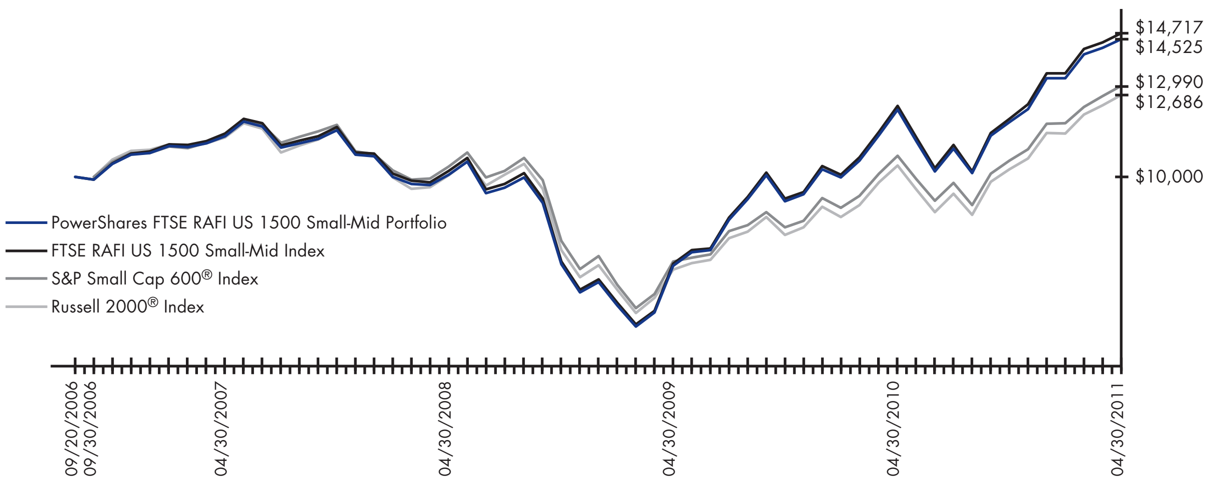
Top Ten Fund Holdings (% of the Fund’s Net Assets) as of April 30, 2011

Security	
Hercules Offshore, Inc.	0.2
Georgia Gulf Corp.	0.2
Fairchild Semiconductor International, Inc.	0.2
Ashford Hospitality Trust, Inc.	0.2
Children’s Place Retail Stores, Inc. (The)	0.2
SINA Corp.	0.2
Polycom, Inc.	0.2
Old Dominion Freight Line, Inc.	0.2
Century Aluminum Co.	0.2
WellCare Health Plans, Inc.	0.2
Total	2.0

Manager's Analysis (Continued)

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio (ticker: PRFZ)

Growth of a $10,000 Investment Since Inception†



Fund Performance History (%)

As of April 30, 2011

		Avg. Ann.†† 1 Year	Avg. Ann.†† 3 Year	Fund Inception Avg. Ann.††	Fund Inception Cumulative
Index	FTSE RAFI US 1500 Small-Mid Index	19.39%	12.99%	8.75%	47.17%
Index	S&P Small Cap 600® Index	21.42%	7.87%	5.87%	29.90%
Index	Russell 2000® Index	22.20%	8.03%	5.33%	26.86%
Fund	Net Asset Value ("NAV") Return	19.04%	12.94%	8.44%	45.25%
Fund	Share Price Return	19.06%	12.97%	8.43%	45.21%

Fund Inception: September 20, 2006

Performance quoted represents past performance. Past performance is not a guarantee of future results and 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 Adviser has waived fees and reimbursed other expenses, absent which, performance would have been lower. The Adviser has contractually agreed to waive fees and/or pay certain Fund expenses through August 31, 2012. According to the Fund's current prospectus, the total gross annual operating expense ratio was indicated as 0.51%. In the Financial Highlights section of this Shareholder Report, the Fund's net total operating expense ratio was determined to be 0.39%, while the Fund's gross total expense ratio was determined to be 0.46%. NAV and Share Price returns that dividends and capital gain distributions have been reinvested in the Fund at NAV and Share Price, respectively. The returns shown in the table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption or sale of Fund Shares. See invescopowershares.com to find the most recent month-end performance numbers.

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The difference in performance between the underlying index and the Fund was due to corporate actions on the index and Fund constituents which were not included in Index performance but have been realized by the Fund. The S&P Small Cap 600® Index and Russell 2000® Index (the "Benchmark Indices") are unmanaged indices used as a measurement of change in stock market conditions based on the average performance of approximately 600 and 2,000 common stocks, respectively.

† Fund and underlying Index returns are based on the inception date of the Fund. Returns for the Benchmark Indices are based on the closest month-end to the Fund's inception date.

†† Average annualized.

Frequency Distribution of Discounts & Premiums

Since Inception through April 30, 2011

				Closing Price Above NAV (bps)					
Ticker	Fund Name	Inception	Trading Days	0-24	25-49	50-99	100-149	150-199	200+
PIQ	PowerShares Dynamic MagniQuant Portfolio	10/12/06	1145	407	22	1	1	0	0
PWC	PowerShares Dynamic Market Portfolio	05/01/03	1901	844	72	12	2	0	0
PWO	PowerShares Dynamic OTC Portfolio	05/01/03	1901	833	39	16	1	1	0
PRF	PowerShares FTSE RAFI US 1000 Portfolio	12/19/05	1341	682	16	5	0	0	2
PRFZ	PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	09/20/06	1161	503	22	4	0	2	2

Closing Price Below NAV (bps)					
-0-24	-25-49	-50-99	-100-149	-150-199	-200+
700	11	3	0	0	0
956	11	4	0	0	0
988	19	4	0	0	0
601	24	9	2	0	0
590	34	4	0	0	0

Fees and Expenses

As a shareholder of a Fund of the PowerShares Exchange-Traded Fund Trust, you incur advisory fees and other Fund expenses. The expense examples below are intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other funds.

The example is based on an investment of $1,000 invested at the beginning of the period and held through the six-month period ended April 30, 2011.

Actual Expenses
The first line in the following table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first line under the heading "Expenses Paid During the Six-Month Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes
The second line in the following table provides information about hypothetical account values and hypothetical expenses based on each Fund's actual expense ratio and an assumed annualized rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Funds and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only, and do not reflect any transactional costs such as sales charges and brokerage commissions. Therefore the second line in the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value November 1, 2010	Ending Account Value April 30, 2011	Annualized Expense Ratio Based on the Six-Month Period	Expenses Paid During the Six-Month Period(1)
PowerShares Dynamic MagniQuant Portfolio				
Actual	$1,000.00	$1,209.12	0.65%	$3.56
Hypothetical (5% return before expenses)	$1,000.00	$1,021.57	0.65%	$3.26
PowerShares Dynamic Market Portfolio				
Actual	$1,000.00	$1,181.40	0.60%	$3.25
Hypothetical (5% return before expenses)	$1,000.00	$1,021.82	0.60%	$3.01
PowerShares Dynamic OTC Portfolio				
Actual	$1,000.00	$1,163.15	0.60%	$3.22
Hypothetical (5% return before expenses)	$1,000.00	$1,021.82	0.60%	$3.01
PowerShares FTSE RAFI US 1000 Portfolio				
Actual	$1,000.00	$1,178.64	0.39%	$2.11
Hypothetical (5% return before expenses)	$1,000.00	$1,022.86	0.39%	$1.96
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio				
Actual	$1,000.00	$1,231.11	0.39%	$2.16
Hypothetical (5% return before expenses)	$1,000.00	$1,022.86	0.39%	$1.96

(1) Expenses are calculated using the annualized expense ratio, which represents the ongoing expenses as a percentage of net assets for the six months ended April 30, 2011. Expenses are calculated by multiplying the Fund's annualized expense ratio by the average account value for the period; then multiplying the result by 181 and then dividing the result by 365. Expense ratios for the most recent half-year may differ from expense ratios based on the one year data in the Financial Highlights.

Schedule of Investments

PowerShares Dynamic MagniQuant Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests—100.0%	
	Consumer Discretionary—13.9%	
4,080	Ascena Retail Group, Inc.*	$ 127,663
1,725	Autoliv, Inc.	138,224
2,666	Bed Bath & Beyond, Inc.*	149,616
305	Biglari Holdings, Inc.*	133,358
3,345	Buckle, Inc. (The)	152,164
2,340	Coach, Inc.	139,955
5,064	Comcast Corp., Class A	132,879
3,043	Dillard's, Inc., Class A	146,125
6,617	Foot Locker, Inc.	142,398
3,840	General Motors Co.*	123,226
2,402	Lear Corp.	122,838
3,948	Limited Brands, Inc.	162,500
1,720	McDonald's Corp.	134,693
2,813	Nordstrom, Inc.	133,758
4,414	Papa John's International, Inc.*	132,685
9,162	Pep Boys - Manny, Moe & Jack (The)	125,519
3,113	PetSmart, Inc.	131,275
1,700	Polaris Industries, Inc.	179,231
278	priceline.com, Inc.*	152,069
1,788	Ross Stores, Inc.	131,758
3,928	Starbucks Corp.	142,154
2,445	Target Corp.	120,050
1,796	Time Warner Cable, Inc.	140,322
2,544	TJX Cos., Inc. (The)	136,409
2,215	TRW Automotive Holdings Corp.*	126,388
2,374	Tupperware Brands Corp.	151,153
2,558	Yum! Brands, Inc.	137,211
		3,745,621
	Consumer Staples—7.6%	
1,396	Boston Beer Co., Inc., Class A*	131,587
1,864	Brown-Forman Corp., Class B	133,947
3,048	Casey's General Stores, Inc.	118,963
2,302	Coca-Cola Bottling Co. Consolidated	162,176
6,274	Constellation Brands, Inc., Class A*	140,475
3,518	Dr Pepper Snapple Group, Inc.	137,906
4,242	Elizabeth Arden, Inc.*	127,514
1,377	Estee Lauder Cos., Inc. (The), Class A	133,569
1,632	Herbalife Ltd. (Cayman Islands)	146,521
4,703	Hormel Foods Corp.	138,315
6,985	Inter Parfums, Inc.	132,925
2,702	McCormick & Co., Inc.	132,722
3,774	Reynolds American, Inc.	140,053
5,571	Smithfield Foods, Inc.*	131,253
3,048	Walgreen Co.	130,211
		2,038,137
	Energy—3.6%	
2,334	Alliance Holdings GP LP	121,951
1,258	Clayton Williams Energy, Inc.*	113,937
6,447	Cloud Peak Energy, Inc.*	134,227

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
5,620	McDermott International, Inc.*	$ 129,766
1,599	National Oilwell Varco, Inc.	122,627
1,221	OYO Geospace Corp.*	113,895
16,096	VAALCO Energy, Inc.*	112,189
5,031	W&T Offshore, Inc.	134,881
		983,473
	Financials—14.2%	
2,207	Aflac, Inc.	124,011
3,712	American Financial Group, Inc.	132,778
2,018	Ameriprise Financial, Inc.	125,237
6,639	AmTrust Financial Services, Inc.	128,133
3,542	Axis Capital Holdings Ltd. (Bermuda)	125,245
4,875	Brown & Brown, Inc.	126,019
5,125	CB Richard Ellis Group, Inc., Class A*	136,889
2,132	Chubb Corp. (The)	138,985
3,198	Commerce Bancshares, Inc.	136,107
1,821	Credit Acceptance Corp.*	147,319
5,864	Discover Financial Services	145,662
1,845	Erie Indemnity Co., Class A	133,633
4,131	FBL Financial Group, Inc., Class A	125,996
19,335	Fortress Investment Group LLC, Class A*	119,297
1,022	Franklin Resources, Inc.	131,961
4,080	HCC Insurance Holdings, Inc.	132,763
2,089	Infinity Property & Casualty Corp.	123,460
3,884	Leucadia National Corp.	150,156
310	Markel Corp.*	129,357
5,948	MarketAxess Holdings, Inc.	144,834
6,261	Progressive Corp. (The)	137,366
3,384	Raymond James Financial, Inc.	126,900
2,158	Reinsurance Group of America, Inc.	136,601
2,648	Safety Insurance Group, Inc.	123,979
5,519	SEI Investments Co.	123,239
1,984	Torchmark Corp.	132,769
4,800	Unum Group	127,104
3,114	Waddell & Reed Financial, Inc., Class A	127,705
2,129	World Acceptance Corp.*	144,666
		3,838,171
	Health Care—13.4%	
3,027	Agilent Technologies, Inc.*	151,078
2,232	Air Methods Corp.*	150,928
2,205	AMERIGROUP Corp.*	150,602
3,422	AmerisourceBergen Corp.	139,070
1,883	Biogen Idec, Inc.*	183,310
3,045	CIGNA Corp.	142,597
2,082	Cooper Cos., Inc. (The)	155,942
2,596	CorVel Corp.*	134,473
4,249	Coventry Health Care, Inc.*	137,115
3,744	Eli Lilly & Co.	138,566
3,736	Endo Pharmaceuticals Holdings, Inc.*	146,302

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares Dynamic MagniQuant Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
13,369	Health Management Associates, Inc., Class A*	$ 150,802
4,307	Health Net, Inc.*	143,423
3,418	Healthspring, Inc.*	141,813
3,351	Hill-Rom Holdings, Inc.	150,829
6,505	Immucor, Inc.*	142,004
2,581	Integra LifeSciences Holdings Corp.*	135,012
2,707	Kinetic Concepts, Inc.*	159,794
2,658	Magellan Health Services, Inc.*	138,269
4,945	PSS World Medical, Inc.*	142,218
2,256	Quest Diagnostics, Inc.	127,193
12,427	Sunrise Senior Living, Inc.*	128,992
3,006	UnitedHealth Group, Inc.	147,985
1,866	Varian Medical Systems, Inc.*	130,993
1,926	WellPoint, Inc.	147,898
		3,617,208
	Industrials—23.2%	
4,797	ABM Industries, Inc.	116,663
16,178	Air Transport Services Group, Inc.*	132,336
2,165	Alaska Air Group, Inc.*	142,609
1,326	Amerco, Inc.*	134,881
3,036	AMETEK, Inc.	139,777
3,932	Applied Industrial Technologies, Inc.	138,642
2,709	Cascade Corp.	124,072
1,258	Caterpillar, Inc.	145,186
3,103	CLARCOR, Inc.	140,225
5,785	Colfax Corp.*	126,402
2,734	Crane Co.	136,454
2,522	Cubic Corp.	136,390
1,995	Dover Corp.	135,740
7,662	Dycom Industries, Inc.*	113,857
2,396	Eaton Corp.	128,258
2,135	Emerson Electric Co.	129,723
3,625	Equifax, Inc.	136,046
1,790	Esterline Technologies Corp.*	128,522
1,786	Gardner Denver, Inc.	154,328
1,689	General Dynamics Corp.	122,993
6,138	General Electric Co.	125,522
16,881	Great Lakes Dredge & Dock Corp.	125,763
2,228	Honeywell International, Inc.	136,420
2,203	ITT Corp.	127,311
3,117	J.B. Hunt Transport Services, Inc.	148,619
6,779	John Bean Technologies Corp.	137,004
1,367	Joy Global, Inc.	137,999
3,897	KBR, Inc.	149,528
6,205	Knoll, Inc.	121,804
1,593	Lockheed Martin Corp.	126,245
5,357	Macquarie Infrastructure Co. LLC *	134,461
1,419	Middleby Corp. (The)*	127,242
1,442	Parker Hannifin Corp.	136,009
	Common Stocks and Other Equity Interests (Continued)	
3,031	Robbins & Myers, Inc.	$ 131,758
6,552	Rollins, Inc.	137,395
4,266	Sauer-Danfoss, Inc.*	251,737
56	Seaboard Corp.	133,672
8,116	SkyWest, Inc.	134,158
6,968	Sykes Enterprises, Inc.*	139,569
2,319	Thomas & Betts Corp.*	134,432
5,910	Trimas Corp.*	137,171
2,865	Tyco International Ltd. (Switzerland)	139,640
1,358	Union Pacific Corp.	140,512
1,745	United Parcel Service, Inc., Class B	130,823
1,533	United Technologies Corp.	137,326
3,947	Verisk Analytics, Inc., Class A*	129,856
		6,275,080
	Information Technology—16.5%	
4,157	ACI Worldwide, Inc.*	137,347
367	Apple, Inc.*	127,800
7,919	Applied Materials, Inc.	124,249
8,519	Atmel Corp.*	130,341
2,571	Automatic Data Processing, Inc.	139,734
3,304	Black Box Corp.	115,442
2,615	BMC Software, Inc.*	131,351
5,157	CA, Inc.	126,811
1,223	FactSet Research Systems, Inc.	133,808
3,771	FEI Co.*	122,407
2,031	Fiserv, Inc.*	124,521
11,665	GT Solar International, Inc.*	130,298
789	International Business Machines Corp.	134,588
4,030	Jack Henry & Associates, Inc.	136,899
2,605	KLA-Tencor Corp.	114,359
2,312	Lam Research Corp.*	111,693
1,613	Loral Space & Communications, Inc.*	112,749
19,944	Magma Design Automation, Inc.*	126,844
4,808	Microsoft Corp.	125,104
6,668	NCR Corp.*	132,093
5,106	NetScout Systems, Inc.*	130,662
3,177	Novellus Systems, Inc.*	101,982
3,875	Paychex, Inc.	126,751
2,472	Solera Holdings, Inc.	135,960
7,028	Symantec Corp.*	138,100
2,420	Syntel, Inc.	132,326
3,585	TE Connectivity Ltd. (Switzerland)	128,522
5,597	TeleTech Holdings, Inc.*	111,212
3,583	Texas Instruments, Inc.	127,304
5,196	TIBCO Software, Inc.*	155,828
7,255	Total System Services, Inc.	136,757
2,648	Varian Semiconductor Equipment Associates, Inc.*	111,031
3,788	Verint Systems, Inc.*	129,663
7,165	Vishay Intertechnology, Inc.*	136,708

See Notes to Financial Statements.

PowerShares Dynamic MagniQuant Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
5,884	Western Union Co. (The)	$ 125,035
		4,466,279
	Materials—5.8%	
1,396	Air Products & Chemicals, Inc.	133,346
2,229	Albemarle Corp.	157,256
14,835	Boise, Inc.	145,680
4,870	Buckeye Technologies, Inc.	137,139
3,013	Cabot Corp.	135,133
1,454	Domtar Corp.	135,251
1,684	FMC Corp.	148,663
2,434	Freeport-McMoRan Copper & Gold, Inc.	133,943
2,563	Kronos Worldwide, Inc.	157,778
1,503	Mosaic Co. (The)	112,515
4,538	TPC Group, Inc.*	178,979
		1,575,683
	Telecommunication Services—0.8%	
5,674	Fairpoint Communications, Inc.*	94,983
10,679	General Communication, Inc., Class A*	122,808
		217,791
	Utilities—1.0%	
3,319	Alliant Energy Corp.	131,233
3,132	MGE Energy, Inc.	131,576
		262,809
	Total Common Stocks and Other Equity Interests (Cost $23,318,106)	27,020,252
	Money Market Fund—0.3%	
84,329	Goldman Sachs Financial Square Prime Obligations Institutional Share Class (Cost $84,329)	84,329
	Total Investments (Cost $23,402,435)—100.3%	27,104,581
	Liabilities in excess of other assets—(0.3%)	(80,127)
	Net Assets—100.0%	$27,024,454

Notes to Schedule of Investments:

* Non-income producing security.

See Notes to Financial Statements.

Schedule of Investments

PowerShares Dynamic Market Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests—100.0%	
	Consumer Discretionary—12.7%	
20,832	Ascena Retail Group, Inc.*	$ 651,833
8,769	Autoliv, Inc.	702,660
1,554	Biglari Holdings, Inc.*	679,471
17,004	Buckle, Inc. (The)	773,512
15,525	Dillard's, Inc., Class A	745,510
33,768	Foot Locker, Inc.	726,687
117,567	Limited Brands, Inc.	4,839,058
51,043	McDonald's Corp.	3,997,177
22,463	Papa John's International, Inc.*	675,238
15,821	PetSmart, Inc.	667,172
8,647	Polaris Industries, Inc.	911,653
53,017	Ross Stores, Inc.	3,906,823
75,499	TJX Cos., Inc. (The)	4,048,256
11,294	TRW Automotive Holdings Corp.*	644,436
		23,969,486
	Consumer Staples—9.3%	
9,125	Boston Beer Co., Inc., Class A*	860,123
12,139	Brown-Forman Corp., Class B	872,309
14,992	Coca-Cola Bottling Co. Consolidated	1,056,186
27,747	Elizabeth Arden, Inc.*	834,075
62,829	Estee Lauder Cos., Inc. (The), Class A	6,094,413
30,744	Hormel Foods Corp.	904,181
36,450	Smithfield Foods, Inc.*	858,762
139,210	Walgreen Co.	5,947,051
		17,427,100
	Energy—12.6%	
33,014	Alliance Holdings GP LP	1,724,982
17,820	Clayton Williams Energy, Inc.*	1,613,957
98,892	Exxon Mobil Corp.	8,702,496
105,715	National Oilwell Varco, Inc.	8,107,283
228,047	VAALCO Energy, Inc.*	1,589,488
71,228	W&T Offshore, Inc.	1,909,623
		23,647,829
	Financials—14.8%	
54,472	Aflac, Inc.	3,060,782
19,644	American Financial Group, Inc.	702,666
49,605	Ameriprise Financial, Inc.	3,078,486
35,112	AmTrust Financial Services, Inc.	677,662
18,697	Axis Capital Holdings Ltd. (Bermuda)	661,126
25,751	Brown & Brown, Inc.	665,663
126,592	CB Richard Ellis Group, Inc., Class A*	3,381,272
16,881	Commerce Bancshares, Inc.	718,455
9,595	Credit Acceptance Corp.*	776,236
144,399	Discover Financial Services	3,586,871
9,753	Erie Indemnity Co., Class A	706,410
21,859	FBL Financial Group, Inc., Class A	666,700
25,220	Franklin Resources, Inc.	3,256,406
17,842	Raymond James Financial, Inc.	669,075

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
11,390	Reinsurance Group of America, Inc.	$ 720,987
118,452	Unum Group	3,136,609
16,397	Waddell & Reed Financial, Inc., Class A	672,441
11,242	World Acceptance Corp.*	763,894
		27,901,741
	Health Care—11.0%	
8,927	Air Methods Corp.*	603,644
87,628	AmerisourceBergen Corp.	3,561,202
78,027	CIGNA Corp.	3,654,004
8,311	Cooper Cos., Inc. (The)	622,494
17,003	Coventry Health Care, Inc.*	548,687
14,913	Endo Pharmaceuticals Holdings, Inc.*	583,993
53,561	Health Management Associates, Inc., Class A*	604,168
17,225	Health Net, Inc.*	573,593
13,433	Hill-Rom Holdings, Inc.	604,619
26,070	Immucor, Inc.*	569,108
10,333	Integra LifeSciences Holdings Corp.*	540,519
10,807	Kinetic Concepts, Inc.*	637,937
10,607	Magellan Health Services, Inc.*	551,776
57,818	Quest Diagnostics, Inc.	3,259,779
77,057	UnitedHealth Group, Inc.	3,793,516
		20,709,039
	Industrials—11.7%	
12,941	Alaska Air Group, Inc.*	852,424
34,737	Colfax Corp.*	759,003
15,145	Cubic Corp.	819,042
46,029	Dycom Industries, Inc.*	683,991
10,730	Esterline Technologies Corp.*	770,414
50,766	Joy Global, Inc.	5,124,828
23,378	KBR, Inc.	897,014
32,171	Macquarie Infrastructure Co. LLC*	807,492
25,630	Sauer-Danfoss, Inc.*	1,512,426
64,915	United Parcel Service, Inc., Class B	4,866,677
146,769	Verisk Analytics, Inc., Class A*	4,828,700
		21,922,011
	Information Technology—17.9%	
30,224	ACI Worldwide, Inc.*	998,601
13,684	Apple, Inc.*	4,765,179
295,589	Applied Materials, Inc.	4,637,792
24,029	Black Box Corp.	839,573
192,599	CA, Inc.	4,736,010
8,843	FactSet Research Systems, Inc.	967,513
27,429	FEI Co.*	890,345
75,633	Fiserv, Inc.*	4,637,059
84,847	GT Solar International, Inc.*	947,741
29,360	International Business Machines Corp.	5,008,229
29,205	Jack Henry & Associates, Inc.	992,094
23,034	Novellus Systems, Inc.*	739,391

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares Dynamic Market Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
17,595	Syntel, Inc.	$ 962,095
40,694	TeleTech Holdings, Inc.*	808,590
52,651	Total System Services, Inc.	992,471
19,253	Varian Semiconductor Equipment Associates, Inc.*	807,278
		33,729,961
	Materials—4.1%	
14,144	Albemarle Corp.	997,859
30,842	Buckeye Technologies, Inc.	868,511
10,644	FMC Corp.	939,652
66,720	Mosaic Co. (The)	4,994,659
		7,800,681
	Telecommunication Services—2.7%	
57,012	AT&T, Inc.	1,774,213
38,410	General Communication, Inc., Class A*	441,715
32,534	MetroPCS Communications, Inc.*	547,547
44,584	Verizon Communications, Inc.	1,684,384
106,997	Vonage Holdings Corp.*	552,105
		4,999,964
	Utilities—3.2%	
22,025	Alliant Energy Corp.	870,869
110,194	Edison International	4,327,318
20,809	MGE Energy, Inc.	874,186
		6,072,373
	Total Common Stocks and Other Equity Interests (Cost $171,991,208)	188,180,185
	Money Market Fund—0.1%	
142,624	Goldman Sachs Financial Square Prime Obligations Institutional Share Class (Cost $142,624)	142,624
	Total Investments (Cost $172,133,832)—100.1%	188,322,809
	Liabilities in excess of other assets—(0.1%)	(115,525)
	Net Assets—100.0%	$188,207,284

Notes to Schedule of Investments:

* Non-income producing security.

See Notes to Financial Statements.

Schedule of Investments

PowerShares Dynamic OTC Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests—100.0%	
	Consumer Discretionary—16.0%	
15,191	AFC Enterprises, Inc.*	$ 228,776
7,234	Ascena Retail Group, Inc.*	226,352
22,060	Bed Bath & Beyond, Inc.*	1,238,007
7,297	Bob Evans Farms, Inc.	228,834
10,145	Destination Maternity Corp.	237,089
14,298	Lincoln Educational Services Corp.	238,777
7,800	Papa John's International, Inc.*	234,468
25,639	PetSmart, Inc.	1,081,197
6,865	Rent-A-Center, Inc.	209,039
14,728	Ross Stores, Inc.	1,085,306
25,329	Sonic Corp.*	284,191
32,479	Starbucks Corp.	1,175,415
		6,467,451
	Consumer Staples—2.3%	
4,253	Coca-Cola Bottling Co. Consolidated	299,624
9,365	Hansen Natural Corp.*	619,495
		919,119
	Energy—1.4%	
7,475	Alliance Holdings GP LP	390,569
1,725	Clayton Williams Energy, Inc.*	156,233
		546,802
	Financials—6.7%	
4,095	AmTrust Financial Services, Inc.	79,034
8,952	BOK Financial Corp.	481,439
4,655	Calamos Asset Management, Inc., Class A	75,737
11,513	Commerce Bancshares, Inc.	489,993
1,122	Credit Acceptance Corp.*	90,770
6,652	Erie Indemnity Co., Class A	481,804
2,440	First Financial Corp.	78,470
2,082	FPIC Insurance Group, Inc.*	76,868
1,284	Infinity Property & Casualty Corp.	75,884
3,669	MarketAxess Holdings, Inc.	89,340
8,385	Provident New York Bancorp	78,651
1,634	Safety Insurance Group, Inc.	76,504
19,927	SEI Investments Co.	444,970
1,313	World Acceptance Corp.*	89,218
		2,708,682
	Health Care—13.3%	
2,662	Air Methods Corp.*	180,004
23,410	ArQule, Inc.*	165,275
11,819	Biogen Idec, Inc.*	1,150,580
3,080	CorVel Corp.*	159,544
23,356	Endo Pharmaceuticals Holdings, Inc.*	914,621
14,453	Express Scripts, Inc.*	820,063
7,755	Immucor, Inc.*	169,292
3,074	Integra LifeSciences Holdings Corp.*	160,801
3,804	IPC The Hospitalist Co., Inc.*	197,275
3,165	Magellan Health Services, Inc.*	164,643

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
5,895	PSS World Medical, Inc.*	$ 169,540
20,845	Rigel Pharmaceuticals, Inc.*	189,898
15,927	Sirona Dental Systems, Inc.*	908,954
		5,350,490
	Industrials—4.9%	
14,990	Great Lakes Dredge & Dock Corp.	111,676
7,058	Joy Global, Inc.	712,505
2,720	LB Foster Co., Class A	115,763
7,202	SkyWest, Inc.	119,049
5,245	Trimas Corp.*	121,736
6,735	US Ecology, Inc.	123,655
20,406	Verisk Analytics, Inc., Class A*	671,357
		1,975,741
	Information Technology—53.6%	
6,088	ACI Worldwide, Inc.*	201,148
10,921	Acxiom Corp.*	159,010
8,884	Anaren, Inc.*	147,386
3,550	Apple, Inc.*	1,236,216
76,678	Applied Materials, Inc.	1,203,078
24,915	Automatic Data Processing, Inc.	1,354,130
4,830	Black Box Corp.	168,760
25,262	BMC Software, Inc.*	1,268,910
49,962	CA, Inc.	1,228,566
18,924	Cadence Design Systems, Inc.*	196,431
9,758	Cardtronics, Inc.*	207,357
22,713	Cogo Group, Inc.*	186,474
12,109	Electronics for Imaging, Inc.*	217,478
8,624	ExlService Holdings, Inc.*	178,689
5,525	FEI Co.*	179,341
19,620	Fiserv, Inc.*	1,202,902
17,045	GT Solar International, Inc.*	190,393
10,341	Insight Enterprises, Inc.*	177,452
5,426	Interactive Intelligence, Inc.*	203,041
3,855	InterDigital, Inc.	178,448
5,883	Jack Henry & Associates, Inc.	199,846
25,246	KLA-Tencor Corp.	1,108,299
2,357	Loral Space & Communications, Inc.*	164,754
29,140	Magma Design Automation, Inc.*	185,330
6,080	Measurement Specialties, Inc.*	211,462
26,088	MICROS Systems, Inc.*	1,357,098
46,556	Microsoft Corp.	1,211,387
4,189	MTS Systems Corp.	185,447
6,560	Multi-Fineline Electronix, Inc.*	174,693
8,244	NCI, Inc., Class A*	202,885
7,464	NetScout Systems, Inc.*	191,004
11,422	Newport Corp.*	213,934
4,639	Novellus Systems, Inc.*	148,912
3,161	NVE Corp.*	186,373
37,399	Paychex, Inc.	1,223,321
14,957	Perficient, Inc.*	186,813

See Notes to Financial Statements.

PowerShares Dynamic OTC Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
6,302	Progress Software Corp.*	$ 186,854
7,008	Quest Software, Inc.*	180,526
68,102	Symantec Corp.*	1,338,204
3,535	Syntel, Inc.	193,294
17,408	TeleNav, Inc.*	236,401
8,176	TeleTech Holdings, Inc.*	162,457
50,287	TIBCO Software, Inc.*	1,508,107
10,535	TTM Technologies, Inc.*	201,429
3,868	Varian Semiconductor Equipment Associates, Inc.*	162,185
5,551	Verint Systems, Inc.*	190,011
		21,596,236
	Materials—0.8%	
3,107	Sigma-Aldrich Corp.	219,292
2,960	TPC Group, Inc.*	116,743
		336,035
	Telecommunication Services—1.0%	
10,360	General Communication, Inc., Class A*	119,140
6,829	NII Holdings, Inc., Class B*	283,950
		403,090
	Total Common Stocks and Other Equity Interests (Cost $34,403,964)	40,303,646
	Money Market Fund—0.2%	
92,411	Goldman Sachs Financial Square Prime Obligations Institutional Share Class (Cost $92,411)	92,411
	Total Investments (Cost $34,496,375)—100.2%	40,396,057
	Liabilities in excess of other assets—(0.2%)	(75,379)
	Net Assets—100.0%	$40,320,678

Notes to Schedule of Investments:

* Non-income producing security.

See Notes to Financial Statements.

Schedule of Investments

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests—100.0%	
	Consumer Discretionary—10.6%	
8,075	Aaron's, Inc.	$ 232,479
6,536	Abercrombie & Fitch Co., Class A	462,749
5,204	Advance Auto Parts, Inc.	340,654
6,033	Aeropostale, Inc.*	154,023
6,631	Amazon.com, Inc.*	1,302,992
21,996	American Eagle Outfitters, Inc.	342,258
7,130	Ann, Inc.*	222,527
10,200	Apollo Group, Inc., Class A*	408,306
9,963	Asbury Automotive Group, Inc.*	172,360
5,538	Ascena Retail Group, Inc.*	173,284
7,106	Autoliv, Inc.	569,404
20,954	AutoNation, Inc.*	710,550
1,681	AutoZone, Inc.*	474,681
17,532	Barnes & Noble, Inc.	192,677
15,345	Bed Bath & Beyond, Inc.*	861,161
68,026	Best Buy Co., Inc.	2,123,772
7,620	Big Lots, Inc.*	313,258
4,899	BorgWarner, Inc.*	378,399
16,983	Boyd Gaming Corp.*	151,828
11,286	Brinker International, Inc.	271,880
8,766	Brunswick Corp.	204,861
5,496	Cabela's, Inc., Class A*	140,368
14,251	Cablevision Systems Corp., Class A	502,063
8,209	Career Education Corp.*	179,038
13,690	CarMax, Inc.*	475,043
37,910	Carnival Corp.	1,443,234
75,512	CBS Corp., Class B	1,904,413
51,139	Charming Shoppes, Inc.*	231,660
13,196	Chico's FAS, Inc.	193,057
7,374	Cinemark Holdings, Inc.	149,913
7,063	Coach, Inc.	422,438
9,784	Collective Brands, Inc.*	205,464
154,227	Comcast Corp., Class A	4,046,916
52,982	Comcast Corp. Special Class A	1,300,708
6,735	Cooper Tire & Rubber Co.	181,710
5,265	Core-Mark Holding Co., Inc.*	176,430
51,948	D.R. Horton, Inc.	646,233
20,446	Dana Holding Corp.*	371,504
11,321	Darden Restaurants, Inc.	531,747
2,695	DeVry, Inc.	142,566
40,020	Dex One Corp.*	168,084
4,461	Dick's Sporting Goods, Inc.*	182,589
7,274	Dillard's, Inc., Class A	349,297
38,594	DIRECTV, Class A*	1,875,282
5,377	Discovery Communications, Inc., Class A*	237,986
5,474	Discovery Communications, Inc., Class C*	216,004
22,243	DISH Network Corp., Class A*	556,965
7,586	Dollar Tree, Inc.*	436,195
12,968	Domino's Pizza, Inc.*	240,816
143,626	Eastman Kodak Co.*	399,280

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
15,461	Exide Technologies*	$ 155,228
20,320	Expedia, Inc.	508,610
9,240	Family Dollar Stores, Inc.	500,900
20,386	Foot Locker, Inc.	438,707
405,258	Ford Motor Co.*	6,269,341
15,454	Fortune Brands, Inc.	1,005,746
28,781	GameStop Corp., Class A*	739,096
55,394	Gannett Co., Inc.	834,234
44,093	Gap, Inc. (The)	1,024,721
10,723	Garmin Ltd. (Switzerland)	367,048
64,695	General Motors Co.*	2,076,063
5,187	Gentex Corp.	162,612
16,341	Genuine Parts Co.	877,512
77,915	Goodyear Tire & Rubber Co. (The)*	1,414,157
5,783	Group 1 Automotive, Inc.	248,900
34,326	H&R Block, Inc.	593,497
12,530	Hanesbrands, Inc.*	407,350
17,494	Harley-Davidson, Inc.	651,826
4,728	Harman International Industries, Inc.	229,450
9,037	Hasbro, Inc.	423,293
169,142	Home Depot, Inc. (The)	6,281,934
5,634	HSN, Inc.*	186,936
3,271	Hyatt Hotels Corp., Class A*	144,938
27,087	International Game Technology	479,169
37,250	Interpublic Group of Cos., Inc. (The)	437,688
37,454	J.C. Penney Co., Inc.	1,440,106
8,716	Jack in the Box, Inc.*	179,985
9,267	Jarden Corp.	337,226
53,612	Johnson Controls, Inc.	2,198,092
20,963	Jones Group, Inc. (The)	285,726
15,918	KB Home	187,992
30,014	Kohl's Corp.	1,582,038
7,312	Lamar Advertising Co., Class A*	237,786
7,176	Las Vegas Sands Corp.*	337,344
4,976	Lear Corp.	254,473
19,540	Leggett & Platt, Inc.	513,707
15,706	Liberty Global, Inc., Class A*	730,329
15,040	Liberty Global, Inc., Class C*	667,626
65,916	Liberty Media Corp. - Interactive, Class A*	1,152,212
3,345	Liberty Media Corp. - Starz, Class A*	257,063
27,138	Limited Brands, Inc.	1,117,000
20,267	Live Nation Entertainment, Inc.*	224,761
39,714	Liz Claiborne, Inc.*	249,801
6,807	LKQ Corp.*	171,673
143,375	Lowe's Cos., Inc.	3,763,594
72,401	Macy's, Inc.	1,731,108
17,864	Marriott International, Inc., Class A	630,599
29,148	Mattel, Inc.	778,835
57,636	McDonald's Corp.	4,513,475
23,677	McGraw-Hill Cos., Inc. (The)	958,208

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1000 Portfolio
April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
6,481	MDC Holdings, Inc.	$ 189,180
5,937	Men's Wearhouse, Inc. (The)	165,583
6,240	Meritage Homes Corp.*	149,198
50,548	MGM Resorts International*	639,938
11,397	Mohawk Industries, Inc.*	684,276
820	Netflix, Inc.*	190,789
27,309	New York Times Co. (The), Class A*	222,022
31,590	Newell Rubbermaid, Inc.	602,105
132,925	News Corp., Class A	2,368,724
43,829	News Corp., Class B	828,368
13,239	NIKE, Inc., Class B	1,089,834
14,951	Nordstrom, Inc.	710,920
521	NVR, Inc.*	385,191
141,355	Office Depot, Inc.*	609,240
26,355	OfficeMax, Inc.*	262,496
21,218	Omnicom Group, Inc.	1,043,713
7,268	O'Reilly Automotive, Inc.*	429,248
9,231	Penn National Gaming, Inc.*	369,332
11,063	Penske Automotive Group, Inc.*	248,696
7,625	PetSmart, Inc.	321,546
2,989	Phillips-Van Heusen Corp.	210,456
2,305	Polaris Industries, Inc.	243,016
2,433	Polo Ralph Lauren Corp.	318,163
438	priceline.com, Inc.*	239,590
68,206	Pulte Group, Inc.*	554,515
20,169	RadioShack Corp.	318,872
24,747	Regal Entertainment Group, Class A	341,014
10,171	Regis Corp.	172,907
11,919	Rent-A-Center, Inc.	362,934
5,442	Ross Stores, Inc.	401,021
14,811	Royal Caribbean Cruises Ltd.*	589,774
33,248	Saks, Inc.*	397,646
18,428	Sears Holdings Corp.*	1,584,255
22,989	Service Corp. International	270,581
8,318	Signet Jewelers Ltd. (United Kingdom)*	363,913
15,435	Sonic Automotive, Inc., Class A	217,634
9,938	Stanley Black & Decker, Inc.	721,996
69,050	Staples, Inc.	1,459,717
23,435	Starbucks Corp.	848,113
10,150	Starwood Hotels & Resorts Worldwide, Inc.	604,636
23,637	SuperMedia, Inc.*	121,494
79,897	Target Corp.	3,922,943
7,424	Tenneco, Inc.*	343,063
5,685	Tiffany & Co.	394,766
29,255	Time Warner Cable, Inc.	2,285,693
148,930	Time Warner, Inc.	5,638,490
23,881	TJX Cos., Inc. (The)	1,280,499
10,496	Toll Brothers, Inc.*	220,521
3,451	Tractor Supply Co.	213,513
15,263	TRW Automotive Holdings Corp.*	870,907
3,832	Tupperware Brands Corp.	$ 243,983
4,204	Urban Outfitters, Inc.*	132,258
8,789	VF Corp.	883,822
36,430	Viacom, Inc., Class B	1,863,759
26,144	Virgin Media, Inc.	791,117
114,205	Walt Disney Co. (The)	4,922,236
2,943	Warnaco Group, Inc. (The)*	189,411
48,838	Wendy's/Arby's Group, Inc., Class A	235,399
13,224	Whirlpool Corp.	1,139,644
7,592	Williams-Sonoma, Inc.	329,569
13,187	Wyndham Worldwide Corp.	456,402
2,375	Wynn Resorts Ltd.	349,481
20,039	Yum! Brands, Inc.	1,074,892
		128,565,835
	Consumer Staples—10.5%	
17,170	Alberto-Culver Co.	641,128
311,441	Altria Group, Inc.	8,359,076
87,592	Archer-Daniels-Midland Co.	3,242,656
34,068	Avon Products, Inc.	1,000,918
10,266	BJ's Wholesale Club, Inc.*	526,851
6,002	Brown-Forman Corp., Class B	431,304
24,723	Bunge Ltd.	1,865,103
20,700	Campbell Soup Co.	695,313
5,307	Casey's General Stores, Inc.	207,132
8,235	Central European Distribution Corp.*	97,338
10,485	Chiquita Brands International, Inc.*	166,921
3,036	Church & Dwight Co., Inc.	250,409
9,263	Clorox Co. (The)	645,261
113,367	Coca-Cola Co. (The)	7,647,738
47,215	Coca-Cola Enterprises, Inc.	1,341,378
26,756	Colgate-Palmolive Co.	2,256,869
54,428	ConAgra Foods, Inc.	1,330,765
21,982	Constellation Brands, Inc., Class A*	492,177
5,813	Corn Products International, Inc.	320,296
44,407	Costco Wholesale Corp.	3,593,414
150,745	CVS Caremark Corp.	5,462,999
123,249	Dean Foods Co.*	1,379,156
13,117	Dole Food Co., Inc.*	181,146
19,307	Dr Pepper Snapple Group, Inc.	756,834
6,750	Energizer Holdings, Inc.*	509,827
3,910	Estee Lauder Cos., Inc. (The), Class A	379,270
6,942	Flowers Foods, Inc.	212,148
6,089	Fresh Del Monte Produce, Inc.	165,073
47,470	General Mills, Inc.	1,831,393
24,685	H.J. Heinz Co.	1,264,613
2,190	Herbalife Ltd. (Cayman Islands)	196,618
9,565	Hershey Co. (The)	551,996
14,477	Hormel Foods Corp.	425,769
8,906	J.M. Smucker Co. (The)	668,573
19,867	Kellogg Co.	1,137,783

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
37,452	Kimberly-Clark Corp.	$ 2,474,079
165,593	Kraft Foods, Inc., Class A	5,560,613
138,032	Kroger Co. (The)	3,355,558
17,451	Lorillard, Inc.	1,858,531
8,007	McCormick & Co., Inc.	393,304
6,754	Mead Johnson Nutrition Co.	451,708
14,694	Molson Coors Brewing Co., Class B	716,333
4,641	Nash Finch Co.	172,738
17,078	Pantry, Inc. (The)*	264,367
95,607	PepsiCo, Inc.	6,586,366
79,432	Philip Morris International, Inc.	5,515,758
214,149	Procter & Gamble Co. (The)	13,898,270
5,934	Ralcorp Holdings, Inc.*	461,665
43,590	Reynolds American, Inc.	1,617,625
390,549	Rite Aid Corp.*	433,509
4,863	Ruddick Corp.	201,912
93,987	Safeway, Inc.	2,284,824
63,712	Sara Lee Corp.	1,223,270
30,835	Smithfield Foods, Inc.*	726,473
202,762	SUPERVALU, Inc.	2,283,100
79,515	Sysco Corp.	2,298,779
56,625	Tyson Foods, Inc., Class A	1,126,837
4,538	United Natural Foods, Inc.*	193,727
4,851	Universal Corp.	210,436
83,115	Walgreen Co.	3,550,673
334,094	Wal-Mart Stores, Inc.	18,368,488
9,481	Whole Foods Market, Inc.	595,028
53,157	Winn-Dixie Stores, Inc.*	376,883
		127,436,099
	Energy—11.7%	
6,084	Alpha Natural Resources, Inc.*	353,906
28,039	Anadarko Petroleum Corp.	2,213,399
16,493	Apache Corp.	2,199,671
10,168	Arch Coal, Inc.	348,762
3,574	Atwood Oceanics, Inc.*	160,580
23,213	Baker Hughes, Inc.	1,796,918
3,457	Bristow Group, Inc.*	160,405
4,186	Cabot Oil & Gas Corp.	235,588
10,078	Cameron International Corp.*	531,312
44,359	Chesapeake Energy Corp.	1,493,568
208,888	Chevron Corp.	22,860,703
2,383	Cimarex Energy Co.	263,536
205,047	ConocoPhillips	16,184,360
9,987	CONSOL Energy, Inc.	540,197
4,413	Copano Energy LLC	158,206
7,653	CVR Energy, Inc.*	170,126
11,068	Denbury Resources, Inc.*	249,805
24,854	Devon Energy Corp.	2,261,714
7,614	Diamond Offshore Drilling, Inc.	577,674
4,079	Dresser-Rand Group, Inc.*	214,311

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
36,214	El Paso Corp.	$ 702,914
9,964	EOG Resources, Inc.	1,125,035
7,173	EQT Corp.	377,372
15,661	Exterran Holdings, Inc.*	340,000
416,585	Exxon Mobil Corp.	36,659,480
7,058	FMC Technologies, Inc.*	328,056
6,970	Forest Oil Corp.*	250,293
8,180	Frontier Oil Corp.	228,549
66,569	General Maritime Corp.	142,458
43,042	Halliburton Co.	2,172,760
18,407	Helix Energy Solutions Group, Inc.*	348,444
5,179	Helmerich & Payne, Inc.	343,575
33,151	Hess Corp.	2,849,660
3,258	Holly Corp.	188,638
11,252	Key Energy Services, Inc.*	204,786
6,369	Linn Energy LLC	257,180
97,965	Marathon Oil Corp.	5,294,029
3,689	Massey Energy Co.	251,737
18,876	McDermott International, Inc.*	435,847
19,197	Murphy Oil Corp.	1,487,384
30,768	Nabors Industries Ltd. (Bermuda)*	942,731
17,807	National Oilwell Varco, Inc.	1,365,619
6,556	Newfield Exploration Co.*	464,165
17,194	Noble Corp. (Switzerland)	739,514
7,927	Noble Energy, Inc.	763,132
43,204	Occidental Petroleum Corp.	4,937,785
2,600	Oceaneering International, Inc.*	227,292
3,574	Oil States International, Inc.*	296,678
7,418	Overseas Shipholding Group, Inc.	206,665
12,964	Patterson-UTI Energy, Inc.	403,310
10,676	Peabody Energy Corp.	713,370
14,579	Petrohawk Energy Corp.*	393,779
3,923	Pioneer Natural Resources Co.	401,048
10,518	Plains Exploration & Production Co.*	400,105
12,183	Pride International, Inc.*	534,956
9,942	QEP Resources, Inc.	424,822
4,373	Range Resources Corp.	246,856
8,211	Rowan Cos., Inc.*	342,399
49,042	Schlumberger Ltd.	4,401,519
2,813	SEACOR Holdings, Inc.	278,009
8,208	Ship Finance International Ltd. (Bermuda)	164,078
2,209	SM Energy Co.	167,575
11,843	Southern Union Co.	354,106
9,413	Southwestern Energy Co.*	412,854
58,894	Spectra Energy Corp.	1,710,282
39,844	Sunoco, Inc.	1,699,745
4,701	Superior Energy Services, Inc.*	180,612
7,980	Targa Resources Corp.	279,460
8,326	Teekay Corp. (Bahamas)	283,001
41,376	Tesoro Corp.*	1,122,117
4,457	Tidewater, Inc.	265,236

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
3,428	Ultra Petroleum Corp.*	$ 174,108
4,465	Unit Corp.*	281,384
27,420	USEC, Inc.*	125,584
165,147	Valero Energy Corp.	4,673,660
57,909	Weatherford International Ltd. (Switzerland)*	1,249,676
13,319	Western Refining, Inc.*	225,890
4,235	Whiting Petroleum Corp.*	294,332
47,959	Williams Cos., Inc. (The)	1,590,800
10,444	World Fuel Services Corp.	413,373
		141,114,565
	Financials—20.1%	
34,452	ACE Ltd. (Switzerland)	2,316,897
1,870	Affiliated Managers Group, Inc.*	203,980
29,108	Aflac, Inc.	1,635,579
2,832	Alexandria Real Estate Equities, Inc. REIT	232,649
491	Alleghany Corp.*	161,539
6,455	Allied World Assurance Co. Holdings Ltd. (Switzerland)	419,381
102,532	Allstate Corp. (The)	3,469,683
6,855	Alterra Capital Holdings Ltd. (Bermuda)	150,673
10,688	AMB Property Corp. REIT	389,043
96,043	American Express Co.	4,713,790
7,319	American Financial Group, Inc.	261,801
17,494	American International Group, Inc.*	544,938
15,340	Ameriprise Financial, Inc.	952,000
71,270	Annaly Capital Management, Inc. REIT	1,271,457
16,851	Aon Corp.	879,117
19,487	Apartment Investment & Management Co., Class A REIT	525,370
5,881	Arch Capital Group Ltd.*	611,624
8,594	Arthur J. Gallagher & Co.	255,929
10,724	Aspen Insurance Holdings Ltd. (Bermuda)	306,385
27,011	Associated Banc-Corp.	394,361
17,479	Assurant, Inc.	693,916
525	Assured Guaranty Ltd. (Bermuda)	8,925
15,579	Astoria Financial Corp.	225,428
4,044	AvalonBay Communities, Inc. REIT	512,011
15,644	Axis Capital Holdings Ltd. (Bermuda)	553,172
12,716	BancorpSouth, Inc.	172,302
1,935,283	Bank of America Corp.	23,765,275
4,727	Bank of Hawaii Corp.	230,630
106,433	Bank of New York Mellon Corp. (The)	3,082,300
91,900	BB&T Corp.	2,473,948
160,365	Berkshire Hathaway, Inc., Class B*	13,358,405
10,055	BioMed Realty Trust, Inc. REIT	199,491
4,430	BlackRock, Inc.	868,014
9,110	Boston Properties, Inc. REIT	952,268
22,824	Brandywine Realty Trust REIT	289,865
3,899	BRE Properties, Inc. REIT	197,757

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
7,332	Brown & Brown, Inc.	$ 189,532
4,952	Camden Property Trust REIT	310,738
61,974	Capital One Financial Corp.	3,391,837
52,329	CapitalSource, Inc.	349,558
13,606	CB Richard Ellis Group, Inc., Class A*	363,416
15,674	CBL & Associates Properties, Inc. REIT	291,066
64,550	Charles Schwab Corp. (The)	1,181,911
42,159	Chimera Investment Corp. REIT	170,744
36,820	Chubb Corp. (The)	2,400,296
23,317	Cincinnati Financial Corp.	738,683
14,979	CIT Group, Inc.*	636,008
4,442,324	Citigroup, Inc.*	20,390,267
4,338	City National Corp.	247,743
4,502	CME Group, Inc.	1,331,557
79,422	CNO Financial Group, Inc.*	640,141
10,683	Colonial Properties Trust REIT	226,052
21,651	Comerica, Inc.	821,222
7,121	Commerce Bancshares, Inc.	303,070
12,367	CommonWealth REIT	338,732
4,486	Corporate Office Properties Trust REIT	157,952
4,652	Cullen/Frost Bankers, Inc.	275,584
27,627	DCT Industrial Trust, Inc. REIT	160,513
4,880	Delphi Financial Group, Inc., Class A	155,916
31,491	Developers Diversified Realty Corp. REIT	464,177
2,639	Digital Realty Trust, Inc. REIT	159,237
50,756	Discover Financial Services	1,260,779
8,801	Douglas Emmett, Inc. REIT	183,149
31,669	Duke Realty Corp. REIT	482,952
28,206	E*TRADE Financial Corp.*	458,065
8,111	East West Bancorp, Inc.	171,385
5,996	Eaton Vance Corp.	202,485
6,201	Endurance Specialty Holdings Ltd. (Bermuda)	274,952
3,285	Entertainment Properties Trust REIT	156,399
17,731	Equity Residential REIT	1,058,895
2,121	Erie Indemnity Co., Class A	153,624
1,580	Essex Property Trust, Inc. REIT	214,058
6,949	Everest Re Group Ltd.	633,193
14,508	F.N.B. Corp.	158,863
3,138	Federal Realty Investment Trust REIT	274,763
11,636	Federated Investors, Inc., Class B	299,976
83,322	Fidelity National Financial, Inc., Class A	1,286,492
99,675	Fifth Third Bancorp	1,322,687
40,373	First Horizon National Corp.	442,084
26,019	First Niagara Financial Group, Inc.	374,674
12,553	FirstMerit Corp.	219,301
7,639	Franklin Resources, Inc.	986,348
22,743	Fulton Financial Corp.	265,638
19,974	General Growth Properties, Inc. REIT	333,566
102,461	Genworth Financial, Inc., Class A*	1,249,000
48,675	Goldman Sachs Group, Inc. (The)	7,350,412

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
5,674	Hanover Insurance Group, Inc. (The)	$ 239,556
96,841	Hartford Financial Services Group, Inc. (The)	2,805,484
5,259	Hatteras Financial Corp. REIT	149,408
11,115	HCC Insurance Holdings, Inc.	361,682
16,948	HCP, Inc. REIT	671,480
6,948	Health Care REIT, Inc. REIT	373,594
5,765	Highwoods Properties, Inc. REIT	212,729
2,866	Home Properties, Inc. REIT	181,704
22,160	Hospitality Properties Trust REIT	535,164
49,526	Host Hotels & Resorts, Inc. REIT	881,068
63,003	Hudson City Bancorp, Inc.	600,419
98,590	Huntington Bancshares, Inc.	669,426
15,178	Interactive Brokers Group, Inc., Class A	266,222
1,988	IntercontinentalExchange, Inc.*	239,256
28,527	Invesco Ltd. (~)	709,466
39,865	iStar Financial, Inc. REIT*	383,501
7,325	Jefferies Group, Inc.	177,045
2,142	Jones Lang LaSalle, Inc.	219,298
457,380	JPMorgan Chase & Co.	20,870,249
141,110	KeyCorp	1,223,424
4,413	Kilroy Realty Corp. REIT	185,081
28,409	Kimco Realty Corp. REIT	555,112
13,191	Knight Capital Group, Inc., Class A*	180,981
17,972	Legg Mason, Inc.	667,660
6,367	Leucadia National Corp.	246,148
17,895	Lexington Realty Trust REIT	178,592
12,131	Liberty Property Trust REIT	426,647
41,646	Lincoln National Corp.	1,300,605
47,051	Loews Corp.	2,082,477
12,124	M&T Bank Corp.	1,071,398
7,564	Macerich Co. (The) REIT	399,530
9,952	Mack-Cali Realty Corp. REIT	351,505
831	Markel Corp.*	346,760
41,663	Marsh & McLennan Cos., Inc.	1,261,556
105,855	Marshall & Ilsley Corp.	864,835
18,035	MBIA, Inc.*	186,121
4,203	Mercury General Corp.	167,027
66,937	MetLife, Inc.	3,131,982
30,484	MF Global Holdings Ltd.*	256,370
27,567	MFA Financial, Inc. REIT	219,985
18,777	MGIC Investment Corp.*	162,609
12,484	Montpelier Re Holdings Ltd. (Bermuda)	225,836
10,353	Moody's Corp.	405,216
192,655	Morgan Stanley	5,037,928
5,493	MSCI, Inc., Class A*	194,837
17,898	NASDAQ OMX Group, Inc. (The)*	485,036
5,952	National Retail Properties, Inc. REIT	156,776
5,448	Nationwide Health Properties, Inc. REIT	238,622
43,392	New York Community Bancorp, Inc.	720,307
19,050	Northern Trust Corp.	952,310

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
20,804	NYSE Euronext	$ 833,200
38,482	Old Republic International Corp.	487,567
8,940	PartnerRe Ltd. (Bermuda)	718,418
10,435	Pennsylvania REIT	164,769
38,354	People's United Financial, Inc.	525,066
18,982	PHH Corp.*	407,354
63,832	Phoenix Cos., Inc. (The)*	171,708
7,749	Piedmont Office Realty Trust, Inc., Class A REIT	154,205
4,984	Platinum Underwriters Holdings Ltd. (Bermuda)	188,445
12,458	Plum Creek Timber Co., Inc. REIT	536,815
52,413	PNC Financial Services Group, Inc.	3,267,426
166,283	Popular, Inc.*	523,791
6,951	Potlatch Corp. REIT	268,934
9,552	Primerica, Inc.	220,842
31,995	Principal Financial Group, Inc.	1,079,831
3,010	ProAssurance Corp.*	199,864
66,560	Progressive Corp. (The)	1,460,326
64,240	ProLogis REIT	1,046,470
12,916	Protective Life Corp.	347,570
51,273	Prudential Financial, Inc.	3,251,734
5,153	Public Storage REIT	604,498
8,652	Raymond James Financial, Inc.	324,450
5,609	Rayonier, Inc. REIT	372,213
5,086	Realty Income Corp. REIT	180,807
14,060	Redwood Trust, Inc. REIT	222,570
6,425	Regency Centers Corp. REIT	302,360
244,230	Regions Financial Corp.	1,792,648
7,720	Reinsurance Group of America, Inc.	488,676
5,347	RenaissanceRe Holdings Ltd. (Bermuda)	375,787
2,520	RLI Corp.	149,285
6,995	SEI Investments Co.	156,198
9,665	Selective Insurance Group, Inc.	170,491
7,637	Senior Housing Properties Trust REIT	181,150
11,751	Simon Property Group, Inc. REIT	1,345,960
5,251	SL Green Realty Corp. REIT	433,365
53,818	SLM Corp.*	892,841
6,196	StanCorp Financial Group, Inc.	267,048
43,247	State Street Corp.	2,013,148
13,710	Sunstone Hotel Investors, Inc. REIT*	143,407
80,747	SunTrust Banks, Inc.	2,276,258
20,158	Susquehanna Bancshares, Inc.	185,857
3,016	SVB Financial Group*	182,287
199,515	Synovus Financial Corp.	498,787
9,718	T. Rowe Price Group, Inc.	624,382
17,853	TCF Financial Corp.	278,328
24,050	TD Ameritrade Holding Corp.	518,037
8,005	Torchmark Corp.	535,695
8,316	Transatlantic Holdings, Inc.	409,896
75,504	Travelers Cos., Inc. (The)	4,777,893

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
7,316	Trustmark Corp.	$ 170,024
191,266	U.S. Bancorp	4,938,488
12,554	UDR, Inc. REIT	325,023
13,191	Umpqua Holdings Corp.	153,148
10,835	Unitrin, Inc.	327,650
38,909	Unum Group	1,030,310
10,398	Validus Holdings Ltd.	338,351
19,125	Valley National Bancorp	273,870
7,655	Ventas, Inc. REIT	428,144
11,387	Vornado Realty Trust REIT	1,100,895
17,363	W.R. Berkley Corp.	566,207
11,895	Washington Federal, Inc.	191,391
4,668	Washington Real Estate Investment Trust REIT	151,243
8,835	Webster Financial Corp.	190,129
12,241	Weingarten Realty Investors REIT	323,285
485,915	Wells Fargo & Co.	14,144,986
56,357	Weyerhaeuser Co. REIT	1,296,775
1,149	White Mountains Insurance Group Ltd.	410,779
13,880	Whitney Holding Corp.	187,935
11,812	Willis Group Holdings PLC (Ireland)	488,072
46,449	XL Group PLC (Ireland)	1,134,285
27,967	Zions Bancorp	683,793
		242,633,059
	Health Care—10.7%	
114,787	Abbott Laboratories	5,973,515
45,839	Aetna, Inc.	1,896,818
13,641	Agilent Technologies, Inc.*	680,822
7,111	Alere, Inc.*	264,103
7,546	Allergan, Inc.	600,360
4,405	AMERIGROUP Corp.*	300,861
63,820	AmerisourceBergen Corp.	2,593,645
69,758	Amgen, Inc.*	3,965,742
32,923	Baxter International, Inc.	1,873,319
3,779	Beckman Coulter, Inc.	313,090
14,018	Becton, Dickinson and Co.	1,204,707
12,880	Biogen Idec, Inc.*	1,253,868
222,894	Boston Scientific Corp.*	1,669,476
183,619	Bristol-Myers Squibb Co.	5,159,694
6,547	Brookdale Senior Living, Inc.*	178,340
3,577	C.R. Bard, Inc.	381,845
84,415	Cardinal Health, Inc.	3,688,091
22,363	CareFusion Corp.*	656,801
8,349	Celgene Corp.*	491,589
5,680	Centene Corp.*	205,786
5,799	Cephalon, Inc.*	445,363
2,393	Cerner Corp.*	287,591
5,512	Charles River Laboratories International, Inc.*	232,551
26,484	CIGNA Corp.	1,240,246

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
16,282	Community Health Systems, Inc.*	$ 500,346
2,405	Cooper Cos., Inc. (The)	180,135
3,896	Covance, Inc.*	243,890
27,830	Coventry Health Care, Inc.*	898,074
27,531	Covidien PLC (Ireland)	1,533,201
7,051	DaVita, Inc.*	621,123
6,575	DENTSPLY International, Inc.	246,825
2,085	Edwards Lifesciences Corp.*	180,040
123,954	Eli Lilly & Co.	4,587,538
6,533	Endo Pharmaceuticals Holdings, Inc.*	255,832
23,208	Express Scripts, Inc.*	1,316,822
20,580	Forest Laboratories, Inc.*	682,433
32,279	Gilead Sciences, Inc.*	1,253,716
28,878	Health Management Associates, Inc., Class A*	325,744
25,827	Health Net, Inc.*	860,039
6,741	Henry Schein, Inc.*	492,565
5,090	Hill-Rom Holdings, Inc.	229,101
16,093	Hologic, Inc.*	354,368
8,442	Hospira, Inc.*	478,915
24,854	Humana, Inc.*	1,891,886
739	Intuitive Surgical, Inc.*	258,428
205,006	Johnson & Johnson	13,472,994
8,482	Kindred Healthcare, Inc.*	213,916
5,365	Kinetic Concepts, Inc.*	316,696
5,787	Laboratory Corp. of America Holdings*	558,272
8,377	Life Technologies Corp.*	462,410
8,141	LifePoint Hospitals, Inc.*	338,747
7,662	Lincare Holdings, Inc.	240,740
4,013	Magellan Health Services, Inc.*	208,756
47,339	McKesson Corp.	3,929,610
44,490	Medco Health Solutions, Inc.*	2,639,592
2,734	MEDNAX, Inc.*	193,895
68,182	Medtronic, Inc.	2,846,599
271,306	Merck & Co., Inc.	9,753,451
1,078	Mettler-Toledo International, Inc.*	202,017
13,956	Mylan, Inc.*	347,784
17,112	Omnicare, Inc.	537,659
9,301	Owens & Minor, Inc.	320,419
6,711	Patterson Cos., Inc.	232,939
7,880	PerkinElmer, Inc.	222,768
2,280	Perrigo Co.	206,021
911,127	Pfizer, Inc.	19,097,222
7,344	Pharmaceutical Product Development, Inc.	226,562
13,138	Quest Diagnostics, Inc.	740,720
14,932	St. Jude Medical, Inc.	797,966
4,620	STERIS Corp.	166,505
12,210	Stryker Corp.	720,390
4,297	Teleflex, Inc.	270,754
74,281	Tenet Healthcare Corp.*	514,767
27,982	Thermo Fisher Scientific, Inc.*	1,678,640

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
121,537	UnitedHealth Group, Inc.	$ 5,983,267
8,516	Universal American Financial Corp.	196,720
7,452	Universal Health Services, Inc., Class B	408,221
3,854	Varian Medical Systems, Inc.*	270,551
6,264	VCA Antech, Inc.*	154,094
2,789	Waters Corp.*	273,322
5,628	Watson Pharmaceuticals, Inc.*	349,049
77,220	WellPoint, Inc.	5,929,724
14,016	Zimmer Holdings, Inc.*	914,544
		128,887,547
	Industrials—11.5%	
45,814	3M Co.	4,453,579
2,843	Acuity Brands, Inc.	167,168
13,757	Aecom Technology Corp.*	375,016
11,983	AerCap Holdings NV (Netherlands)*	171,597
9,499	AGCO Corp.*	546,952
5,159	Alaska Air Group, Inc.*	339,823
4,612	Alexander & Baldwin, Inc.	243,052
4,613	Alliant Techsystems, Inc.	325,908
1,790	Amerco, Inc.*	182,079
6,144	AMETEK, Inc.	282,870
173,090	AMR Corp.*	1,016,038
2,241	Atlas Air Worldwide Holdings, Inc.*	154,427
13,945	Avery Dennison Corp.	582,064
43,181	Avis Budget Group, Inc.*	818,712
6,337	BE Aerospace, Inc.*	244,545
61,238	Boeing Co. (The)	4,885,568
4,158	Brady Corp., Class A	156,798
8,739	Briggs & Stratton Corp.	206,153
5,976	Brink's Co. (The)	197,268
1,865	Bucyrus International, Inc.	170,554
6,835	C.H. Robinson Worldwide, Inc.	548,030
5,168	Carlisle Cos., Inc.	256,023
38,013	Caterpillar, Inc.	4,387,080
15,152	Cintas Corp.	470,470
8,086	Con-way, Inc.	314,707
10,257	Cooper Industries PLC (Ireland)	676,449
9,649	Corrections Corp. of America*	240,164
10,998	Covanta Holding Corp.	188,836
4,712	Crane Co.	235,176
21,931	CSX Corp.	1,725,750
8,388	Cummins, Inc.	1,008,070
3,966	Curtiss-Wright Corp.	131,870
27,435	Danaher Corp.	1,515,509
23,231	Deere & Co.	2,265,023
120,513	Delta Air Lines, Inc.*	1,250,925
7,078	Deluxe Corp.	191,672
4,484	Dollar Thrifty Automotive Group, Inc.*	309,082
3,341	Donaldson Co., Inc.	204,569
12,748	Dover Corp.	867,374

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
36,429	DryShips, Inc. (Greece)*	$ 171,945
2,265	Dun & Bradstreet Corp. (The)	186,138
12,054	Eaton Corp.	645,251
10,965	EMCOR Group, Inc.*	339,586
48,436	Emerson Electric Co.	2,942,971
4,293	EnerSys*	162,662
7,048	Equifax, Inc.	264,511
2,634	Esterline Technologies Corp.*	189,121
7,494	Expeditors International of Washington, Inc.	406,699
5,169	Fastenal Co.	346,788
29,188	FedEx Corp.	2,792,416
2,508	Flowserve Corp.	317,563
12,867	Fluor Corp.	899,918
9,777	Foster Wheeler AG (Switzerland)*	347,768
4,836	FTI Consulting, Inc.*	192,956
2,041	Gardner Denver, Inc.	176,363
6,436	GATX Corp.	272,050
7,608	General Cable Corp.*	368,988
36,533	General Dynamics Corp.	2,660,333
1,236,995	General Electric Co.	25,296,548
7,394	Goodrich Corp.	653,408
6,160	Granite Construction, Inc.	167,429
10,111	Harsco Corp.	359,952
77,031	Hertz Global Holdings, Inc.*	1,325,704
5,679	HNI Corp.	156,286
55,972	Honeywell International, Inc.	3,427,166
3,996	Hubbell, Inc., Class B	279,680
6,677	Huntington Ingalls Industries, Inc.*	267,080
37,581	Illinois Tool Works, Inc.	2,195,106
24,738	Ingersoll-Rand PLC (Ireland)	1,249,269
15,666	Iron Mountain, Inc.	498,962
13,906	ITT Corp.	803,628
5,172	J.B. Hunt Transport Services, Inc.	246,601
13,801	Jacobs Engineering Group, Inc.*	684,668
36,853	JetBlue Airways Corp.*	208,588
3,557	Joy Global, Inc.	359,079
5,537	Kansas City Southern*	321,755
15,273	KBR, Inc.	586,025
9,091	Kelly Services, Inc., Class A*	173,729
5,714	Kennametal, Inc.	241,245
3,179	Kirby Corp.*	180,504
14,940	L-3 Communications Holdings, Inc.	1,198,039
4,666	Lennox International, Inc.	226,814
2,856	Lincoln Electric Holdings, Inc.	224,424
41,346	Lockheed Martin Corp.	3,276,670
11,091	Manitowoc Co., Inc. (The)	246,109
13,040	Manpower, Inc.	863,900
74,584	Masco Corp.	1,000,917
12,237	Meritor, Inc.*	210,599
4,413	Mueller Industries, Inc.	172,637

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
11,938	Navistar International Corp.*	$ 829,930
7,086	Nielsen Holdings NV (Netherlands)*	211,801
28,586	Norfolk Southern Corp.	2,134,802
40,047	Northrop Grumman Corp.	2,547,390
11,378	Oshkosh Corp.*	360,227
15,016	Owens Corning*	568,205
30,462	PACCAR, Inc.	1,617,837
5,054	Pall Corp.	295,356
10,385	Parker Hannifin Corp.	979,513
8,991	Pentair, Inc.	361,079
30,583	Pitney Bowes, Inc.	751,118
4,916	Precision Castparts Corp.	759,620
15,935	Quanta Services, Inc.*	345,471
49,879	R.R. Donnelley & Sons Co.	940,718
42,940	Raytheon Co.	2,084,737
2,344	Regal-Beloit Corp.	177,652
26,382	Republic Airways Holdings, Inc.*	142,331
28,445	Republic Services, Inc.	899,431
9,573	Robert Half International, Inc.	290,349
6,472	Rockwell Automation, Inc.	563,905
8,061	Rockwell Collins, Inc.	508,649
3,780	Roper Industries, Inc.	326,932
10,979	Ryder System, Inc.	587,377
10,313	Shaw Group, Inc. (The)*	401,176
14,636	SkyWest, Inc.	241,933
4,722	Snap-On, Inc.	291,678
71,217	Southwest Airlines Co.	836,800
9,657	Spirit Aerosystems Holdings, Inc., Class A*	237,562
4,795	SPX Corp.	414,528
1,768	Stericycle, Inc.*	161,383
3,110	Teledyne Technologies, Inc.*	157,024
15,816	Terex Corp.*	550,080
34,144	Textron, Inc.	891,158
4,546	Thomas & Betts Corp.*	263,532
7,948	Timken Co. (The)	448,188
9,433	Trinity Industries, Inc.	341,475
8,580	Tutor Perini Corp.*	228,743
50,922	Tyco International Ltd. (Switzerland)	2,481,938
26,438	Union Pacific Corp.	2,735,540
67,188	United Continental Holdings, Inc.*	1,533,230
48,287	United Parcel Service, Inc., Class B	3,620,076
11,848	United Rentals, Inc.*	348,568
4,197	United Stationers, Inc.	302,436
65,628	United Technologies Corp.	5,878,956
12,608	URS Corp.*	564,208
12,461	USG Corp.*	192,149
9,859	UTi Worldwide, Inc. (British Virgin Islands)	220,940
4,457	W.W. Grainger, Inc.	675,681
2,558	WABCO Holdings, Inc.*	188,908
6,593	Waste Connections, Inc.	202,867
50,161	Waste Management, Inc.	1,979,353
6,718	Werner Enterprises, Inc.	$ 175,810
5,629	WESCO International, Inc.*	348,717
157,588	YRC Worldwide, Inc.*	312,024
		138,604,589
	Information Technology—10.7%	
31,012	Accenture PLC, Class A (Ireland)	1,771,716
38,133	Activision Blizzard, Inc.	434,335
20,912	Adobe Systems, Inc.*	701,598
48,525	Advanced Micro Devices, Inc.*	441,578
4,896	Akamai Technologies, Inc.*	168,618
2,738	Alliance Data Systems Corp.*	260,110
7,168	Altera Corp.	349,082
14,983	Amdocs Ltd. (Guernsey)*	460,727
25,975	Amkor Technology, Inc.*	174,032
5,987	Amphenol Corp., Class A	334,733
15,586	Analog Devices, Inc.	628,272
4,153	Anixter International, Inc.	312,056
37,605	AOL, Inc.*	766,390
19,202	Apple, Inc.*	6,686,712
77,052	Applied Materials, Inc.	1,208,946
22,999	Arrow Electronics, Inc.*	1,048,524
10,167	Atmel Corp.*	155,555
4,777	Autodesk, Inc.*	214,869
29,984	Automatic Data Processing, Inc.	1,629,630
5,067	Avago Technologies Ltd. (Singapore)	169,542
29,340	Avnet, Inc.*	1,065,629
10,548	Benchmark Electronics, Inc.*	178,261
5,622	BMC Software, Inc.*	282,393
13,127	Brightpoint, Inc.*	132,845
10,387	Broadcom Corp., Class A	365,415
9,416	Broadridge Financial Solutions, Inc.	218,828
39,970	Brocade Communications Systems, Inc.*	249,813
20,351	CA, Inc.	500,431
3,665	CACI International, Inc., Class A*	223,968
6,019	Check Point Software Technologies Ltd. (Israel)*	330,624
354,099	Cisco Systems, Inc.	6,217,978
4,266	Citrix Systems, Inc.*	359,794
4,618	Cognizant Technology Solutions Corp., Class A*	382,832
32,868	Computer Sciences Corp.	1,675,611
13,470	Compuware Corp.*	152,615
18,485	Convergys Corp.*	268,033
74,038	Corning, Inc.	1,550,356
3,534	Cree, Inc.*	143,975
225,267	Dell, Inc.*	3,493,891
7,087	Diebold, Inc.	239,541
4,712	DST Systems, Inc.	232,349
55,645	eBay, Inc.*	1,914,188
16,471	Electronic Arts, Inc.*	332,385

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
75,964	EMC Corp.*	$ 2,152,820
26,385	Fidelity National Information Services, Inc.	873,343
1,350	First Solar, Inc.*	188,419
9,440	Fiserv, Inc.*	578,766
160,207	Flextronics International Ltd. (Singapore)*	1,116,643
5,179	FLIR Systems, Inc.	182,404
6,855	Google, Inc., Class A*	3,729,806
10,205	Harris Corp.	542,192
197,032	Hewlett-Packard Co.	7,954,182
12,735	IAC/InterActiveCorp.*	459,861
58,286	Ingram Micro, Inc., Class A*	1,091,697
12,185	Insight Enterprises, Inc.*	209,095
429,591	Intel Corp.	9,962,215
64,337	International Business Machines Corp.	10,974,605
11,547	Intersil Corp., Class A	170,549
9,621	Intuit, Inc.*	534,543
3,143	Itron, Inc.*	171,073
27,462	Jabil Circuit, Inc.	544,846
16,071	Juniper Networks, Inc.*	616,001
7,375	KLA-Tencor Corp.	323,763
5,452	Lam Research Corp.*	263,386
6,009	Lender Processing Services, Inc.	176,845
10,433	Lexmark International, Inc., Class A*	336,464
10,028	Linear Technology Corp.	348,974
38,293	LSI Corp.*	280,688
25,102	Marvell Technology Group Ltd. (Bermuda)*	387,324
2,330	MasterCard, Inc., Class A	642,824
18,329	Maxim Integrated Products, Inc.	501,115
24,573	MEMC Electronic Materials, Inc.*	290,699
11,790	Microchip Technology, Inc.	483,862
105,457	Micron Technology, Inc.*	1,190,610
476,444	Microsoft Corp.	12,397,073
5,800	Molex, Inc.	156,600
7,058	Molex, Inc., Class A	158,946
9,270	Monster Worldwide, Inc.*	152,121
20,785	Motorola Mobility Holdings, Inc.*	541,657
53,524	Motorola Solutions, Inc.*	2,455,681
15,711	National Semiconductor Corp.	378,949
17,122	NCR Corp.*	339,187
7,364	NetApp, Inc.*	382,781
4,654	Novellus Systems, Inc.*	149,393
9,125	Nuance Communications, Inc.*	188,887
17,632	NVIDIA Corp.*	352,640
18,932	ON Semiconductor Corp.*	198,975
121,266	Oracle Corp.	4,371,639
20,924	Paychex, Inc.	684,424
50,793	QUALCOMM, Inc.	2,887,074
41,815	SAIC, Inc.*	727,581
12,932	SanDisk Corp.*	635,478
25,022	Sanmina-SCI Corp.*	293,258
73,187	Seagate Technology PLC (Ireland)	$ 1,289,555
4,038	Skyworks Solutions, Inc.*	127,035
48,797	Symantec Corp.*	958,861
9,298	Synopsys, Inc.*	254,672
35,780	TE Connectivity Ltd. (Switzerland)	1,282,713
21,595	Tech Data Corp.*	1,147,342
34,311	Tellabs, Inc.	168,810
4,427	Teradata Corp.*	247,558
8,802	Teradyne, Inc.*	141,712
60,977	Texas Instruments, Inc.	2,166,513
23,430	Total System Services, Inc.	441,656
3,397	Trimble Navigation Ltd.*	159,115
8,164	Unisys Corp.*	242,308
7,303	VeriSign, Inc.	269,919
19,722	Visa, Inc., Class A	1,540,683
16,297	Vishay Intertechnology, Inc.*	310,947
27,557	Western Digital Corp.*	1,096,769
20,299	Western Union Co. (The)	431,354
147,577	Xerox Corp.	1,489,052
11,957	Xilinx, Inc.	416,821
83,788	Yahoo!, Inc.*	1,487,237
		128,831,370
	Materials—3.9%	
14,374	Air Products & Chemicals, Inc.	1,373,004
4,057	Airgas, Inc.	281,759
19,839	AK Steel Holding Corp.	322,384
3,377	Albemarle Corp.	238,247
144,885	Alcoa, Inc.	2,463,045
6,532	Allegheny Technologies, Inc.	470,304
4,528	AptarGroup, Inc.	237,494
12,831	Ashland, Inc.	796,548
13,979	Ball Corp.	521,556
11,419	Bemis Co., Inc.	357,871
5,776	Cabot Corp.	259,054
3,591	Carpenter Technology Corp.	184,075
9,587	Celanese Corp., Series A	478,583
2,007	CF Industries Holdings, Inc.	284,091
3,344	Cliffs Natural Resources, Inc.	313,400
24,907	Commercial Metals Co.	417,441
13,412	Crown Holdings, Inc.*	501,609
4,534	Cytec Industries, Inc.	266,055
6,720	Domtar Corp.	625,094
129,465	Dow Chemical Co. (The)	5,306,770
65,134	E.I. du Pont de Nemours & Co.	3,698,960
6,338	Eastman Chemical Co.	679,751
11,531	Ecolab, Inc.	608,376
3,271	FMC Corp.	288,764
41,368	Freeport-McMoRan Copper & Gold, Inc.	2,276,481
3,142	Greif, Inc., Class A	195,118
25,178	Huntsman Corp.	524,961

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
4,644	International Flavors & Fragrances, Inc.	$ 294,987
70,526	International Paper Co.	2,177,843
17,136	Louisiana-Pacific Corp.*	159,365
4,000	Lubrizol Corp. (The)	538,080
32,958	LyondellBasell Industries NV, Class A (Netherlands)*	1,466,631
3,093	Martin Marietta Materials, Inc.	282,051
22,060	MeadWestvaco Corp.	743,201
24,315	Monsanto Co.	1,654,393
5,439	Mosaic Co. (The)	407,164
10,638	Nalco Holding Co.	310,736
26,482	Newmont Mining Corp.	1,552,110
39,096	Nucor Corp.	1,835,948
10,235	Olin Corp.	263,449
23,258	Owens-Illinois, Inc.*	690,065
8,112	Packaging Corp. of America	231,435
13,789	PPG Industries, Inc.	1,305,405
15,735	Praxair, Inc.	1,674,519
7,931	Reliance Steel & Aluminum Co.	448,974
2,350	Rock-Tenn Co., Class A	162,314
4,876	Rockwood Holdings, Inc.*	276,664
14,193	RPM International, Inc.	333,536
4,685	Scotts Miracle-Gro Co. (The), Class A	264,562
16,256	Sealed Air Corp.	418,917
4,365	Sensient Technologies Corp.	165,390
7,693	Sherwin-Williams Co. (The)	633,057
4,765	Sigma-Aldrich Corp.	336,314
4,352	Silgan Holdings, Inc.	199,583
6,735	Smurfit-Stone Container Corp.*	259,163
8,451	Solutia, Inc.*	222,684
10,983	Sonoco Products Co.	379,572
15,990	Southern Copper Corp.	598,985
24,512	Steel Dynamics, Inc.	445,873
25,580	Temple-Inland, Inc.	601,897
17,427	United States Steel Corp.	831,442
7,991	Valspar Corp. (The)	314,126
13,335	Vulcan Materials Co.	602,742
5,492	W.R. Grace & Co.*	249,117
10,254	Worthington Industries, Inc.	221,179
		47,524,268
	Telecommunication Services—4.7%	
7,960	American Tower Corp., Class A*	416,388
897,348	AT&T, Inc.	27,925,470
58,663	CenturyLink, Inc.	2,392,277
62,652	Cincinnati Bell, Inc.*	187,329
9,081	Crown Castle International Corp.*	389,212
78,559	Frontier Communications Corp.	649,683
15,246	Leap Wireless International, Inc.*	226,251
243,475	Level 3 Communications, Inc.*	379,821
19,338	MetroPCS Communications, Inc.*	325,458
5,127	Millicom International Cellular SA (Luxembourg)	$ 555,459
12,353	NII Holdings, Inc., Class B*	513,638
852,316	Sprint Nextel Corp.*	4,414,997
16,208	Telephone & Data Systems, Inc.	543,940
8,752	tw telecom, inc.*	188,518
4,876	United States Cellular Corp.*	240,094
440,767	Verizon Communications, Inc.	16,652,177
59,801	Windstream Corp.	766,051
		56,766,763
	Utilities—5.6%	
144,268	AES Corp. (The)*	1,910,108
10,684	AGL Resources, Inc.	443,493
3,918	ALLETE, Inc.	158,640
13,600	Alliant Energy Corp.	537,744
54,001	Ameren Corp.	1,582,769
67,927	American Electric Power Co., Inc.	2,477,977
16,615	American Water Works Co., Inc.	488,149
8,864	Aqua America, Inc.	199,883
15,481	Atmos Energy Corp.	540,132
8,028	Avista Corp.	195,482
5,500	Black Hills Corp.	191,125
45,479	Calpine Corp.*	761,773
61,062	CenterPoint Energy, Inc.	1,135,753
5,612	Cleco Corp.	196,981
29,140	CMS Energy Corp.	576,972
39,684	Consolidated Edison, Inc.	2,068,330
50,887	Constellation Energy Group, Inc.	1,853,305
62,949	Dominion Resources, Inc.	2,922,093
9,433	DPL, Inc.	285,726
27,636	DTE Energy Co.	1,396,447
199,465	Duke Energy Corp.	3,720,022
70,577	Dynegy, Inc., Class A*	447,458
51,052	Edison International	2,004,812
4,695	Energen Corp.	305,222
26,675	Entergy Corp.	1,859,781
88,191	Exelon Corp.	3,717,251
58,891	FirstEnergy Corp.	2,353,284
165,453	GenOn Energy, Inc.*	650,230
22,704	Great Plains Energy, Inc.	467,248
13,737	Hawaiian Electric Industries, Inc.	350,156
5,809	IDACORP, Inc.	227,771
13,613	Integrys Energy Group, Inc.	712,777
2,169	ITC Holdings Corp.	153,847
23,723	MDU Resources Group, Inc.	566,742
5,094	National Fuel Gas Co.	373,390
5,243	New Jersey Resources Corp.	229,539
49,488	NextEra Energy, Inc.	2,799,536
5,843	Nicor, Inc.	323,878
52,667	NiSource, Inc.	1,024,373

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1000 Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
19,439	Northeast Utilities	$ 692,028
5,567	NorthWestern Corp.	181,206
59,299	NRG Energy, Inc.*	1,435,036
11,172	NSTAR	517,264
29,538	NV Energy, Inc.	448,682
9,978	OGE Energy Corp.	530,530
13,254	ONEOK, Inc.	926,985
48,873	Pepco Holdings, Inc.	941,783
46,954	PG&E Corp.	2,163,640
8,149	Piedmont Natural Gas Co., Inc.	258,731
15,821	Pinnacle West Capital Corp.	686,473
19,153	PNM Resources, Inc.	293,616
10,503	Portland General Electric Co.	262,155
54,853	PPL Corp.	1,504,618
42,247	Progress Energy, Inc.	2,004,620
64,176	Public Service Enterprise Group, Inc.	2,064,542
32,464	Questar Corp.	570,393
17,667	SCANA Corp.	733,534
28,305	Sempra Energy	1,559,606
91,109	Southern Co.	3,556,895
5,681	Southwest Gas Corp.	225,933
28,481	TECO Energy, Inc.	548,829
15,067	UGI Corp.	501,731
5,126	Unisource Energy Corp.	190,328
12,171	Vectren Corp.	347,847
14,308	Westar Energy, Inc.	389,321
7,143	WGL Holdings, Inc.	282,291
10,210	Wisconsin Energy Corp.	318,654
61,879	Xcel Energy, Inc.	1,505,516
		67,852,986
	Total Common Stocks and Other Equity Interests (Cost $1,069,944,653)	1,208,217,081
	Money Market Fund—0.0%	
42,055	Goldman Sachs Financial Square Prime Obligations Institutional Share Class (Cost $42,055)	42,055
	Total Investments (Cost $1,069,986,708)—100.0%	1,208,259,136
	Liabilities in excess of other assets—(0.0%)	(12,914)
	Net Assets—100.0%	$1,208,246,222

Investment Abbreviations:
REIT—Real Estate Investment Trust

Notes to Schedule of Investments:
* Non-income producing security.
(~) Affiliated company. The Fund's Adviser is a subsidiary of Invesco Ltd. and therefore, Invesco Ltd. is considered to be affiliated with the Fund. See Note 4.

See Notes to Financial Statements.

Schedule of Investments

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests—100.0%	
	Consumer Discretionary—17.1%	
36,169	1-800-FLOWERS.COM, Inc., Class A*	$ 121,166
21,491	99 Cents Only Stores*	433,259
16,346	AFC Enterprises, Inc.*	246,171
14,885	AH Belo Corp., Class A*	123,843
9,703	Ambassadors Group, Inc.	97,806
66,345	American Apparel, Inc.*	96,200
38,188	American Axle & Manufacturing Holdings, Inc.*	488,806
27,648	American Greetings Corp., Class A	680,141
1,435	American Public Education, Inc.*	60,629
4,420	America's Car-Mart, Inc.*	108,202
14,041	Ameristar Casinos, Inc.	280,118
4,852	Arbitron, Inc.	187,675
9,528	Arctic Cat, Inc.*	159,975
7,156	Ascent Media Corp., Class A*	343,703
19,918	Audiovox Corp., Class A*	146,995
13,584	Bally Technologies, Inc.*	529,640
120,987	Beazer Homes USA, Inc.*	563,799
27,932	Bebe Stores, Inc.	187,703
69,398	Belo Corp., Class A*	586,413
12,232	Big 5 Sporting Goods Corp.	146,172
476	Biglari Holdings, Inc.*	208,126
4,667	BJ's Restaurants, Inc.*	219,116
1,138	Blue Nile, Inc.*	64,866
6,514	Blyth, Inc.	307,070
20,342	Bob Evans Farms, Inc.	637,925
25,280	Bon-Ton Stores, Inc. (The)	350,886
3,908	Bravo Brio Restaurant Group, Inc.*	80,661
37,466	Brown Shoe Co., Inc.	473,945
9,281	Buckle, Inc. (The)	422,193
2,606	Buffalo Wild Wings, Inc.*	159,227
21,152	Build-A-Bear Workshop, Inc.*	129,662
14,172	California Pizza Kitchen, Inc.*	226,752
56,528	Callaway Golf Co.	400,218
1,903	Capella Education Co.*	94,389
17,057	Carmike Cinemas, Inc.*	123,834
12,802	Carrols Restaurant Group, Inc.*	124,948
11,235	Carter's, Inc.*	347,386
29,918	Casual Male Retail Group, Inc.*	126,254
13,868	Cato Corp. (The), Class A	353,773
1,937	Cavco Industries, Inc.*	90,032
10,829	CEC Entertainment, Inc.	409,661
30,282	Central European Media Enterprises Ltd., Class A (Bermuda)*	693,761
21,527	Cheesecake Factory, Inc. (The)*	633,324
6,293	Cherokee, Inc.	122,084
15,204	Children's Place Retail Stores, Inc. (The)*	808,397
12,976	ChinaCast Education Corp.*	79,283
2,418	Chipotle Mexican Grill, Inc.*	645,098
11,610	Choice Hotels International, Inc.	433,982

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
32,630	Christopher & Banks Corp.	$ 200,675
4,185	Churchill Downs, Inc.	174,556
5,959	Citi Trends, Inc.*	132,647
39,187	CKX, Inc.*	179,085
16,644	Clear Channel Outdoor Holdings, Inc., Class A*	229,021
9,557	Coinstar, Inc.*	515,887
82,032	Coldwater Creek, Inc.*	250,198
4,599	Columbia Sportswear Co.	312,686
46,782	Conn's, Inc.*	306,422
116,645	Corinthian Colleges, Inc.*	519,070
22,485	Cost Plus, Inc.*	244,862
5,189	CPI Corp.	93,246
13,390	Cracker Barrel Old Country Store, Inc.	685,970
15,139	Crocs, Inc.*	304,445
4,118	CSS Industries, Inc.	79,395
7,614	CTC Media, Inc.	179,462
4,302	Deckers Outdoor Corp.*	365,068
71,694	Denny's Corp.*	293,228
3,204	Destination Maternity Corp.	74,877
6,728	DineEquity, Inc.*	336,198
21,302	Dollar General Corp.*	694,232
3,743	Dorman Products, Inc.*	145,977
20,196	DreamWorks Animation SKG, Inc., Class A*	534,992
8,146	Drew Industries, Inc.	196,074
37,893	drugstore.com, Inc.*	143,236
5,295	DSW, Inc., Class A*	251,407
52,574	E.W. Scripps Co. (The), Class A*	499,453
23,702	Education Management Corp.*	439,435
21,402	Entercom Communications Corp., Class A*	226,219
17,049	Ethan Allen Interiors, Inc.	410,710
5,551	Express, Inc.	119,846
27,517	Federal-Mogul Corp.*	729,200
22,371	Finish Line, Inc. (The), Class A	480,753
3,250	Fisher Communications, Inc.*	98,313
5,116	Fossil, Inc.*	490,010
29,544	Fred's, Inc., Class A	412,434
6,053	Fuel Systems Solutions, Inc.*	179,925
81,004	Furniture Brands International, Inc.*	392,059
17,885	Gaylord Entertainment Co.*	641,535
15,328	Genesco, Inc.*	618,945
5,536	G-III Apparel Group Ltd.*	248,345
5,043	Grand Canyon Education, Inc.*	72,922
34,864	Gray Television, Inc.*	97,271
7,839	Guess?, Inc.	336,999
29,755	Harte-Hanks, Inc.	276,424
10,546	Helen of Troy Ltd.*	328,192
10,367	hhgregg, Inc.*	128,136
7,172	Hibbett Sports, Inc.*	270,958
25,064	Hillenbrand, Inc.	574,467
7,397	Hooker Furniture Corp.	92,019

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
56,193	Hot Topic, Inc.	$ 377,055
101,299	Hovnanian Enterprises, Inc., Class A*	325,170
17,122	Iconix Brand Group, Inc.*	419,318
13,797	International Speedway Corp., Class A	422,188
12,253	Interval Leisure Group, Inc.*	196,906
23,259	Isle of Capri Casinos, Inc.*	221,891
7,613	ITT Educational Services, Inc.*	546,080
145,057	Jackson Hewitt Tax Service, Inc.*	75,444
20,152	JAKKS Pacific, Inc.*	423,998
7,650	Jos. A. Bank Clothiers, Inc.*	401,013
28,875	Journal Communications, Inc., Class A*	157,369
4,310	K12, Inc.*	169,685
7,860	Kenneth Cole Productions, Inc., Class A*	105,874
7,648	Kid Brands, Inc.*	55,907
6,011	Kirkland's, Inc.*	90,706
12,385	Knology, Inc.*	188,871
19,500	Krispy Kreme Doughnuts, Inc.*	109,395
20,697	K-Swiss, Inc., Class A*	254,780
40,664	La-Z-Boy, Inc.*	478,209
19,827	Leapfrog Enterprises, Inc.*	84,661
61,040	Lee Enterprises, Inc.*	87,287
10,750	Libbey, Inc.*	183,288
6,601	Liberty Media Corp. - Capital, Series A*	543,064
7,170	Life Time Fitness, Inc.*	280,490
6,973	Lifetime Brands, Inc.	111,010
19,230	LIN TV Corp., Class A*	102,881
13,542	Lincoln Educational Services Corp.	226,151
53,790	Lions Gate Entertainment Corp. (Canada)*	341,029
31,507	Lithia Motors, Inc., Class A	573,112
57,765	LodgeNet Interactive Corp.*	202,755
890	Lululemon Athletica, Inc.*	89,027
4,960	Lumber Liquidators Holdings, Inc.*	128,712
17,963	M/I Homes, Inc.*	238,728
4,425	Mac-Gray Corp.	74,960
18,531	Madison Square Garden, Inc., Class A*	506,823
7,146	Maidenform Brands, Inc.*	226,242
11,971	Marcus Corp.	132,758
22,481	MarineMax, Inc.*	214,918
10,064	Matthews International Corp., Class A	403,969
136,963	McClatchy Co. (The), Class A*	391,714
11,578	McCormick & Schmick's Seafood Restaurants, Inc.*	105,707
26,386	Media General, Inc., Class A*	142,221
13,985	Meredith Corp.	467,379
8,420	Midas, Inc.*	61,213
31,540	Modine Manufacturing Co.*	561,727
5,949	Monro Muffler Brake, Inc.	180,731
14,216	Morgans Hotel Group Co.*	122,968
3,516	Morningstar, Inc.	202,522
10,555	Morton's Restaurant Group, Inc.*	78,107
4,782	Motorcar Parts of America, Inc.*	66,565
11,104	Movado Group, Inc.	$ 185,326
21,146	Multimedia Games Holding Co., Inc.*	124,127
13,213	National CineMedia, Inc.	230,435
35,233	Nautilus, Inc.*	114,155
20,989	New York & Co., Inc.*	128,872
18,190	Nutrisystem, Inc.	273,578
28,686	O'Charley's, Inc.*	187,606
41,536	Orbitz Worldwide, Inc.*	132,915
25,109	Orient-Express Hotels Ltd., Class A*	308,087
5,781	Overstock.com, Inc.*	80,356
11,790	Oxford Industries, Inc.	404,986
9,397	P.F. Chang's China Bistro, Inc.	376,820
102,094	Pacific Sunwear of California, Inc.*	325,680
4,775	Panera Bread Co., Class A*	578,300
9,537	Papa John's International, Inc.*	286,682
2,998	Peet's Coffee & Tea, Inc.*	139,347
42,843	Pep Boys - Manny, Moe & Jack (The)	586,949
7,918	Perry Ellis International, Inc.*	223,129
3,989	PetMed Express, Inc.	60,194
33,838	Pier 1 Imports, Inc.*	412,147
35,266	Pinnacle Entertainment, Inc.*	489,492
21,933	Pool Corp.	663,693
1,945	Pre-Paid Legal Services, Inc.*	128,273
14,794	PRIMEDIA, Inc.	72,491
143,844	Quiksilver, Inc.*	625,721
35,519	Radio One, Inc., Class D*	103,360
11,165	Red Lion Hotels Corp.*	97,694
10,091	Red Robin Gourmet Burgers, Inc.*	274,374
22,277	Retail Ventures, Inc.*	457,347
38,450	Ruby Tuesday, Inc.*	404,109
2,918	Rue21, Inc.*	87,890
23,065	Ruth's Hospitality Group, Inc.*	113,249
30,995	Ryland Group, Inc.	536,523
33,750	Sally Beauty Holdings, Inc.*	499,163
21,935	Scholastic Corp.	576,452
53,167	Scientific Games Corp., Class A*	559,317
13,264	Scripps Networks Interactive, Inc., Class A	682,035
59,663	Sealy Corp.*	157,510
18,171	Select Comfort Corp.*	288,374
6,866	Shoe Carnival, Inc.*	200,968
15,755	Shuffle Master, Inc.*	172,202
3,042	Shutterfly, Inc.*	187,266
13,014	Sinclair Broadcast Group, Inc., Class A	149,531
132,280	Sirius XM Radio, Inc.*	263,237
21,750	Skechers U.S.A., Inc., Class A*	414,338
5,314	Skyline Corp.	104,208
35,301	Smith & Wesson Holding Corp.*	127,437
40,008	Sonic Corp.*	448,890
10,053	Sotheby's	507,878
26,686	Spartan Motors, Inc.	180,397
10,831	Speedway Motorsports, Inc.	168,747

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
26,273	Stage Stores, Inc.	$ 506,018
19,162	Standard Motor Products, Inc.	273,059
40,388	Standard Pacific Corp.*	155,898
35,165	Stein Mart, Inc.	382,595
4,667	Steiner Leisure Ltd.*	226,536
5,055	Steven Madden Ltd.*	268,673
40,840	Stewart Enterprises, Inc., Class A	331,212
13,702	Stoneridge, Inc.*	209,641
2,479	Strayer Education, Inc.	307,099
4,274	Sturm Ruger & Co., Inc.	101,636
15,781	Superior Industries International, Inc.	398,786
13,484	Systemax, Inc.*	174,618
77,408	Talbots, Inc. (The)*	416,455
9,170	Tempur-Pedic International, Inc.*	575,693
15,043	Texas Roadhouse, Inc.	244,750
19,583	Thor Industries, Inc.	607,269
10,291	Timberland Co. (The), Class A*	465,050
13,086	Tower International, Inc.*	217,358
22,810	TravelCenters of America LLC*	179,287
4,974	True Religion Apparel, Inc.*	150,314
41,343	Tuesday Morning Corp.*	206,715
6,538	Ulta Salon, Cosmetics & Fragrance, Inc.*	347,756
3,537	Under Armour, Inc., Class A*	242,143
13,154	Unifi, Inc.*	214,673
4,678	Universal Electronics, Inc.*	129,534
6,285	Universal Technical Institute, Inc.	113,570
13,657	Vail Resorts, Inc.*	669,056
21,185	Valassis Communications, Inc.*	610,764
17,213	ValueVision Media, Inc., Class A*	109,819
6,665	Vitamin Shoppe, Inc.*	260,068
6,888	Volcom, Inc.	135,900
50,450	Warner Music Group Corp.*	376,861
1,354	Washington Post Co. (The), Class B	590,209
6,661	Weight Watchers International, Inc.	517,893
13,884	West Marine, Inc.*	151,058
55,746	Wet Seal, Inc. (The), Class A*	245,282
12,014	Winnebago Industries, Inc.*	148,733
14,674	WMS Industries, Inc.*	481,307
13,625	Wolverine World Wide, Inc.	540,640
11,052	Wonder Auto Technology, Inc.*	65,428
16,212	World Wrestling Entertainment, Inc., Class A	170,388
123,671	Zale Corp.*	455,109
4,868	Zumiez, Inc.*	136,839
		70,128,882
	Consumer Staples—3.1%	
7,954	Adecoagro SA (Luxembourg)*	98,152
133,586	Alliance One International, Inc.*	533,008
93,081	American Oriental Bioengineering, Inc. (China)*	140,552
10,799	Andersons, Inc. (The)	$ 536,170
22,572	B&G Foods, Inc.	408,102
1,253	Boston Beer Co., Inc., Class A*	118,108
5,034	Calavo Growers, Inc.	105,714
9,090	Cal-Maine Foods, Inc.	262,610
16,763	Central Garden & Pet Co.*	163,775
48,111	Central Garden & Pet Co., Class A*	482,072
3,940	Coca-Cola Bottling Co. Consolidated	277,573
16,138	Darling International, Inc.*	260,951
4,214	Diamond Foods, Inc.	276,438
13,880	Elizabeth Arden, Inc.*	417,233
2,173	Fresh Market, Inc. (The)*	90,875
9,750	Green Mountain Coffee Roasters, Inc.*	652,860
17,202	Hain Celestial Group, Inc. (The)*	585,040
7,379	Hansen Natural Corp.*	488,121
17,593	Heckmann Corp.*	110,836
20,792	Imperial Sugar Co.	284,435
7,148	Ingles Markets, Inc., Class A	135,883
3,687	Inter Parfums, Inc.	70,164
4,753	J & J Snack Foods Corp.	241,547
8,323	Lancaster Colony Corp.	508,619
7,153	National Beverage Corp.	99,570
16,696	Nu Skin Enterprises, Inc., Class A	535,775
4,301	Nutraceutical International Corp.*	68,214
8,270	Omega Protein Corp.*	106,518
51,410	Pilgrim's Pride Corp.*	302,291
12,336	Prestige Brands Holdings, Inc.*	142,481
9,319	PriceSmart, Inc.	388,043
20,432	Reddy Ice Holdings, Inc.*	66,200
8,729	Revlon, Inc., Class A*	150,313
13,342	Sanderson Farms, Inc.	635,079
7,711	Schiff Nutrition International, Inc.	76,724
35,587	Smart Balance, Inc.*	170,106
13,307	Snyders-Lance, Inc.	262,813
19,472	Spartan Stores, Inc.	303,958
10,986	Susser Holdings Corp.*	151,497
8,178	Tootsie Roll Industries, Inc.	242,396
11,113	TreeHouse Foods, Inc.*	674,226
2,451	USANA Health Sciences, Inc.*	91,422
20,544	Vector Group Ltd.	377,188
2,209	Village Super Market, Inc., Class A	59,731
5,449	WD-40 Co.	226,134
6,972	Weis Markets, Inc.	287,734
7,556	Zhongpin, Inc.*	126,185
		12,793,436
	Energy—6.7%	
13,412	Alon USA Energy, Inc.	184,415
2,562	Approach Resources, Inc.*	75,425
7,063	Atlas Energy LP	188,300
13,576	Atlas Energy, Inc.*	1,358

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio
April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
16,842	ATP Oil & Gas Corp.*	$ 299,451
24,395	Basic Energy Services, Inc.*	749,902
10,635	Berry Petroleum Co., Class A	565,038
8,428	Bill Barrett Corp.*	351,700
12,740	BPZ Resources, Inc.*	60,642
4,410	Brigham Exploration Co.*	147,867
12,634	Bronco Drilling Co., Inc.*	138,721
79,748	Cal Dive International, Inc.*	626,819
13,891	Callon Petroleum Co.*	95,153
1,874	CARBO Ceramics, Inc.	301,602
4,941	Carrizo Oil & Gas, Inc.*	196,849
1,363	Clayton Williams Energy, Inc.*	123,447
5,321	Clean Energy Fuels Corp.*	90,670
29,607	Cloud Peak Energy, Inc.*	616,418
12,952	Cobalt International Energy, Inc.*	181,328
21,203	Complete Production Services, Inc.*	719,630
23,407	Comstock Resources, Inc.*	750,428
6,125	Concho Resources, Inc.*	654,456
3,007	Contango Oil & Gas Co.*	186,193
3,165	Continental Resources, Inc.*	217,372
3,530	Core Laboratories NV (Netherlands)	338,809
21,601	Crimson Exploration, Inc.*	87,484
49,080	Crosstex Energy, Inc.	517,794
3,176	Dawson Geophysical Co.*	141,650
7,286	Delek US Holdings, Inc.	97,851
148,654	Delta Petroleum Corp.*	124,438
55,676	DHT Holdings, Inc.	241,077
4,438	Dril-Quip, Inc.*	339,773
7,196	Endeavour International Corp.*	104,342
17,199	Energy Partners Ltd.*	313,194
10,164	Energy XXI Bermuda Ltd. (Bermuda)*	368,445
14,269	ENGlobal Corp.*	58,218
14,258	Gastar Exploration Ltd. (Canada)*	64,161
11,109	Geokinetics, Inc.*	106,091
1,974	Georesources, Inc.*	57,286
5,908	Global Geophysical Services, Inc.*	112,193
51,861	Global Industries Ltd.*	511,349
23,763	GMX Resources, Inc.*	139,726
8,697	Goodrich Petroleum Corp.*	195,422
33,056	Gran Tierra Energy, Inc.*	245,276
5,242	Green Plains Renewable Energy, Inc.*	65,630
5,647	Gulf Island Fabrication, Inc.	199,565
11,971	Gulfmark Offshore, Inc., Class A*	509,605
2,665	Gulfport Energy Corp.*	90,717
7,881	Harvest Natural Resources, Inc.*	108,915
136,028	Hercules Offshore, Inc.*	853,576
17,120	Hornbeck Offshore Services, Inc.*	500,418
48,357	International Coal Group, Inc.*	533,378
3,359	InterOil Corp. (Canada)*	213,632
22,877	ION Geophysical Corp.*	289,165
9,874	James River Coal Co.*	230,262

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
10,589	Knightsbridge Tankers Ltd. (Bermuda)	$ 237,088
4,374	Lufkin Industries, Inc.	403,851
9,500	Magnum Hunter Resources Corp.*	77,520
15,196	Matrix Service Co.*	219,734
35,349	McMoRan Exploration Co.*	647,240
10,932	Miller Energy Resources, Inc.*	63,078
5,494	Mitcham Industries, Inc.*	87,794
4,171	Natural Gas Services Group, Inc.*	75,203
44,663	Newpark Resources, Inc.*	403,307
23,654	Nordic American Tanker Shipping Ltd. (Bermuda)	543,569
204,093	Oilsands Quest, Inc.*	91,332
618	OYO Geospace Corp.*	57,647
98,851	Pacific Ethanol, Inc.*	46,460
104,441	Parker Drilling Co.*	744,664
24,749	Patriot Coal Corp.*	623,180
39,742	Penn Virginia Corp.	614,411
7,741	Petroleum Development Corp.*	308,247
25,651	PetroQuest Energy, Inc.*	224,703
6,960	PHI, Inc.*	155,765
30,076	Pioneer Drilling Co.*	466,178
12,207	Quicksilver Resources, Inc.*	181,274
4,805	Resolute Energy Corp.*	85,000
5,161	REX American Resources Corp.*	89,182
5,711	Rex Energy Corp.*	73,272
9,130	Rosetta Resources, Inc.*	419,341
11,105	RPC, Inc.	300,390
50,219	SandRidge Energy, Inc.*	620,707
21,978	Stone Energy Corp.*	777,142
14,958	Swift Energy Co.*	586,204
18,880	Teekay Tankers Ltd., Class A (Marshall Islands)	177,472
13,862	Tesco Corp. (Canada)*	260,744
42,450	TETRA Technologies, Inc.*	626,987
49,394	Tsakos Energy Navigation Ltd. (Bermuda)	513,204
10,602	Union Drilling, Inc.*	143,763
17,096	VAALCO Energy, Inc.*	119,159
2,585	Vanguard Natural Resources LLC	85,538
74,920	Vantage Drilling Co. (Cayman Islands)*	133,358
5,268	Venoco, Inc.*	97,932
11,461	W&T Offshore, Inc.	307,269
14,991	Warren Resources, Inc.*	67,909
36,586	Willbros Group, Inc.*	393,300
		27,432,744
	Financials—18.9%	
5,079	1st Source Corp.	107,776
6,957	Abington Bancorp, Inc.	84,319
14,727	Acadia Realty Trust REIT	307,058
78,994	Advance America Cash Advance Centers, Inc.	464,485
4,198	Agree Realty Corp. REIT	98,191

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
191	Alexander's, Inc. REIT	$ 83,904
3,711	Altisource Portfolio Solutions SA (Luxembourg)*	120,533
2,997	American Assets Trust, Inc. REIT	66,174
14,181	American Campus Communities, Inc. REIT	498,462
9,247	American Capital Agency Corp. REIT	269,180
36,839	American Equity Investment Life Holding Co.	473,750
3,300	American National Insurance Co.	261,030
6,622	American Safety Insurance Holdings Ltd. (Bermuda)*	134,824
10,296	Ameris Bancorp*	102,342
10,553	AMERISAFE, Inc.*	235,649
8,381	AmTrust Financial Services, Inc.	161,753
77,347	Anworth Mortgage Asset Corp. REIT	555,351
10,539	Arbor Realty Trust, Inc. REIT*	55,435
14,735	Argo Group International Holdings Ltd. (Bermuda)	462,826
4,004	Arrow Financial Corp.	99,499
65,188	Ashford Hospitality Trust, Inc. REIT	812,894
7,094	Associated Estates Realty Corp. REIT	118,044
7,470	Avatar Holdings, Inc.*	134,460
2,545	BancFirst Corp.	102,487
22,563	Banco Latinoamericano de Comercio Exterior SA, Class E (Panama)	391,694
12,265	Bancorp, Inc. (The)*	120,074
29,690	Bank Mutual Corp.	121,432
1,895	Bank of Marin Bancorp	71,328
3,225	Bank of the Ozarks, Inc.	143,609
92,206	BankAtlantic Bancorp, Inc., Class A*	83,843
7,233	BankFinancial Corp.	66,110
78,953	Banner Corp.	217,121
8,129	Beneficial Mutual Bancorp, Inc.*	70,153
7,470	Berkshire Hills Bancorp, Inc.	166,581
10,232	BGC Partners, Inc., Class A	98,739
8,678	BOK Financial Corp.	466,703
41,967	Boston Private Financial Holdings, Inc.	293,349
35,497	Brookline Bancorp, Inc.	327,282
3,553	Bryn Mawr Bank Corp.	71,593
18,444	Calamos Asset Management, Inc., Class A	300,084
2,139	Camden National Corp.	73,902
48,105	Capitol Federal Financial, Inc.	544,549
32,817	CapLease, Inc. REIT	183,775
45,508	Capstead Mortgage Corp. REIT	602,526
7,881	Cardinal Financial Corp.	88,582
12,006	Cash America International, Inc.	569,685
32,490	Cathay General Bancorp	553,955
50,473	Cedar Shopping Centers, Inc. REIT	297,791
12,441	Center Financial Corp.*	90,695
11,232	Centerstate Banks, Inc.	69,863
135	Central Pacific Financial Corp.*	2,036
11,571	Chemical Financial Corp.	232,924

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
4,927	Citizens & Northern Corp.	$ 84,597
523,934	Citizens Republic Bancorp, Inc.*	480,971
15,104	Citizens, Inc.*	112,525
8,266	City Holding Co.	281,871
13,607	CNA Financial Corp.	422,361
8,090	CNA Surety Corp.*	214,304
18,980	CoBiz Financial, Inc.	128,874
24,727	Cogdell Spencer, Inc. REIT	149,598
2,638	Cohen & Steers, Inc.	82,992
2,815	Colony Financial, Inc. REIT	52,584
11,071	Columbia Banking System, Inc.	208,799
15,770	Community Bank System, Inc.	394,565
5,884	Community Trust Bancorp, Inc.	166,517
27,787	Compass Diversified Holdings	465,710
10,903	CompuCredit Holdings Corp.*	46,447
59,795	Cousins Properties, Inc. REIT	538,155
21,565	Cowen Group, Inc., Class A*	89,710
1,537	Credit Acceptance Corp.*	124,343
4,631	Crexus Investment Corp. REIT	53,997
55,592	CVB Financial Corp.	541,466
20,009	Cypress Sharpridge Investments, Inc. REIT	247,111
4,278	Danvers Bancorp, Inc.	96,469
57,085	DiamondRock Hospitality Co. REIT	687,303
16,293	Dime Community Bancshares	251,890
14,387	Dollar Financial Corp.*	330,757
98,838	Doral Financial Corp. (Puerto Rico)*	148,257
5,054	Duff & Phelps Corp., Class A	77,781
8,555	DuPont Fabros Technology, Inc. REIT	209,255
5,950	Dynex Capital, Inc. REIT	58,786
4,916	Eagle Bancorp, Inc.*	68,234
9,436	EastGroup Properties, Inc. REIT	434,622
29,118	Education Realty Trust, Inc. REIT	247,794
6,169	eHealth, Inc.*	83,898
17,691	Employers Holdings, Inc.	356,651
4,739	Encore Capital Group, Inc.*	141,886
2,248	Enstar Group Ltd. (Bermuda)*	252,113
6,633	Enterprise Financial Services Corp.	98,832
5,868	Equity Lifestyle Properties, Inc. REIT	351,024
19,462	Equity One, Inc. REIT	385,737
4,610	ESSA Bancorp, Inc.	57,856
2,282	Evercore Partners, Inc., Class A	79,619
28,821	Extra Space Storage, Inc. REIT	623,975
11,678	EZCORP, Inc., Class A*	367,740
9,588	FBL Financial Group, Inc., Class A	292,434
22,391	FBR Capital Markets Corp.*	80,608
64,555	FelCor Lodging Trust, Inc. REIT*	410,570
4,560	Financial Institutions, Inc.	77,520
6,400	First Bancorp	89,344
63,586	First BanCorp*	317,294
24,276	First Busey Corp.	127,449
5,795	First Cash Financial Services, Inc.*	227,396

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
1,845	First Citizens BancShares, Inc., Class A	$ 369,018
72,762	First Commonwealth Financial Corp.	451,124
10,065	First Community Bancshares, Inc.	149,566
21,605	First Financial Bancorp	356,050
7,071	First Financial Bankshares, Inc.	391,875
3,764	First Financial Corp.	121,050
9,718	First Financial Holdings, Inc.	106,704
62,192	First Industrial Realty Trust, Inc. REIT*	778,644
9,103	First Interstate BancSystem, Inc.	124,529
31,923	First Marblehead Corp. (The)*	68,634
16,388	First Merchants Corp.	151,917
47,186	First Midwest Bancorp, Inc.	618,137
2,421	First of Long Island Corp. (The)	65,488
17,985	First Potomac Realty Trust REIT	291,897
123,716	Flagstar Bancorp, Inc.*	192,997
34,106	Flagstone Reinsurance Holdings SA (Luxembourg)	286,831
15,774	Flushing Financial Corp.	232,193
12,541	Forestar Group, Inc.*	246,681
5,770	FPIC Insurance Group, Inc.*	213,028
30,665	Franklin Street Properties Corp. REIT	433,603
1,698	GAMCO Investors, Inc., Class A	87,362
5,717	Getty Realty Corp. REIT	145,269
37,735	GFI Group, Inc.	192,826
32,236	Glacier Bancorp, Inc.	484,507
5,107	Gladstone Commercial Corp. REIT	93,152
37,415	Gleacher & Co., Inc.*	70,714
49,519	Glimcher Realty Trust REIT	472,906
6,987	Global Indemnity PLC (Ireland)*	178,448
4,476	Government Properties Income Trust REIT	122,732
75,835	Gramercy Capital Corp. REIT*	226,747
4,225	Great Southern Bancorp, Inc.	87,458
4,047	Greenhill & Co., Inc.	238,773
8,174	Greenlight Capital Re Ltd., Class A (Cayman Islands)*	230,098
60,496	Grubb & Ellis Co.*	44,162
7,878	Hallmark Financial Services, Inc.*	67,357
15,579	Hancock Holding Co.	508,810
50,326	Hanmi Financial Corp.*	66,430
7,517	Harleysville Group, Inc.	241,145
28,334	Healthcare Realty Trust, Inc. REIT	647,149
3,926	Heartland Financial USA, Inc.	61,717
38,906	Hersha Hospitality Trust REIT	231,102
17,421	Hilltop Holdings, Inc.*	168,984
5,571	Home Bancshares, Inc.	133,537
27,808	Horace Mann Educators Corp.	497,207
8,859	Howard Hughes Corp. (The)*	573,797
8,661	Hudson Valley Holding Corp.	195,825
9,107	IBERIABANK Corp.	546,511
8,887	Independent Bank Corp.	260,478
7,076	Infinity Property & Casualty Corp.	418,192
	Common Stocks and Other Equity Interests (Continued)	
51,244	Inland Real Estate Corp. REIT	$ 500,654
11,702	Institutional Financial Markets, Inc.	53,361
32,350	International Bancshares Corp.	570,007
6,780	Internet Capital Group, Inc.*	94,174
4,697	INTL FCStone, Inc.*	124,377
4,083	Invesco Mortgage Capital, Inc. REIT(~)	92,847
31,216	Investment Technology Group, Inc.*	534,106
14,418	Investors Bancorp, Inc.*	216,847
40,463	Investors Real Estate Trust REIT	380,757
51,285	Janus Capital Group, Inc.	624,138
2,013	Kansas City Life Insurance Co.	64,476
7,943	KBW, Inc.	180,465
40,476	Kite Realty Group Trust REIT	210,475
42,643	LaBranche & Co., Inc.*	171,851
9,744	Lakeland Bancorp, Inc.	104,163
6,622	Lakeland Financial Corp.	145,088
24,456	LaSalle Hotel Properties REIT	688,192
7,177	LPL Investment Holdings, Inc.*	263,252
6,850	LTC Properties, Inc. REIT	201,527
39,824	Maiden Holdings Ltd. (Bermuda)	296,689
9,824	MainSource Financial Group, Inc.	94,605
3,664	MarketAxess Holdings, Inc.	89,218
25,687	MB Financial, Inc.	531,464
22,343	Meadowbrook Insurance Group, Inc.	228,792
10,367	Medallion Financial Corp.	95,687
36,176	Medical Properties Trust, Inc. REIT	446,412
7,693	Metro Bancorp, Inc.*	96,163
8,752	Mid-America Apartment Communities, Inc. REIT	585,071
14,858	Mission West Properties, Inc. REIT	114,109
14,307	Monmouth Real Estate Investment Corp., Class A REIT	119,607
77,952	MPG Office Trust, Inc. REIT*	259,580
13,395	Nara Bancorp, Inc.*	131,673
31,983	National Financial Partners Corp.*	514,607
5,775	National Health Investors, Inc. REIT	280,838
67,197	National Penn Bancshares, Inc.	551,687
610	National Western Life Insurance Co., Class A	98,253
6,094	Navigators Group, Inc. (The)*	315,852
16,284	NBT Bancorp, Inc.	368,018
12,348	Nelnet, Inc., Class A	284,374
8,739	New York Mortgage Trust, Inc. REIT	59,338
78,280	Newcastle Investment Corp. REIT*	493,947
16,790	NewStar Financial, Inc.*	200,641
4,928	Northfield Bancorp, Inc.	69,337
105,215	NorthStar Realty Finance Corp. REIT	531,336
45,962	Northwest Bancshares, Inc.	578,662
7,281	OceanFirst Financial Corp.	105,575
46,627	Ocwen Financial Corp.*	558,125
50,343	Old National Bancorp	521,050
21,876	OMEGA Healthcare Investors, Inc. REIT	502,273

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
7,582	One Liberty Properties, Inc. REIT	$ 117,597
13,807	OneBeacon Insurance Group Ltd., Class A	193,988
4,778	Oppenheimer Holdings, Inc., Class A	146,732
9,903	optionsXpress Holdings, Inc.	182,611
19,609	Oriental Financial Group, Inc.	254,133
5,297	Oritani Financial Corp.	64,941
2,561	Orrstown Financial Services, Inc.	69,762
7,767	Pacific Continental Corp.	74,175
15,322	PacWest Bancorp	352,253
7,041	Park National Corp.	486,392
20,662	Parkway Properties, Inc. REIT	370,470
12,178	Penson Worldwide, Inc.*	73,920
4,651	Peoples Bancorp, Inc.	63,393
5,365	Pico Holdings, Inc.*	172,324
16,421	Pinnacle Financial Partners, Inc.*	263,886
8,962	Piper Jaffray Cos.*	321,288
122,793	PMI Group, Inc. (The)*	265,233
2,340	Portfolio Recovery Associates, Inc.*	211,208
17,835	Post Properties, Inc. REIT	724,101
12,934	Presidential Life Corp.	144,085
25,588	PrivateBancorp, Inc.	402,755
12,043	Prosperity Bancshares, Inc.	552,172
30,943	Provident Financial Services, Inc.	449,292
12,867	Provident New York Bancorp	120,692
5,441	PS Business Parks, Inc. REIT	327,875
89,690	Radian Group, Inc.	531,862
193,187	RAIT Financial Trust REIT	471,376
22,098	Ramco-Gershenson Properties Trust REIT	284,843
12,754	Renasant Corp.	214,012
7,086	Republic Bancorp, Inc., Class A	154,333
9,412	Resource America, Inc., Class A	57,884
34,783	Resource Capital Corp. REIT	225,394
16,781	S&T Bancorp, Inc.	342,500
4,506	S.Y. Bancorp, Inc.	112,515
27,342	Sabra Health Care REIT, Inc. REIT	459,892
3,426	Safeguard Scientifics, Inc.*	66,978
8,435	Safety Insurance Group, Inc.	394,927
10,774	Sandy Spring Bancorp, Inc.	192,531
4,293	Saul Centers, Inc. REIT	187,990
5,073	SCBT Financial Corp.	163,554
19,957	Seabright Holdings, Inc.	203,961
58,793	Seacoast Banking Corp. of Florida*	105,240
9,718	Signature Bank*	565,685
7,149	Simmons First National Corp., Class A	188,662
7,424	Southside Bancshares, Inc.	161,472
11,042	Southwest Bancorp, Inc.*	156,576
12,739	Sovran Self Storage, Inc. REIT	544,974
17,875	St. Joe Co. (The)*	466,895
5,433	State Auto Financial Corp.	92,252
5,846	State Bancorp, Inc.	77,167
8,220	StellarOne Corp.	115,080

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
16,647	Sterling Bancorp	$ 172,296
34,587	Sterling Bancshares, Inc.	307,478
7,787	Sterling Financial Corp.*	137,363
21,082	Stewart Information Services Corp.	213,772
10,228	Stifel Financial Corp.*	467,215
67,163	Strategic Hotels & Resorts, Inc. REIT*	458,052
4,663	Suffolk Bancorp	76,520
9,094	Sun Communities, Inc. REIT	349,937
56,406	SWS Group, Inc.	344,077
16,781	Tanger Factory Outlet Centers, Inc. REIT	463,659
9,268	Taubman Centers, Inc. REIT	538,934
3,457	Territorial Bancorp, Inc.	69,382
11,455	Texas Capital Bancshares, Inc.*	295,539
23,579	TFS Financial Corp.	256,540
2,651	Tompkins Financial Corp.	108,002
3,275	Tower Bancorp, Inc.	71,100
15,377	Tower Group, Inc.	351,672
9,058	TowneBank	134,240
9,575	TradeStation Group, Inc.*	92,399
5,185	TriCo Bancshares	84,567
49,810	TrustCo Bank Corp. NY	298,860
10,899	UMB Financial Corp.	458,957
8,702	Union First Market Bankshares Corp.	110,776
22,603	United Bankshares, Inc.	591,295
195,960	United Community Banks, Inc.*	470,304
5,474	United Financial Bancorp, Inc.	89,445
10,837	United Fire & Casualty Co.	214,573
2,503	Universal Health Realty Income Trust REIT	107,904
18,094	Universal Insurance Holdings, Inc.	97,889
5,046	Univest Corp. of Pennsylvania	84,874
9,234	Urstadt Biddle Properties, Inc., Class A REIT	181,725
45,829	U-Store-It Trust REIT	520,617
6,217	ViewPoint Financial Group	76,780
18,310	Virginia Commerce Bancorp, Inc.*	110,043
16,594	Waddell & Reed Financial, Inc., Class A	680,520
20,895	Walter Investment Management Corp. REIT	372,349
4,600	Washington Banking Co.	64,354
4,785	Washington Trust Bancorp, Inc.	112,113
10,186	WesBanco, Inc.	206,776
486	Wesco Financial Corp.	190,512
39,963	West Coast Bancorp*	143,068
9,883	Westamerica Bancorp	501,958
32,878	Western Alliance Bancorp*	271,901
13,096	Westfield Financial, Inc.	118,912
150,731	Wilmington Trust Corp.	679,797
14,450	Wilshire Bancorp, Inc.*	57,800
8,567	Winthrop Realty Trust REIT	103,918
16,181	Wintrust Financial Corp.	545,138
6,084	World Acceptance Corp.*	413,408
3,337	WSFS Financial Corp.	150,065
		77,301,304

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
	Health Care—8.7%	
3,100	Abaxis, Inc.*	$ 90,055
7,747	Accuray, Inc.*	68,871
44,860	Affymetrix, Inc.*	242,244
3,403	Air Methods Corp.*	230,111
19,270	Albany Molecular Research, Inc.*	94,230
2,432	Alexion Pharmaceuticals, Inc.*	235,636
10,351	Align Technology, Inc.*	249,873
14,797	Alkermes, Inc.*	213,373
31,687	Alliance HealthCare Services, Inc.*	140,057
2,434	Almost Family, Inc.*	84,387
5,608	Alnylam Pharmaceuticals, Inc.*	57,538
15,140	Amedisys, Inc.*	504,465
5,074	America Service Group, Inc.	130,909
6,709	American Dental Partners, Inc.*	88,492
12,867	American Medical Systems Holdings, Inc.*	379,576
42,486	AMN Healthcare Services, Inc.*	366,654
20,766	AmSurg Corp., Class A*	557,775
15,659	Amylin Pharmaceuticals, Inc.*	208,265
2,770	Analogic Corp.	159,746
9,825	AngioDynamics, Inc.*	160,147
5,281	Arthrocare Corp.*	186,578
4,389	Assisted Living Concepts, Inc., Class A*	158,267
1,483	athenahealth, Inc.*	68,559
377	Atrion Corp.	65,278
5,445	BioMarin Pharmaceutical, Inc.*	146,416
5,217	Bio-Rad Laboratories, Inc., Class A*	652,751
7,133	Bio-Reference Labs, Inc.*	179,823
51,274	BioScrip, Inc.*	236,373
8,454	Bruker Corp.*	166,882
14,542	Cambrex Corp.*	76,491
3,797	Cantel Medical Corp.	98,456
14,181	CardioNet, Inc.*	64,665
12,602	Catalyst Health Solutions, Inc.*	750,575
29,897	Celera Corp.*	236,485
2,736	Cepheid, Inc.*	88,400
6,277	Chemed Corp.	437,067
3,553	Chindex International, Inc.*	61,076
1,253	Computer Programs & Systems, Inc.	73,664
15,251	CONMED Corp.*	428,248
9,489	Continucare Corp.*	50,861
2,037	CorVel Corp.*	105,517
12,988	Cross Country Healthcare, Inc.*	96,371
9,148	Cubist Pharmaceuticals, Inc.*	309,660
4,569	Dendreon Corp.*	198,432
2,054	Dionex Corp.*	243,091
8,557	Emdeon, Inc., Class A*	134,003
9,221	Emergency Medical Services Corp., Class A*	588,300
5,413	Emergent Biosolutions, Inc.*	125,636
10,159	Emeritus Corp.*	248,997
1,999	Ensign Group, Inc. (The)	55,292

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
8,021	Enzon Pharmaceuticals, Inc.*	$ 92,081
15,915	eResearchTechnology, Inc.*	101,219
3,457	Exactech, Inc.*	61,915
36,746	Five Star Quality Care, Inc.*	307,931
7,437	Gen-Probe, Inc.*	616,676
17,363	Gentiva Health Services, Inc.*	486,164
10,399	Greatbatch, Inc.*	281,501
6,505	Haemonetics Corp.*	456,651
8,896	Hanger Orthopedic Group, Inc.*	241,704
27,358	Healthsouth Corp.*	701,186
15,644	Healthspring, Inc.*	649,070
25,616	Healthways, Inc.*	433,423
1,818	HMS Holdings Corp.*	143,095
9,722	Human Genome Sciences, Inc.*	286,507
3,169	ICU Medical, Inc.*	142,954
7,524	IDEXX Laboratories, Inc.*	612,679
6,239	Illumina, Inc.*	442,844
15,991	Immucor, Inc.*	349,084
8,429	Impax Laboratories, Inc.*	230,786
4,966	Integra LifeSciences Holdings Corp.*	259,771
17,153	Invacare Corp.	564,334
3,015	IPC The Hospitalist Co., Inc.*	156,358
10,647	Isis Pharmaceuticals, Inc.*	99,869
9,716	Jiangbo Pharmaceuticals, Inc.*	45,859
18,295	Kendle International, Inc.*	183,865
2,688	Kensey Nash Corp.*	66,474
9,384	KV Pharmaceutical Co., Class A*	36,879
2,654	Landauer, Inc.	159,691
14,384	LCA-Vision, Inc.*	96,948
4,585	LHC Group, Inc.*	135,808
4,649	Luminex Corp.*	90,144
6,676	Masimo Corp.	232,258
12,311	MedAssets, Inc.*	197,222
13,995	MedCath Corp.*	189,072
14,270	Medical Action Industries, Inc.*	124,149
5,432	Medicines Co. (The)*	85,282
10,521	Medicis Pharmaceutical Corp., Class A	373,075
6,630	Medquist Holdings, Inc.*	68,422
7,219	Meridian Bioscience, Inc.	178,381
8,446	Merit Medical Systems, Inc.*	196,961
14,718	Metropolitan Health Networks, Inc.*	62,110
16,704	Molina Healthcare, Inc.*	718,272
4,075	MWI Veterinary Supply, Inc.*	338,918
14,954	Myriad Genetics, Inc.*	320,614
3,728	National Healthcare Corp.	173,203
7,337	Natus Medical, Inc.*	124,509
2,307	Neogen Corp.*	96,663
4,909	NovaMed, Inc.*	65,044
3,354	NuVasive, Inc.*	103,605
5,575	Obagi Medical Products, Inc.*	71,527
10,206	Omnicell, Inc.*	156,968

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio
April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
7,044	Onyx Pharmaceuticals, Inc.*	$ 264,643
7,363	Orthofix International NV (Netherlands)*	250,857
11,479	Par Pharmaceutical Cos., Inc.*	395,337
20,230	PAREXEL International Corp.*	561,585
111,868	PDL BioPharma, Inc.	718,193
44,635	PharMerica Corp.*	587,397
8,147	Providence Service Corp. (The)*	120,087
23,373	PSS World Medical, Inc.*	672,207
2,440	Quality Systems, Inc.	218,917
7,343	Quidel Corp.*	97,442
22,275	Radnet, Inc.*	81,749
4,224	Regeneron Pharmaceuticals, Inc.*	215,889
8,400	RehabCare Group, Inc.*	315,588
18,961	ResMed, Inc.*	604,666
35,754	RTI Biologics, Inc.*	103,687
7,652	Rural/Metro Corp.*	130,314
4,507	Salix Pharmaceuticals Ltd.*	177,080
4,322	Seattle Genetics, Inc.*	71,788
36,877	Select Medical Holdings Corp.*	328,943
8,286	Sirona Dental Systems, Inc.*	472,882
13,460	Skilled Healthcare Group, Inc., Class A*	163,135
3,557	SonoSite, Inc.*	123,428
47,210	Sunrise Senior Living, Inc.*	490,040
7,942	SurModics, Inc.*	121,989
16,940	Symmetry Medical, Inc.*	168,553
7,188	Syneron Medical Ltd. (Israel)*	90,209
14,466	Talecris Biotherapeutics Holdings Corp.*	403,891
6,575	Team Health Holdings, Inc.*	130,711
4,621	Techne Corp.	359,098
8,945	Thoratec Corp.*	274,611
24,033	TomoTherapy, Inc.*	110,071
13,885	Triple-S Management Corp., Class B (Puerto Rico)*	290,752
3,629	United Therapeutics Corp.*	242,998
4,322	US Physical Therapy, Inc.	105,241
7,637	Vertex Pharmaceuticals, Inc.*	420,188
21,288	ViroPharma, Inc.*	410,645
8,227	Vivus, Inc.*	64,006
2,608	Volcano Corp.*	69,529
21,335	Warner Chilcott PLC, Class A (Ireland)	491,772
17,879	WellCare Health Plans, Inc.*	783,279
12,319	West Pharmaceutical Services, Inc.	581,950
8,441	Wright Medical Group, Inc.*	139,530
4,493	Zoll Medical Corp.*	254,663
		35,683,883
	Industrials—18.6%	
17,015	A.O. Smith Corp.	748,150
17,213	A123 Systems, Inc.*	103,967
2,906	AAON, Inc.	95,462
22,393	AAR Corp.	583,114
24,394	ABM Industries, Inc.	$ 593,262
56,764	ACCO Brands Corp.*	551,178
14,917	Aceto Corp.	119,485
19,265	Actuant Corp., Class A	534,796
2,301	Advisory Board Co. (The)*	107,503
34,173	Aegean Marine Petroleum Network, Inc. (Greece)	295,255
3,724	Aerovironment, Inc.*	106,693
54,481	Air Transport Services Group, Inc.*	445,655
52,946	Aircastle Ltd. (Bermuda)	659,707
92,771	AirTran Holdings, Inc.*	696,710
4,081	Alamo Group, Inc.	116,757
15,396	Albany International Corp., Class A	389,673
4,159	Allegiant Travel Co.	186,614
9,962	Altra Holdings, Inc.*	252,935
5,647	American Railcar Industries, Inc.*	159,980
29,986	American Reprographics Co.*	268,375
1,445	American Science & Engineering, Inc.	127,304
4,020	American Superconductor Corp.*	47,637
3,180	American Woodmark Corp.	64,586
4,727	Ameron International Corp.	332,497
4,506	Ampco-Pittsburgh Corp.	121,076
11,895	APAC Customer Services, Inc.*	67,920
21,786	Apogee Enterprises, Inc.	311,104
17,502	A-Power Energy Generation Systems Ltd.*	70,883
20,556	Applied Industrial Technologies, Inc.	724,805
23,240	Arkansas Best Corp.	534,752
14,549	Armstrong World Industries, Inc.	651,068
10,773	Astec Industries, Inc.*	417,777
3,442	AZZ, Inc.	150,691
3,296	Badger Meter, Inc.	124,951
21,531	Barnes Group, Inc.	532,677
27,873	Beacon Roofing Supply, Inc.*	622,125
15,191	Belden, Inc.	577,714
15,171	Blount International, Inc.*	251,839
29,208	Builders FirstSource, Inc.*	77,401
3,093	CAI International, Inc.*	77,820
4,359	Cascade Corp.	199,642
21,587	Casella Waste Systems, Inc., Class A*	145,928
38,999	CBIZ, Inc.*	285,863
14,875	CDI Corp.	220,447
13,606	Celadon Group, Inc.*	200,961
67,362	Cenveo, Inc.*	436,506
13,046	Ceradyne, Inc.*	611,336
8,233	Chart Industries, Inc.*	400,206
38,702	China BAK Battery, Inc.*	60,762
16,169	China Yuchai International Ltd. (Bermuda)*	535,517
4,629	CIRCOR International, Inc.	210,295
13,122	CLARCOR, Inc.	592,983
5,508	Clean Harbors, Inc.*	542,538
9,374	Coleman Cable, Inc.*	93,927

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
8,494	Colfax Corp.*	$ 185,594
13,851	Columbus McKinnon Corp.*	277,020
23,058	Comfort Systems USA, Inc.	281,538
13,143	Commercial Vehicle Group, Inc.*	226,848
7,793	Consolidated Graphics, Inc.*	437,577
8,176	Copa Holdings SA, Class A (Panama)	475,434
13,288	Copart, Inc.*	602,877
9,944	Corporate Executive Board Co. (The)	396,268
5,720	Costamare, Inc. (Marshall Islands)	98,727
3,177	CoStar Group, Inc.*	216,100
5,986	Courier Corp.	82,008
9,040	Covenant Transport Group, Inc., Class A*	86,242
5,701	CRA International, Inc.*	162,193
5,054	Cubic Corp.	273,320
40,462	Diana Shipping, Inc. (Greece)*	455,602
8,508	DigitalGlobe, Inc.*	246,732
11,964	Dolan Co. (The)*	140,816
4,988	Douglas Dynamics, Inc.	77,264
6,235	Ducommun, Inc.	141,846
5,179	DXP Enterprises, Inc.*	135,949
26,362	Dycom Industries, Inc.*	391,739
3,299	Dynamic Materials Corp.	85,840
107,455	Eagle Bulk Shipping, Inc.*	368,571
13,231	Encore Wire Corp.	369,277
75,160	EnergySolutions, Inc.	424,654
18,954	Ennis, Inc.	354,061
9,206	EnPro Industries, Inc.*	368,976
7,715	ESCO Technologies, Inc.	282,986
84,614	Excel Maritime Carriers Ltd. (Liberia)*	339,302
3,045	Exponent, Inc.*	130,661
52,380	Federal Signal Corp.	353,565
17,323	Flow International Corp.*	74,662
50,063	Force Protection, Inc.*	224,783
7,205	Forward Air Corp.	242,232
5,405	Franklin Electric Co., Inc.	243,820
8,830	FreightCar America, Inc.*	264,723
12,727	Furmanite Corp.*	106,652
10,004	Fushi Copperweld, Inc.*	80,532
10,954	G&K Services, Inc., Class A	362,577
53,450	Genco Shipping & Trading Ltd.*	448,445
33,205	GenCorp, Inc.*	216,829
12,044	Generac Holdings, Inc.*	250,756
8,148	Genesee & Wyoming, Inc., Class A*	505,013
19,941	Geo Group, Inc. (The)*	532,026
4,438	GeoEye, Inc.*	164,605
27,369	Gibraltar Industries, Inc.*	319,670
3,926	Gorman-Rupp Co. (The)	158,807
6,778	GP Strategies Corp.*	88,724
14,794	Graco, Inc.	740,144
24,876	GrafTech International Ltd.*	577,123
23,206	Great Lakes Dredge & Dock Corp.	172,885

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
13,066	Greenbrier Cos., Inc.*	$ 353,697
34,782	Griffon Corp.*	443,123
11,758	H&E Equipment Services, Inc.*	233,984
49,113	Hawaiian Holdings, Inc.*	287,311
15,139	Healthcare Services Group, Inc.	268,869
28,967	Heartland Express, Inc.	499,681
2,332	HEICO Corp.	112,309
4,707	HEICO Corp., Class A	167,381
7,695	Heidrick & Struggles International, Inc.	180,063
19,651	Herman Miller, Inc.	511,319
33,315	Hexcel Corp.*	717,272
15,558	Hill International, Inc.*	78,879
55,326	Horizon Lines, Inc., Class A	97,927
8,153	Houston Wire & Cable Co.	136,889
15,153	Hub Group, Inc., Class A*	610,363
11,923	Hudson Highland Group, Inc.*	71,896
2,759	Hurco Cos., Inc.*	89,585
9,946	Huron Consulting Group, Inc.*	286,445
8,107	ICF International, Inc.*	197,487
16,077	IDEX Corp.	754,333
6,399	IHS, Inc., Class A*	564,648
4,970	II-VI, Inc.*	287,514
10,471	Innerworkings, Inc.*	93,925
12,609	Insituform Technologies, Inc., Class A*	319,134
12,836	Insperity, Inc.	388,802
10,320	Insteel Industries, Inc.	154,078
17,011	Interface, Inc., Class A	317,085
15,687	Interline Brands, Inc.*	331,309
5,294	International Shipholding Corp.	127,003
13,265	John Bean Technologies Corp.	268,086
5,805	Kadant, Inc.*	179,084
11,157	Kaman Corp.	415,040
21,450	KAR Auction Services, Inc.*	418,275
10,311	Kaydon Corp.	399,036
17,318	Kforce, Inc.*	271,027
1,066	KHD Humboldt Wedag International AG (Germany)*	11,355
13,561	Kimball International, Inc., Class B	101,436
17,112	Knight Transportation, Inc.	308,187
17,976	Knoll, Inc.	352,869
15,617	Korn/Ferry International*	323,428
6,780	Kratos Defense & Security Solutions, Inc.*	92,683
5,407	LaBarge, Inc.*	103,490
3,688	Ladish Co., Inc.*	209,110
13,700	Landstar System, Inc.	649,380
3,322	Lawson Products, Inc.	73,184
11,538	Layne Christensen Co.*	343,371
4,474	LB Foster Co., Class A	190,413
2,186	Lindsay Corp.	160,278
4,225	LMI Aerospace, Inc.*	84,711
16,757	LSI Industries, Inc.	138,916

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
11,750	Lydall, Inc.*	$ 114,562
13,209	M&F Worldwide Corp.*	331,414
27,687	Macquarie Infrastructure Co. LLC*	694,944
7,460	Marten Transport Ltd.	166,806
18,890	MasTec, Inc.*	428,425
11,136	McGrath Rentcorp	316,151
22,590	Metalico, Inc.*	143,221
4,672	Michael Baker Corp.*	115,118
3,464	Middleby Corp. (The)*	310,617
7,644	Miller Industries, Inc.	120,928
10,549	Mine Safety Appliances Co.	418,584
5,551	Mistras Group, Inc.*	101,694
16,626	Mobile Mini, Inc.*	414,154
10,229	MSC Industrial Direct Co., Class A	732,294
136,252	Mueller Water Products, Inc., Class A	599,509
5,297	Multi-Color Corp.	109,436
9,471	MYR Group, Inc.*	236,112
4,285	NACCO Industries, Inc., Class A	450,911
1,905	National Presto Industries, Inc.	211,512
41,592	Navigant Consulting, Inc.*	484,547
71,513	Navios Maritime Holdings, Inc. (Greece)	378,304
30,967	NCI Building Systems, Inc.*	383,371
7,113	NN, Inc.*	124,691
7,766	Nordson Corp.	442,429
7,586	Northwest Pipe Co.*	182,519
91,250	OceanFreight, Inc., Class A (Marshall Islands)*	51,109
21,039	Old Dominion Freight Line, Inc.*	787,279
17,515	On Assignment, Inc.*	192,140
24,457	Orbital Sciences Corp.*	460,525
12,014	Orion Marine Group, Inc.*	124,105
61,484	Pacer International, Inc.*	368,289
65,699	Paragon Shipping, Inc., Class A	194,469
9,091	Park-Ohio Holdings Corp.*	193,820
13,478	Pike Electric Corp.*	136,936
17,187	Pinnacle Airlines Corp.*	93,669
4,727	Polypore International, Inc.*	291,987
4,881	Powell Industries, Inc.*	192,897
9,507	Quality Distribution, Inc.*	113,133
17,982	Quanex Building Products Corp.	376,903
10,606	RailAmerica, Inc.*	180,514
3,240	Raven Industries, Inc.	176,126
5,833	RBC Bearings, Inc.*	229,004
15,696	Resources Connection, Inc.	232,144
7,333	Robbins & Myers, Inc.	318,766
12,123	Rollins, Inc.	254,219
23,626	RSC Holdings, Inc.*	311,154
23,569	Rush Enterprises, Inc., Class A*	496,599
12,156	Safe Bulkers, Inc. (Marshall Islands)	99,071
15,115	Saia, Inc.*	250,909
5,420	Sauer-Danfoss, Inc.*	319,834

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
5,511	Schawk, Inc.	$ 103,937
14,973	School Specialty, Inc.*	221,750
141	Seaboard Corp.	336,567
11,092	SeaCube Container Leasing Ltd. (Bermuda)	180,023
39,291	Seaspan Corp. (Hong Kong)	747,708
11,601	Sensata Technologies Holding NV (Netherlands)*	407,311
39,000	SFN Group, Inc.*	410,670
12,749	Simpson Manufacturing Co., Inc.	355,952
8,798	Standard Parking Corp.*	153,877
22,086	Standard Register Co. (The)	75,976
6,523	Standex International Corp.	238,481
33,873	Star Bulk Carriers Corp.	79,602
63,613	Steelcase, Inc., Class A	734,730
10,804	Sterling Construction Co., Inc.*	161,952
2,103	Sun Hydraulics Corp.	97,768
28,588	Swift Transportation Co.*	401,090
14,520	Sykes Enterprises, Inc.*	290,836
5,642	TAL International Group, Inc.	203,394
16,023	Taser International, Inc.*	71,463
18,735	TBS International PLC, Class A (Ireland)*	32,224
6,697	Team, Inc.*	167,090
15,244	Tecumseh Products Co., Class A*	156,099
5,537	Tennant Co.	227,128
25,225	Tetra Tech, Inc.*	595,814
3,434	Textainer Group Holdings Ltd.	121,770
9,320	Titan International, Inc.	287,895
5,234	Titan Machinery, Inc.*	164,662
9,980	Toro Co. (The)	677,742
10,370	Towers Watson & Co., Class A	594,823
8,371	TransDigm Group, Inc.*	697,304
12,996	Tredegar Corp.	284,352
8,768	Trimas Corp.*	203,505
5,814	Triumph Group, Inc.	500,702
26,319	TrueBlue, Inc.*	370,572
3,350	Twin Disc, Inc.	114,134
13,530	Ultrapetrol Bahamas Ltd.*	73,738
5,957	UniFirst Corp.	308,334
12,831	Universal Forest Products, Inc.	414,313
80,161	US Airways Group, Inc.*	728,663
5,667	US Ecology, Inc.	104,046
4,588	Valmont Industries, Inc.	483,116
13,470	Verisk Analytics, Inc., Class A*	443,163
12,896	Viad Corp.	319,950
4,280	Vicor Corp.	71,519
3,257	VSE Corp.	91,815
19,535	Wabash National Corp.*	215,471
9,457	Wabtec Corp.	675,041
9,777	Watsco, Inc.	693,092
12,181	Watts Water Technologies, Inc., Class A	471,405
18,418	Woodward, Inc.	682,387

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
6,643	Xerium Technologies, Inc.*	$ 153,188
		76,315,072
	Information Technology—17.7%	
6,462	ACI Worldwide, Inc.*	213,504
1,080	Acme Packet, Inc.*	89,219
13,719	Actuate Corp.*	79,982
38,151	Acxiom Corp.*	555,479
9,807	ADTRAN, Inc.	404,735
11,725	Advanced Energy Industries, Inc.*	165,909
5,086	Advent Software, Inc.*	138,492
4,242	Aeroflex Holding Corp.*	75,083
30,000	Agilysys, Inc.*	156,600
6,859	Alpha & Omega Semiconductor Ltd. (Bermuda)*	97,261
10,776	American Software, Inc., Class A	83,837
16,651	Anadigics, Inc.*	65,105
4,873	Anaren, Inc.*	80,843
4,266	Ancestry.com, Inc.*	194,956
11,411	ANSYS, Inc.*	630,914
12,283	Applied Micro Circuits Corp.*	128,726
7,169	Ariba, Inc.*	249,266
47,980	Arris Group, Inc.*	575,760
13,139	AsiaInfo-Linkage, Inc.*	248,327
7,425	Atheros Communications, Inc.*	333,086
13,404	ATMI, Inc.*	266,874
34,592	Aviat Networks, Inc.*	177,111
15,377	Avid Technology, Inc.*	285,705
23,533	AVX Corp.	383,823
46,693	Axcelis Technologies, Inc.*	87,316
5,122	Bel Fuse, Inc., Class B	103,106
10,176	Black Box Corp.	355,549
7,004	Blackbaud, Inc.	193,731
4,217	Blackboard, Inc.*	202,880
7,249	Blue Coat Systems, Inc.*	208,771
4,250	Bottomline Technologies, Inc.*	118,065
19,631	Brooks Automation, Inc.*	240,087
6,107	Cabot Microelectronics Corp.*	298,327
53,849	Cadence Design Systems, Inc.*	558,953
11,062	Canadian Solar, Inc. (China)*	119,359
8,244	Cardtronics, Inc.*	175,185
1,695	Cass Information Systems, Inc.	67,664
43,652	CDC Corp., Class A (Cayman Islands)*	139,686
2,585	CEVA, Inc.*	79,049
18,460	Checkpoint Systems, Inc.*	388,768
39,278	China Security & Surveillance Technology, Inc. (China)*	211,316
90,168	CIBER, Inc.*	515,761
8,114	Ciena Corp.*	229,139
5,390	Cirrus Logic, Inc.*	89,258
8,457	Cognex Corp.	264,535

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
11,901	Cogo Group, Inc.*	$ 97,707
5,681	Coherent, Inc.*	355,119
9,191	Cohu, Inc.	132,442
2,942	CommVault Systems, Inc.*	115,885
5,781	Computer Task Group, Inc.*	85,848
16,532	Comtech Telecommunications Corp.	467,856
5,279	Concur Technologies, Inc.*	305,496
11,284	Cray, Inc.*	75,828
14,293	CSG Systems International, Inc.*	303,583
18,076	CTS Corp.	198,655
7,099	Cymer, Inc.*	341,533
20,709	Cypress Semiconductor Corp.*	450,628
14,495	Daktronics, Inc.	155,531
8,081	DealerTrack Holdings, Inc.*	181,499
5,065	DG FastChannel, Inc.*	185,328
11,751	Digi International, Inc.*	138,779
10,945	Digital River, Inc.*	356,150
7,478	Diodes, Inc.*	255,897
8,523	Dolby Laboratories, Inc., Class A*	426,661
19,217	Dot Hill Systems Corp.*	56,690
17,996	DSP Group, Inc.*	145,408
1,562	DTS, Inc.*	68,822
64,685	EarthLink, Inc.	531,711
2,355	Ebix, Inc.*	53,812
16,590	EchoStar Corp., Class A*	615,157
6,639	Electro Rent Corp.	104,564
9,920	Electro Scientific Industries, Inc.*	163,184
20,041	Electronics for Imaging, Inc.*	359,936
23,864	EMCORE Corp.*	62,285
8,089	EMS Technologies, Inc.*	204,328
32,703	Emulex Corp.*	316,892
27,781	Energy Conversion Devices, Inc.*	55,562
31,642	Entegris, Inc.*	273,070
23,009	Epicor Software Corp.*	287,613
14,005	EPIQ Systems, Inc.	199,291
2,252	ePlus, Inc.*	62,268
7,422	Equinix, Inc.*	747,099
25,063	Euronet Worldwide, Inc.*	469,931
61,778	Evergreen Solar, Inc.*	89,578
15,194	Exar Corp.*	92,835
30,146	Extreme Networks, Inc.*	94,357
5,051	F5 Networks, Inc.*	511,969
3,716	FactSet Research Systems, Inc.	406,568
13,903	Fair Isaac Corp.	415,422
39,586	Fairchild Semiconductor International, Inc.*	830,118
2,982	FARO Technologies, Inc.*	128,733
9,842	FEI Co.*	319,471
5,414	Finisar Corp.*	152,079
1,871	FleetCor Technologies, Inc.*	70,181
25,113	FormFactor, Inc.*	260,422
3,480	Forrester Research, Inc.	137,495

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
2,458	Fortinet, Inc.*	$ 119,705
8,452	Gartner, Inc.*	362,675
38,803	Genpact Ltd.*	624,340
12,768	Gerber Scientific, Inc.*	122,062
71,758	GigaMedia Ltd. (Taiwan)*	111,942
56,324	Global Cash Access Holdings, Inc.*	185,869
14,092	Global Payments, Inc.	750,258
8,639	Globecomm Systems, Inc.*	123,710
16,327	GSI Commerce, Inc.*	477,891
20,925	GT Solar International, Inc.*	233,732
21,146	Harmonic, Inc.*	175,089
16,978	Heartland Payment Systems, Inc.	338,881
2,174	Hittite Microwave Corp.*	139,984
57,177	Hutchinson Technology, Inc.*	152,663
9,492	Hypercom Corp.*	113,619
3,777	iGATE Corp.	64,058
32,611	Imation Corp.*	334,915
22,419	Infinera Corp.*	175,317
8,279	Informatica Corp.*	463,707
16,277	InfoSpace, Inc.*	146,493
5,297	Integral Systems, Inc.*	66,160
55,369	Integrated Device Technology, Inc.*	450,427
10,044	Integrated Silicon Solution, Inc.*	97,025
5,400	InterDigital, Inc.	249,966
23,691	Intermec, Inc.*	271,973
17,530	Internap Network Services Corp.*	141,818
20,160	International Rectifier Corp.*	696,730
7,589	Intevac, Inc.*	92,813
6,041	IXYS Corp.*	95,810
8,471	j2 Global Communications, Inc.*	249,556
18,859	Jack Henry & Associates, Inc.	640,640
8,719	JDA Software Group, Inc.*	285,722
24,701	JDS Uniphase Corp.*	514,769
20,585	Kemet Corp.*	323,802
4,210	Kenexa Corp.*	123,858
12,924	Key Tronic Corp.*	68,109
9,256	Knot, Inc. (The)*	94,504
16,047	Kopin Corp.*	77,186
24,372	Kulicke & Soffa Industries, Inc.*	220,810
28,144	L-1 Identity Solutions, Inc.*	330,129
24,330	Lattice Semiconductor Corp.*	165,201
30,187	Lawson Software, Inc.*	334,170
30,099	Lionbridge Technologies, Inc.*	101,434
4,611	Liquidity Services, Inc.*	89,684
5,174	Littelfuse, Inc.	321,875
13,034	LoJack Corp.*	59,696
2,274	Loral Space & Communications, Inc.*	158,953
10,138	LTX-Credence Corp.*	87,896
5,098	Manhattan Associates, Inc.*	184,293
9,922	ManTech International Corp., Class A*	435,477
23,563	Mattson Technology, Inc.*	54,666

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
4,030	MAXIMUS, Inc.	$ 322,360
3,909	Measurement Specialties, Inc.*	135,955
27,906	Mentor Graphics Corp.*	411,614
920	MercadoLibre, Inc. (Argentina)	84,088
5,405	Mercury Computer Systems, Inc.*	104,371
17,882	Methode Electronics, Inc.	221,022
10,064	Micrel, Inc.	128,920
11,983	MICROS Systems, Inc.*	623,356
18,371	Microsemi Corp.*	433,556
1,378	MicroStrategy, Inc., Class A*	194,711
10,519	Mitel Networks Corp. (Canada)*	55,646
14,003	MKS Instruments, Inc.	397,405
36,261	ModusLink Global Solutions, Inc.	190,008
61,223	MoneyGram International, Inc.*	242,443
8,100	Monolithic Power Systems, Inc.*	137,538
5,914	Monotype Imaging Holdings, Inc.*	80,430
37,302	Move, Inc.*	89,152
4,218	MTS Systems Corp.	186,731
4,483	Multi-Fineline Electronix, Inc.*	119,382
18,442	Nam Tai Electronics, Inc. (Hong Kong)	113,234
13,489	National Instruments Corp.	409,256
3,404	NCI, Inc., Class A*	83,772
29,833	Ness Technologies, Inc.*	194,511
25,186	Net 1 UEPS Technologies, Inc.*	211,059
7,177	NETGEAR, Inc.*	299,640
3,778	Netlogic Microsystems, Inc.*	162,945
5,774	NetScout Systems, Inc.*	147,757
12,624	NeuStar, Inc., Class A*	339,459
12,199	Newport Corp.*	228,487
6,065	NIC, Inc.	77,966
23,714	Novatel Wireless, Inc.*	147,027
5,211	NXP Semiconductor NV (Netherlands)*	174,047
6,725	Oclaro, Inc.*	75,421
10,907	OmniVision Technologies, Inc.*	366,475
13,698	Online Resources Corp.*	52,326
72,029	Openwave Systems, Inc.*	151,261
3,677	Oplink Communications, Inc.*	72,805
22,589	Opnext, Inc.*	53,310
14,585	Orbotech Ltd. (Israel)*	186,980
6,238	OSI Systems, Inc.*	239,477
23,875	Parametric Technology Corp.*	579,446
7,838	Park Electrochemical Corp.	250,581
8,043	PC Connection, Inc.*	71,422
9,614	PC Mall, Inc.*	93,929
8,624	Perficient, Inc.*	107,714
10,597	Pericom Semiconductor Corp.*	96,327
39,139	Photronics, Inc.*	341,683
10,852	Plantronics, Inc.	402,284
20,596	Plexus Corp.*	751,548
64,749	PMC - Sierra, Inc.*	519,287
13,352	Polycom, Inc.*	798,850

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
3,043	Power Integrations, Inc.	$ 122,755
14,881	Power-One, Inc.*	122,917
48,594	Powerwave Technologies, Inc.*	222,075
14,746	PRGX Global, Inc.*	115,609
14,159	Progress Software Corp.*	419,814
47,885	Pulse Electronics Corp.	286,352
19,433	Qiao Xing Mobile Communication Co. Ltd. (China)*	53,441
27,333	QLogic Corp.*	491,447
95,271	Quantum Corp.*	302,962
14,432	Quest Software, Inc.*	371,768
6,090	QuinStreet, Inc.*	110,107
7,831	Rackspace Hosting, Inc.*	361,714
7,377	Radiant Systems, Inc.*	146,950
13,384	RadiSys Corp.*	117,913
1,586	RADWARE Ltd. (Israel)*	55,875
8,481	Rambus, Inc.*	168,772
39,496	RealNetworks, Inc.*	146,135
10,009	Red Hat, Inc.*	475,127
55,978	RF Micro Devices, Inc.*	372,813
7,746	Richardson Electronics Ltd.	104,416
4,758	Rimage Corp.	71,180
6,079	Riverbed Technology, Inc.*	213,616
7,635	Rofin-Sinar Technologies, Inc.*	330,672
3,277	Rogers Corp.*	136,061
5,043	Rosetta Stone, Inc.*	71,005
11,137	Rovi Corp.*	540,813
6,389	Rudolph Technologies, Inc.*	72,260
20,468	S1 Corp.*	140,615
3,363	Salesforce.com, Inc.*	466,112
16,299	Sapient Corp.*	205,775
5,734	SAVVIS, Inc.*	225,690
16,843	ScanSource, Inc.*	602,474
9,842	SeaChange International, Inc.*	105,408
9,706	Semtech Corp.*	272,447
11,967	Sigma Designs, Inc.*	152,699
6,483	Silicon Graphics International Corp.*	119,158
17,140	Silicon Image, Inc.*	142,605
5,492	Silicon Laboratories, Inc.*	239,341
5,978	SINA Corp. (China)*	805,536
31,264	SMART Modular Technologies (WWH), Inc.*	285,753
8,536	Smith Micro Software, Inc.*	65,898
4,344	Sohu.com, Inc.*	459,421
6,713	Solera Holdings, Inc.	369,215
58,253	Sonus Networks, Inc.*	229,517
5,987	Spectrum Control, Inc.*	119,081
13,955	SRA International, Inc., Class A*	432,465
3,505	SS&C Technologies Holdings, Inc.*	71,502
7,994	Standard Microsystems Corp.*	217,037
6,232	STEC, Inc.*	130,373
1,760	Stratasys, Inc.*	$ 94,776
23,099	SunPower Corp., Class A*	502,865
16,956	SunPower Corp., Class B*	362,350
9,952	Super Micro Computer, Inc.*	169,781
3,945	Supertex, Inc.*	85,173
7,385	Sycamore Networks, Inc.	180,932
20,714	Symmetricom, Inc.*	126,355
7,105	Synaptics, Inc.*	201,924
2,018	Synchronoss Technologies, Inc.*	65,101
16,042	SYNNEX Corp.*	537,888
3,079	Syntel, Inc.	168,360
32,928	Take-Two Interactive Software, Inc.*	532,775
4,256	Taleo Corp., Class A*	154,365
43,249	Tekelec*	361,129
23,227	TeleCommunication Systems, Inc., Class A*	107,076
17,624	TeleTech Holdings, Inc.*	350,189
4,421	Telvent GIT SA (Spain)*	136,123
22,258	Tessera Technologies, Inc.*	439,818
84,859	THQ, Inc.*	342,830
20,788	TIBCO Software, Inc.*	623,432
9,840	TiVo, Inc.*	94,169
14,235	TNS, Inc.*	233,881
22,709	TriQuint Semiconductor, Inc.*	312,703
12,373	TTM Technologies, Inc.*	236,572
5,671	Tyler Technologies, Inc.*	140,584
7,446	Ultra Clean Holdings, Inc.*	85,555
4,045	Ultratech, Inc.*	126,649
71,907	United Online, Inc.	474,586
129,925	UTStarcom, Inc.*	333,907
22,646	ValueClick, Inc.*	379,321
10,947	Varian Semiconductor Equipment Associates, Inc.*	459,008
4,748	Veeco Instruments, Inc.*	242,765
5,750	VeriFone Systems, Inc.*	315,215
23,342	Verigy Ltd. (Singapore)*	337,525
2,839	Verint Systems, Inc.*	97,179
9,831	ViaSat, Inc.*	392,454
4,239	Virtusa Corp.*	79,100
3,866	VistaPrint NV (Netherlands)*	210,310
4,969	VMware, Inc., Class A*	474,192
2,870	Volterra Semiconductor Corp.*	75,452
4,147	WebMD Health Corp.*	239,987
6,298	Websense, Inc.*	162,425
19,773	Westell Technologies, Inc., Class A*	71,183
12,399	Wright Express Corp.*	698,436
30,904	Xyratex Ltd. (Bermuda)*	315,530
14,781	Zebra Technologies Corp., Class A*	580,745
22,223	Zoran Corp.*	232,675
4,345	Zygo Corp.*	64,958
		72,378,413

See Notes to Financial Statements.

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
	Materials—6.2%	
23,560	A. Schulman, Inc.	$ 596,539
13,883	A.M. Castle & Co.*	262,111
2,867	AEP Industries, Inc.*	86,956
2,228	Allied Nevada Gold Corp.*	95,938
9,327	AMCOL International Corp.	347,151
9,532	American Vanguard Corp.	85,025
14,334	Arch Chemicals, Inc.	554,296
2,537	Balchem Corp.	100,694
55,982	Boise, Inc.	549,743
12,174	Buckeye Technologies, Inc.	342,820
11,222	Calgon Carbon Corp.*	192,570
39,331	Century Aluminum Co.*	785,833
6,072	Clearwater Paper Corp.*	476,531
22,038	Coeur d'Alene Mines Corp.*	698,825
4,846	Compass Minerals International, Inc.	473,018
201	Contango ORE, Inc.*	3,497
1,861	Deltic Timber Corp.	126,176
15,968	Eagle Materials, Inc.	464,509
42,355	Ferro Corp.*	635,325
65,058	General Steel Holdings, Inc. (China)*	147,031
21,433	Georgia Gulf Corp.*	844,032
8,702	Globe Specialty Metals, Inc.	195,882
18,002	Graham Packaging Co., Inc.*	414,046
64,892	Graphic Packaging Holding Co.*	356,257
25,845	H.B. Fuller Co.	564,713
7,789	Handy & Harman Ltd.*	96,194
2,760	Hawkins, Inc.	129,830
3,862	Haynes International, Inc.	208,702
85,373	Headwaters, Inc.*	466,137
35,185	Hecla Mining Co.*	331,091
15,398	Horsehead Holding Corp.*	242,826
6,243	Innophos Holdings, Inc.	289,301
7,820	Innospec, Inc.*	294,501
6,914	Intrepid Potash, Inc.*	236,874
7,590	Kaiser Aluminum Corp.	380,335
12,390	KapStone Paper and Packaging Corp.*	215,338
8,877	Koppers Holdings, Inc.	405,945
11,907	Kraton Performance Polymers, Inc.*	549,627
16,010	Landec Corp.*	103,745
5,282	LSB Industries, Inc.*	213,129
7,352	Materion Corp.*	307,019
19,463	Mercer International, Inc.*	236,865
12,691	Metals USA Holdings Corp.*	215,747
7,181	Minerals Technologies, Inc.	488,308
20,933	Myers Industries, Inc.	223,355
10,876	Neenah Paper, Inc.	253,737
3,794	NewMarket Corp.	699,310
6,390	Noranda Aluminum Holding Corp.*	108,566
9,070	Olympic Steel, Inc.	266,386
19,619	OM Group, Inc.*	710,993
33,553	Omnova Solutions, Inc.*	$ 285,200
37,411	P.H. Glatfelter Co.	508,790
50,825	PolyOne Corp.	735,946
52,606	Qiao Xing Universal Resources, Inc. (China)*	112,051
4,796	Quaker Chemical Corp.	216,683
8,418	Royal Gold, Inc.	513,330
14,178	RTI International Metals, Inc.*	452,845
9,857	Schnitzer Steel Industries, Inc., Class A	611,824
6,139	Schweitzer-Mauduit International, Inc.	318,246
6,136	ShengdaTech, Inc.*	16,383
39,485	Spartech Corp.*	281,923
5,167	Stepan Co.	371,869
13,934	Stillwater Mining Co.*	317,835
8,566	STR Holdings, Inc.*	141,082
28,507	Terra Nova Royalty Corp. (Canada)	228,626
10,866	Texas Industries, Inc.	458,219
19,100	Titanium Metals Corp.*	382,573
14,776	TPC Group, Inc.*	582,765
3,306	Universal Stainless & Alloy Products, Inc.*	119,842
19,193	Verso Paper Corp.*	90,399
4,632	Walter Energy, Inc.	640,235
45,465	Wausau Paper Corp.	306,889
6,327	Westlake Chemical Corp.	415,368
9,993	Yongye International, Inc.*	52,363
9,544	Zep, Inc.	181,336
9,582	Zoltek Cos., Inc.*	123,129
		25,539,130
	Telecommunication Services—1.2%	
4,993	AboveNet, Inc.	333,283
35,843	Alaska Communications Systems Group, Inc.	346,602
3,943	Atlantic Tele-Network, Inc.	144,826
7,768	Cbeyond, Inc.*	99,120
5,730	Cogent Communications Group, Inc.*	83,142
15,751	Consolidated Communications Holdings, Inc.	289,661
30,650	FiberTower Corp.*	41,378
21,481	General Communication, Inc., Class A*	247,032
18,500	Global Crossing Ltd.*	432,530
2,418	Hughes Communications, Inc.*	144,717
11,284	IDT Corp., Class B	327,123
15,482	Iridium Communications, Inc.*	121,224
7,428	Neutral Tandem, Inc.*	113,574
14,221	NTELOS Holdings Corp.	280,580
83,903	PAETEC Holding Corp.*	302,051
41,132	Premiere Global Services, Inc.*	325,354
11,853	SBA Communications Corp., Class A*	457,881
6,770	Shenandoah Telecommunications Co.	127,412
8,162	SureWest Communications	118,920
28,031	USA Mobility, Inc.	433,079
21,824	Vonage Holdings Corp.*	112,612
		4,882,101

See Notes to Financial Statements.

Schedule of Investments (Continued)

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

April 30, 2011

Number of Shares		Value
	Common Stocks and Other Equity Interests (Continued)	
	Utilities—1.8%	
8,713	American States Water Co.	$ 304,171
10,527	California Water Service Group	397,079
8,671	Central Vermont Public Service Corp.	202,988
8,636	CH Energy Group, Inc.	463,062
3,895	Chesapeake Utilities Corp.	166,667
3,512	Connecticut Water Service, Inc.	90,399
6,007	Consolidated Water Co. Ltd. (Cayman Islands)	58,929
22,683	El Paso Electric Co.*	702,719
24,668	Empire District Electric Co. (The)	553,550
15,884	Laclede Group, Inc. (The)	609,469
11,092	MGE Energy, Inc.	465,975
6,245	Middlesex Water Co.	117,906
14,664	Northwest Natural Gas Co.	678,063
6,036	Ormat Technologies, Inc.	150,296
28,029	Otter Tail Corp.	655,318
6,152	SJW Corp.	142,973
10,125	South Jersey Industries, Inc.	581,681
21,104	UIL Holdings Corp.	671,529
7,329	Unitil Corp.	185,131
3,790	York Water Co.	66,173
		7,264,078
	Total Common Stocks and Other Equity Interests (Cost $356,042,088)	409,719,043
	Rights—0.0%	
	Financials—0.0%	
5,625	Central Pacific Financial Corp., expiring 05/06/11*	30,656
40,156	TBS International PLC (Ireland), expiring 07/18/11*	—
	Total Rights (Cost $129,968)	30,656
	Money Market Fund—0.1%	
298,871	Goldman Sachs Financial Square Prime Obligations Institutional Share Class (Cost $298,871)	298,871
	Total Investments (Cost $356,470,927)—100.1%	410,048,570
	Liabilities in excess of other assets—(0.1%)	(222,529)
	Net Assets—100.0%	$409,826,041

Investment Abbreviations:
REIT—Real Estate Investment Trust

Notes to Schedule of Investments:
* Non-income producing security.
(~) Affiliated company. The Fund's Adviser is a subsidiary of Invesco Mortgage Capital, Inc. REIT and therefore, Invesco Mortgage Capital, Inc. REIT is considered to be affiliated with the Fund. See Note 4.

See Notes to Financial Statements.

Statements of Assets and Liabilities

April 30, 2011

	PowerShares Dynamic MagniQuant Portfolio	PowerShares Dynamic Market Portfolio	PowerShares Dynamic OTC Portfolio	PowerShares FTSE RAFI US 1000 Portfolio	PowerShares FTSE RAFI US 1500 Small-Mid Portfolio
ASSETS:					
Unaffiliated investments, at value	$ 27,104,581	$ 188,322,809	$ 40,396,057	$1,207,549,670	$409,955,723
Affiliated investments, at value (Note 4)	—	—	—	709,466	92,847
Total investments, at value	27,104,581	188,322,809	40,396,057	1,208,259,136	410,048,570
Cash	241	435	254	1,379	—
Foreign currencies, at value	—	—	—	—	20,522
Receivables:					
Dividends	12,141	122,153	14,806	1,505,178	156,939
Expense waivers	11,300	4,333	8,919	67,905	24,800
Investments sold	—	—	—	—	777,292
Total Assets	27,128,263	188,449,730	40,420,036	1,209,833,598	411,028,123
LIABILITIES:					
Due to custodian	—	—	—	—	6,480
Payables:					
Investments purchased	5,810	—	—	333,191	684,106
Accrued advisory fees	11,042	76,842	16,190	279,659	96,535
Accrued expenses	86,957	165,604	83,168	974,526	414,961
Total Liabilities	103,809	242,446	99,358	1,587,376	1,202,082
NET ASSETS	$ 27,024,454	$ 188,207,284	$ 40,320,678	$1,208,246,222	$409,826,041
NET ASSETS CONSIST OF:					
Shares of beneficial interest	$ 50,196,324	$ 521,377,907	$114,168,819	$1,247,392,742	$382,709,371
Undistributed net investment income (loss)	29,111	114,986	(5,634)	3,544,038	364,261
Undistributed net realized gain (loss)	(26,903,127)	(349,474,586)	(79,742,189)	(180,962,986)	(26,826,802)
Net unrealized appreciation	3,702,146	16,188,977	5,899,682	138,272,428	53,579,211
Net Assets	$ 27,024,454	$ 188,207,284	$ 40,320,678	$1,208,246,222	$409,826,041
Shares outstanding (unlimited amount authorized, $0.01 par value)	1,000,000	3,900,000	750,000	19,900,000	5,800,000
Net asset value	$ 27.02	$ 48.26	$ 53.76	$ 60.72	$ 70.66
Share price	$ 27.03	$ 48.24	$ 53.75	$ 60.71	$ 70.64
Unaffiliated investments, at cost	$ 23,402,435	$ 172,133,832	$ 34,496,375	$1,069,445,844	$356,380,448
Affiliated investments, at cost	$ —	$ —	$ —	$ 540,864	$ 90,479
Total investments, at cost	$ 23,402,435	$ 172,133,832	$ 34,496,375	$1,069,986,708	$356,470,927
Foreign currencies, at cost	$ —	$ —	$ —	$ —	$ 18,954

See Notes to Financial Statements.

Statements of Operations

Year Ended April 30, 2011

	PowerShares Dynamic MagniQuant Portfolio	PowerShares Dynamic Market Portfolio	PowerShares Dynamic OTC Portfolio	PowerShares FTSE RAFI US 1000 Portfolio	PowerShares FTSE RAFI US 1500 Small-Mid Portfolio
INVESTMENT INCOME:					
Unaffiliated dividend income	$ 413,000	$ 3,768,693	$ 280,176	$ 20,305,195	$ 4,020,182
Affiliated dividend income	—	—	—	7,208	—
Foreign withholding tax	—	—	—	(4,450)	(2,101)
Total Income	413,000	3,768,693	280,176	20,307,953	4,018,081
EXPENSES:					
Advisory fees	139,660	950,434	186,228	2,453,188	960,772
Accounting & administration fees	68,240	68,240	68,240	205,782	82,804
Professional fees	32,146	41,676	32,309	73,537	49,387
Custodian & transfer agent fees	24,048	23,431	12,524	91,117	85,853
Sub-licensing	13,966	57,026	11,174	761,338	298,172
Trustees	5,891	10,800	6,073	28,602	14,551
Recapture (See Note 3)	—	—	—	1,377	—
Other expenses	19,020	70,460	22,550	124,120	41,410
Total Expenses	302,971	1,222,067	339,098	3,739,061	1,532,949
Less: Waivers	(121,412)	(80,701)	(115,449)	(439,944)	(240,876)
Net Expenses	181,559	1,141,366	223,649	3,299,117	1,292,073
Net Investment Income	231,441	2,627,327	56,527	17,008,836	2,726,008
REALIZED AND UNREALIZED GAIN (LOSS):					
Net realized gain (loss) from:					
Investments	(3,158,477)	(15,314,769)	(3,309,176)	(20,082,654)	(5,431,230)
In-kind redemptions	6,204,397	47,063,906	9,776,592	26,244,109	51,565,595
Foreign currencies	—	—	—	—	(173)
Net realized gain	3,045,920	31,749,137	6,467,416	6,161,455	46,134,192
Net change in unrealized appreciation (depreciation) on:					
Investments	110,912	(1,021,537)	62,498	140,652,771	22,724,251
Foreign currencies	—	—	—	—	1,568
Net change in unrealized appreciation (depreciation)	110,912	(1,021,537)	62,498	140,652,771	22,725,819
Net realized and unrealized gain	3,156,832	30,727,600	6,529,914	146,814,226	68,860,011
Net increase in net assets resulting from operations	$ 3,388,273	$ 33,354,927	$ 6,586,441	$163,823,062	$71,586,019

See Notes to Financial Statements.

Statements of Changes in Net Assets

	PowerShares Dynamic MagniQuant Portfolio		PowerShares Dynamic Market Portfolio	
	Year Ended April 30, 2011	Year Ended April 30, 2010	Year Ended April 30, 2011	Year Ended April 30, 2010
OPERATIONS:				
Net investment income	$ 231,441	$ 135,709	$ 2,627,327	$ 2,432,781
Net realized gain (loss)	3,045,920	7,474,762	31,749,137	65,647,496
Net increase from payment by affiliate (see Note 3)	—	—	—	—
Net change in unrealized appreciation (depreciation)	110,912	938,651	(1,021,537)	1,137,502
Net increase in net assets resulting from operations	3,388,273	8,549,122	33,354,927	69,217,779
Undistributed net investment income (loss) included in the price of units issued and redeemed	(14,028)	(5,701)	(12,104)	2,383
DISTRIBUTIONS TO SHAREHOLDERS FROM:				
Net investment income	(213,106)	(149,699)	(2,885,329)	(2,569,156)
SHAREHOLDER TRANSACTIONS:				
Proceeds from shares sold	50,752,466	34,234,568	336,045,030	440,326,158
Value of shares repurchased	(53,976,300)	(44,212,083)	(408,458,005)	(537,603,548)
Net income (loss) equalization	14,028	5,701	12,104	(2,383)
Net increase (decrease) in net assets resulting from shares transactions	(3,209,806)	(9,971,814)	(72,400,871)	(97,279,773)
Increase (Decrease) in Net Assets	(48,667)	(1,578,092)	(41,943,377)	(30,628,767)
NET ASSETS:				
Beginning of year	27,073,121	28,651,213	230,150,661	260,779,428
End of year	$ 27,024,454	$ 27,073,121	$ 188,207,284	$ 230,150,661
Undistributed net investment income (loss) at end of year	$ 29,111	$ 8,384	$ 114,986	$ 221,358
CHANGES IN SHARES OUTSTANDING:				
Shares sold	2,250,000	1,800,000	8,100,000	12,350,000
Shares repurchased	(2,450,000)	(2,300,000)	(9,900,000)	(14,950,000)
Shares outstanding, beginning of year	1,200,000	1,700,000	5,700,000	8,300,000
Shares outstanding, end of year	1,000,000	1,200,000	3,900,000	5,700,000

See Notes to Financial Statements.

PowerShares Dynamic OTC Portfolio		PowerShares FTSE RAFI US 1000 Portfolio		PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	
Year Ended April 30, 2011	Year Ended April 30, 2010	Year Ended April 30, 2011	Year Ended April 30, 2010	Year Ended April 30, 2011	Year Ended April 30, 2010
$ 56,527	$ 5,379	$ 17,008,836	$ 7,089,225	$ 2,726,008	$ 1,123,580
6,467,416	9,501,282	6,161,455	(34,026,720)	46,134,192	23,389,483
—	—	—	—	—	818,480
62,498	3,802,752	140,652,771	239,935,703	22,725,819	60,075,407
6,586,441	13,309,413	163,823,062	212,998,208	71,586,019	85,406,950
(13,179)	(11,386)	2,192,781	107,266	161,384	266,740
(84,849)	(61,560)	(14,549,503)	(7,652,691)	(2,570,205)	(1,105,854)
42,792,852	45,391,077	487,427,763	230,021,021	213,860,921	211,958,906
(49,608,534)	(57,397,632)	(76,883,089)	(183,381,082)	(157,185,855)	(106,523,770)
13,179	11,386	(2,192,781)	(107,266)	(161,384)	(266,740)
(6,802,503)	(11,995,169)	408,351,893	46,532,673	56,513,682	105,168,396
(314,090)	1,241,298	559,818,233	251,985,456	125,690,880	189,736,232
40,634,768	39,393,470	648,427,989	396,442,533	284,135,161	94,398,929
$ 40,320,678	$ 40,634,768	$1,208,246,222	$ 648,427,989	$ 409,826,041	$ 284,135,161
$ (5,634)	$ (2,794)	$ 3,544,038	$ 1,058,714	$ 364,261	$ 200,492
950,000	1,200,000	9,000,000	4,700,000	3,500,000	4,050,000
(1,100,000)	(1,500,000)	(1,350,000)	(3,850,000)	(2,450,000)	(2,000,000)
900,000	1,200,000	12,250,000	11,400,000	4,750,000	2,700,000
750,000	900,000	19,900,000	12,250,000	5,800,000	4,750,000

Financial Highlights

PowerShares Dynamic MagniQuant Portfolio

	Year Ended April 30, 2011	2010	2009	2008	For the Period October 12, 2006* Through April 30, 2007
PER SHARE OPERATING PERFORMANCE:					
Net asset value at beginning of period	$ 22.56	$ 16.85	$ 25.08	$ 28.02	$ 25.37
Net investment income**	0.19	0.09	0.14	0.14	0.15
Net realized and unrealized gain (loss) on investments	4.45	5.71	(8.24)	(2.87)	2.55
Total from investment operations	4.64	5.80	(8.10)	(2.73)	2.70
Distributions to shareholders from:					
Net investment income	(0.18)	(0.09)	(0.13)	(0.20)	(0.05)
Return of capital	—	—	—	(0.01)	—
Total distributions	(0.18)	(0.09)	(0.13)	(0.21)	(0.05)
Net asset value at end of period	$ 27.02	$ 22.56	$ 16.85	$ 25.08	$ 28.02
Share price at end of period***	$ 27.03	$ 22.56	$ 16.84		
NET ASSET VALUE TOTAL RETURN**	20.72%	34.54%	(32.40)%	(9.81)%	10.67%
SHARE PRICE TOTAL RETURN**	20.76%	34.62%	(32.41)%		
RATIOS/SUPPLEMENTAL DATA:					
Net assets at end of period (000's omitted)	$27,024	$27,073	$28,651	$62,700	$81,269
Ratio to average net assets of:					
Expenses, after (Waivers) and/or Recapture	0.65%	0.65%	0.65%	0.67%	0.67%†
Expenses, prior to (Waivers) and/or Recapture	1.08%	0.98%	0.87%	0.72%	0.84%†
Net investment income, after (Waivers) and/or Recapture	0.83%	0.45%	0.70%	0.53%	1.04%†
Portfolio turnover rate ††	93%	98%	102%	76%	23%
Undistributed net investment income (loss) included in price of units issued and redeemed**#	$ (0.01)	$ (0.00)(a)	$ (0.01)	$ 0.00(a)	$ 0.02

PowerShares Dynamic Market Portfolio

	Year Ended April 30, 2011	2010	2009	2008	2007
PER SHARE OPERATING PERFORMANCE:					
Net asset value at beginning of year	$ 40.38	$ 31.42	$ 48.12	$ 53.32	$ 47.87
Net investment income**	0.57	0.33	0.50	0.37	0.42
Net realized and unrealized gain (loss) on investments	7.94	8.97	(16.72)	(5.09)	5.35
Total from investment operations	8.51	9.30	(16.22)	(4.72)	5.77
Distributions to shareholders from:					
Net investment income	(0.63)	(0.34)	(0.48)	(0.48)	(0.32)
Net asset value at end of year	$ 48.26	$ 40.38	$ 31.42	$ 48.12	$ 53.32
Share price at end of year***	$ 48.24	$ 40.38	$ 31.41		
NET ASSET VALUE TOTAL RETURN**	21.34%	29.75%	(33.86)%	(8.93)%	12.12%
SHARE PRICE TOTAL RETURN**	21.29%	29.80%	(33.84)%		
RATIOS/SUPPLEMENTAL DATA:					
Net assets at end of year (000's omitted)	$188,207	$230,151	$260,779	$620,703	$973,105
Ratio to average net assets of:					
Expenses, after (Waivers) and/or Recapture	0.60%	0.60%	0.60%	0.58%	0.60%
Expenses, prior to (Waivers) and/or Recapture	0.64%	0.60%	0.60%	0.59%	0.62%
Net investment income, after (Waivers) and/or Recapture	1.38%	0.92%	1.28%	0.72%	0.87%
Portfolio turnover rate ††	107%	98%	113%	121%	114%
Undistributed net investment income (loss) included in price of units issued and redeemed**#	$ 0.00(a)	$ 0.00(a)	$ (0.01)	$ (0.01)	$ 0.00(a)

* Commencement of Investment Operations.
** Based on average shares outstanding.
*** The mean between the last bid and ask prices.
**** Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption on the last day of the period. Share price total return is calculated assuming an initial investment made at the share price at the beginning of the period, reinvestment of all dividends and distributions at share price during the period, and sale at the share price on the last day of the period. Total investment returns calculated for a period of less than one year are not annualized.
† Annualized.
†† Portfolio turnover rate is not annualized and does not include securities received or delivered from processing creations or redemptions.
\# The per share amount of equalization is presented to show the impact of equalization on distributable earnings per share.
(a) Amount represents less than $0.005.

See Notes to Financial Statements.

Financial Highlights (Continued)

PowerShares Dynamic OTC Portfolio

	Year Ended April 30, 2011	2010	2009	2008	2007
PER SHARE OPERATING PERFORMANCE:					
Net asset value at beginning of year	$ 45.15	$ 32.83	$ 46.92	$ 55.03	$ 53.60
Net investment income (loss)*	0.07	0.01	0.03	(0.11)	(0.07)
Net realized and unrealized gain (loss) on investments	8.65	12.36	(14.12)	(7.94)	1.50
Total from investment operations	8.72	12.37	(14.09)	(8.05)	1.43
Distributions to shareholders from:					
Net investment income	(0.11)	(0.05)	—	—	—
Return of capital	—	—	—	(0.06)	—
Total distributions	(0.11)	(0.05)	—	(0.06)	—
Net asset value at end of year	$ 53.76	$ 45.15	$ 32.83	$ 46.92	$ 55.03
Share price at end of year**	$ 53.75	$ 45.15	$ 32.83		
NET ASSET VALUE TOTAL RETURN***	19.34%	37.73%	(30.03)%	(14.65)%	2.67%
SHARE PRICE TOTAL RETURN***	19.31%	37.73%	(30.06)%		
RATIOS/SUPPLEMENTAL DATA:					
Net assets at end of year (000's omitted)	$40,321	$ 40,635	$ 39,393	$96,187	$159,599
Ratio to average net assets of:					
Expenses, after (Waivers) and/or Recapture	0.60%	0.60%	0.59%	0.59%	0.60%
Expenses, prior to (Waivers) and/or Recapture	0.91%	0.85%	0.74%	0.64%	0.69%
Net investment income (loss), after (Waivers) and/or Recapture	0.15%	0.01%	0.08%	(0.21)%	(0.15)%
Portfolio turnover rate †	75%	90%	77%	60%	107%
Undistributed net investment income (loss) included in price of units issued and redeemed*#	$ (0.02)	$ (0.01)	$ (0.02)	$ (0.01)	$ 0.03

PowerShares FTSE RAFI US 1000 Portfolio

	Year Ended April 30, 2011	2010	2009	2008	2007
PER SHARE OPERATING PERFORMANCE:					
Net asset value at beginning of year	$ 52.93	$ 34.78	$ 55.15	$ 60.99	$ 52.44
Net investment income*	1.07	0.62	0.97	0.89	0.78
Net realized and unrealized gain (loss) on investments	7.63	18.21	(20.26)	(5.96)	8.38
Total from investment operations	8.70	18.83	(19.29)	(5.07)	9.16
Distributions to shareholders from:					
Net investment income	(0.91)	(0.68)	(1.08)	(0.77)	(0.61)
Net asset value at end of year	$ 60.72	$ 52.93	$ 34.78	$ 55.15	$ 60.99
Share price at end of year**	$ 60.71	$ 52.96	$ 34.78		
NET ASSET VALUE TOTAL RETURN***	16.72%	54.57%	(35.26)%	(8.42)%	17.60%
SHARE PRICE TOTAL RETURN***	16.63%	54.66%	(35.20)%		
RATIOS/SUPPLEMENTAL DATA:					
Net assets at end of year (000's omitted)	$1,208,246	$648,428	$396,443	$876,964	$1,055,189
Ratio to average net assets of:					
Expenses, after (Waivers) and/or Recapture	0.39%	0.39%	0.58%	0.67%	0.70%
Expenses, prior to (Waivers) and/or Recapture	0.44%	0.45%	0.60%	0.66%	0.71%
Net investment income, after (Waivers) and/or Recapture	2.01%	1.38%	2.34%	1.50%	1.40%
Portfolio turnover rate †	9%	24%	15%	12%	8%
Undistributed net investment income (loss) included in price of units issued and redeemed*#	$ 0.14	$ 0.01	$ (0.07)	$ (0.04)	$ 0.33

* Based on average shares outstanding.
** The mean between the last bid and ask prices.
*** Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption on the last day of the period. Share price total return is calculated assuming an initial investment made at the share price at the beginning of the period, reinvestment of all dividends and distributions at share price during the period, and sale at the share price on the last day of the period. Total investment returns calculated for a period of less than one year are not annualized.
† Portfolio turnover rate is not annualized and does not include securities received or delivered from processing creations or redemptions.
\# The per share amount of equalization is presented to show the impact of equalization on distributable earnings per share.

See Notes to Financial Statements.

Financial Highlights (Continued)

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

	Year Ended April 30, 2011	2010	2009	2008	For the Period September 20, 2006* Through April 30, 2007
PER SHARE OPERATING PERFORMANCE:					
Net asset value at beginning of period	$ 59.82	$ 34.96	$ 50.36	$ 57.12	$ 50.52
Net investment income**	0.50	0.32	0.46	0.50	0.27
Net realized and unrealized gain (loss) on investments	10.80	24.88	(15.42)	(6.81)	6.50
Total from investment operations	11.30	25.20	(14.96)	(6.31)	6.77
Distributions to shareholders from:					
Net investment income	(0.46)	(0.34)	(0.44)	(0.45)	(0.17)
Net asset value at end of period	$ 70.66	$ 59.82	$ 34.96	$ 50.36	$ 57.12
Share price at end of period***	$ 70.64	$ 59.79	$ 34.90		
NET ASSET VALUE TOTAL RETURN******	19.04%	72.38%[(a)]	(29.79)%	(11.10)%	13.42%
SHARE PRICE TOTAL RETURN******	19.06%	72.59%	(29.84)%		
RATIOS/SUPPLEMENTAL DATA:					
Net assets at end of period (000's omitted)	$409,826	$284,135	$94,399	$130,944	$85,680
Ratio to average net assets of:					
Expenses, after (Waivers) and/or Recapture	0.39%	0.39%	0.58%	0.71%	0.73%†
Expenses, prior to (Waivers) and/or Recapture	0.46%	0.51%	0.79%	0.76%	0.92%†
Net investment income, after (Waivers) and/or Recapture	0.82%	0.67%	1.22%	0.92%	0.83%†
Portfolio turnover rate ††	19%	16%	15%	42%	9%
Undistributed net investment income included in price of units issued and redeemed**#	$ 0.03	$ 0.08	$ 0.00[(b)]	$ 0.09	$ 0.05

* Commencement of Investment Operations.
** Based on average shares outstanding.
*** The mean between the last bid and ask prices.
**** Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption on the last day of the period. Share price total return is calculated assuming an initial investment made at the share price at the beginning of the period, reinvestment of all dividends and distributions at share price during the period, and sale at the share price on the last day of the period. Total investment returns calculated for a period of less than one year are not annualized.
† Annualized.
†† Portfolio turnover rate is not annualized and does not include securities received or delivered from processing creations or redemptions.
\# The per share amount of equalization is presented to show the impact of equalization on distributable earnings per share.
(a) Amount includes the effect of the Adviser pay-in for an economic loss of $0.17 per share. Had the pay-in not been made, the Net Asset Value Total Return would have been 71.89%.
(b) Amount represents less than $0.005.

See Notes to Financial Statements.

Notes to Financial Statements

PowerShares Exchange-Traded Fund Trust

April 30, 2011

Note 1. Organization

PowerShares Exchange-Traded Fund Trust (the "Trust") was organized as a Massachusetts business trust on June 9, 2000 and is authorized to have multiple series of portfolios. The Trust is an open-end management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"). As of April 30, 2011, the Trust offered fifty-six portfolios. This report includes the following portfolios:

Full Name	Short Name
PowerShares Dynamic MagniQuant Portfolio	"Dynamic MagniQuant Portfolio"
PowerShares Dynamic Market Portfolio	"Dynamic Market Portfolio"
PowerShares Dynamic OTC Portfolio	"Dynamic OTC Portfolio"
PowerShares FTSE RAFI US 1000 Portfolio	"FTSE RAFI US 1000 Portfolio"
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio	"FTSE RAFI US 1500 Small-Mid Portfolio"

Each portfolio (the "Fund" and collectively the "Funds") represents a separate series of the Trust. The shares of the Funds are referred to herein as "Shares" or "Fund's Shares." Each Fund's Shares are listed and traded on the NYSE Arca, Inc. ("NYSE Arca"), except for Shares of the FTSE RAFI US 1500 Small-Mid Portfolio which is listed and traded on The NASDAQ Stock Market LLC.

The Funds' market prices may differ to some degree from the net asset value ("NAV") of the Shares of each Fund. Unlike conventional mutual funds, each Fund issues and redeems Shares on a continuous basis, at NAV, only in a large specified number of Shares, each called a "Creation Unit." Creation Units are issued and redeemed generally in-kind for securities included in the relevant index. Except when aggregated in Creation Units by Authorized Participants, the Shares are not individually redeemable securities of the Funds.

The investment objective of each Fund is to seek investment results that correspond (before the Fund's fees and expenses) generally to the price and yield performance of the following indices (each, an "Underlying Index"):

Fund	Index
Dynamic MagniQuant Portfolio	Dynamic Top 200 Intellidex℠ Index
Dynamic Market Portfolio	Dynamic Market Intellidex℠ Index
Dynamic OTC Portfolio	Dynamic OTC Intellidex℠ Index
FTSE RAFI US 1000 Portfolio	FTSE RAFI US 1000 Index
FTSE RAFI US 1500 Small-Mid Portfolio	FTSE RAFI US 1500 Small-Mid Index

Note 2. Significant Accounting Policies

The preparation of the financial statements in accordance with Generally Accepted Accounting Principles ("GAAP") in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements, including estimates and assumptions related to taxation. Actual results could differ from these estimates. In addition, the Funds monitor for material events or transactions that may occur or become known after the period-end date and before the date the financial statements are released to print.

PowerShares Exchange-Traded Fund Trust

April 30, 2011

A. Security Valuation

Securities, including restricted securities, are valued according to the following policies.

A security listed or traded on an exchange (except convertible bonds) is valued at its last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded, or lacking any sales or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. Listed options, if no closing price is available, are valued at the mean between the last bid and ask prices from the exchange on which they are principally traded. Options not listed on an exchange are valued by an independent source at the mean between the last bid and ask prices.

Investments in open-end registered investment companies not traded on an exchange are valued at the end of day NAV per share.

Debt obligations (including convertible bonds) and unlisted equities are fair valued using an evaluated quote provided by an independent pricing service. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to specific securities, dividend rate, yield, quality, type of issue, coupon rate, maturity, individual trading characteristics and other market data. Short-term obligations, including commercial paper, having 60 days or less to maturity are recorded at amortized cost which approximates value. Debt securities are subject to interest rate and credit risks. In addition, all debt securities involve some risk of default with respect to interest and/or principal payments.

Foreign securities (including foreign exchange contracts) are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the London world markets. If market quotations are available and reliable for foreign exchange traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the New York Stock Exchange ("NYSE"), closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that are significant and make the closing price unreliable, the Fund may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, American depositary receipts and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economic upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

Securities for which market prices are not provided by any of the above methods may be valued based upon quotes furnished by independent sources.

PowerShares Exchange-Traded Fund Trust

April 30, 2011

Securities for which market quotations are not readily available or are unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust's officers following procedures approved by the Board of Trustees. Issuer specific events, market trends, bid/ask quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security's fair value.

Valuations change in response to many factors, including the historical and prospective earnings of the issuer, the value of the issuer's assets, general economic conditions, interest rates, investor perceptions and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

B. Other Risks

Replication Management Risk. Unlike many investment companies, the Funds do not utilize an investing strategy that seeks returns in excess of each Fund's respective Underlying Index. Therefore, a Fund would not necessarily sell a security unless that security is removed from its respective Underlying Index.

Concentration Risk. To the extent a Fund concentrates its investments in an industry or group of industries, the value of the Fund's Shares may rise and fall more than the value of Shares of a fund that invests in a broader range of securities.

Non-Correlation Risk. Each Fund's return may not match the return of its Underlying Index for a number of reasons. For example, each Fund incurs operating expenses not applicable to its Underlying Index, and incurs costs in buying and selling securities, especially when rebalancing the securities holdings to reflect changes in the composition of its Underlying Index. In addition, the performance of each Fund and its Underlying Index may vary due to asset valuation differences and differences between each Fund's portfolio and its Underlying Index resulting from legal restrictions, cost or liquidity constraints.

Small and Medium Capitalization Company Risk. Investing in securities of small and medium capitalization companies involves greater risk than is customarily associated with investing in larger, more established companies. These companies' securities may be more volatile and less liquid than those of more established companies. These securities may have returns that vary, sometimes significantly, from the overall securities market. Often small and medium capitalization companies and the industries in which they are focused are still evolving and may make them be more sensitive to changing market conditions.

C. Federal Income Taxes

Each Fund intends to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of the Fund's taxable earnings to its shareholders. As such, the Funds will not be subject to Federal income taxes on otherwise taxable income (including net realized gains) that is distributed to the shareholders. Therefore, no provision for Federal income taxes is recorded in the financial statements.

Income and capital gain distributions are determined in accordance with Federal income tax regulations, which may differ from GAAP. These differences are primarily due to differing book and tax treatments for in-kind transactions, losses deferred due to wash sales, and passive foreign investment company adjustments, if any.

PowerShares Exchange-Traded Fund Trust

April 30, 2011

The Funds file tax returns in the United States Federal jurisdiction and certain other jurisdictions. Generally, a Fund is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.

D. Investment Income and Investment Transactions

Dividend income is recorded on the ex-dividend date, net of foreign taxes withheld, if any. Interest income is recorded on the accrual basis. Investment transactions are recorded on the trade date. Realized gains and losses from the sale or disposition of securities are calculated on the specific identified cost basis. Dividends and interest received by a Fund may give rise to withholding and other taxes imposed by foreign countries. Corporate actions (including cash dividends) are recorded net of non-reclaimable foreign tax withholdings on the ex-dividend date. Tax conventions between certain countries and the United States may reduce or eliminate such taxes.

E. Expenses

Expenses of the Trust that are directly identifiable to a specific Fund are applied to that Fund. Expenses that are not readily identifiable to a specific Fund are allocated in such a manner as deemed equitable, taking into consideration the nature and type of expense and the relative net assets of each Fund.

Each Fund is responsible for all its expenses, including the investment advisory fees, costs of transfer agency, custody, fund administration, legal, audit and other services, interest, taxes, brokerage commissions and other expenses connected with executions of portfolio transactions, sub-licensing fees related to its respective Underlying Intellidex or Underlying Index, any distribution fees or expenses, litigation expenses, fees payable to the Trust's Board members and officers who are not "interested persons" of the Trust or the Adviser, expenses incurred in connection with the Board members' services, including travel expenses and legal fees of counsel for those members of the Board who are not "interested persons" of the Trust and extraordinary expenses.

F. Dividends and Distributions to Shareholders

Each Fund declares and pays dividends from net investment income, if any, to its shareholders quarterly and records them on ex-dividend date. Each Fund distributes net realized taxable capital gains, if any, generally annually in cash and records on ex-dividend date. Such distributions on a tax basis are determined in conformity with income tax regulations which may differ from GAAP. Distributions in excess of tax basis earnings and profits, if any, are reported in such Fund's financial statements as a tax return of capital at fiscal period-end.

G. Equalization

All Funds use the accounting practice of equalization. This accounting method is used to keep the continuing shareholder's per Share equity in undistributed net investment income from being affected by the continuous sales and redemptions of capital Shares. Equalization is calculated on a per Share basis whereby a portion of the proceeds from the sales and cost of repurchases of capital Shares is applied to undistributed net investment income. The amount of equalization is disclosed in the Statements of Changes in Net Assets as undistributed net investment income included in the price of capital Shares issued or redeemed. The distributions to shareholders of amounts so applied may be deemed to be a return of capital for tax purposes to the extent that such distributions exceed taxable income.

PowerShares Exchange-Traded Fund Trust
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Note 3. Investment Advisory Agreement and Other Agreements
The Trust has entered into an Investment Advisory Agreement with Invesco PowerShares Capital Management LLC (the "Adviser") pursuant to which the Adviser has overall responsibility as the Funds' investment adviser for the selection and ongoing monitoring of the Funds' investments, managing the Funds' business affairs and providing certain clerical, bookkeeping and other administrative services. Each Fund (except for the FTSE RAFI US 1000 Portfolio and the FTSE RAFI US 1500 Small-Mid Portfolio) has agreed to pay the Adviser an annual fee of 0.50% of the Fund's average daily net assets. Each of the FTSE RAFI US 1000 Portfolio and the FTSE RAFI US 1500 Small-Mid Portfolio has agreed to pay the Adviser an annual fee of 0.29% of the Fund's average daily net assets.

The Adviser has entered into an Amended and Restated Excess Expense Agreement (the "Excess Expense Agreement") with the Trust. For the Dynamic MagniQuant Portfolio, Dynamic Market Portfolio and the Dynamic OTC Portfolio, the Adviser has agreed to waive fees and/or pay Fund expenses to the extent necessary to prevent the operating expenses of the Fund (excluding interest expense, brokerage commissions and other trading expenses, sub-licensing fees, offering costs, taxes and extraordinary expenses) from exceeding 0.60% of the Fund's average daily net assets per year (the "Expense Cap"), at least until August 31, 2012. The FTSE RAFI US 1000 Portfolio's and the FTSE RAFI US 1500 Small-Mid Portfolio's Expense Cap is 0.39% of the Fund's average daily net assets per year, at least until August 31, 2012, and sub-licensing fees are included in the expenses subject to the Expense Cap. Offering costs excluded from the Expense Cap are: (a) initial legal fees pertaining to the Funds' Shares offered for sale; (b) initial Securities and Exchange Commission and state registration fees; and (c) initial fees paid to be listed on an exchange.

For the Dynamic MagniQuant Portfolio, the FTSE RAFI US 1000 Portfolio and the FTSE RAFI US 1500 Small-Mid Portfolio, the Excess Expense Agreement provides that 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, but no recapture payment will be made by a Fund if it would result in the Fund exceeding its Expense Cap as specified above. For the Dynamic Market Portfolio and the Dynamic OTC Portfolio, the expenses borne by the Adviser are not subject to recapture.

The amounts available for potential future recapture by the Adviser under the Excess Expense Agreement and the expiration schedule at April 30, 2011 are as follows:

	Total Potential Recapture Amounts	Potential Recapture Amounts Expiring		
		04/30/12	04/30/13	04/30/14
Dynamic MagniQuant Portfolio	$317,352	$ 96,659	$ 99,281	$121,412
FTSE RAFI US 1000 Portfolio	836,821	77,826	319,051	439,944
FTSE RAFI US 1500 Small-Mid Portfolio	671,653	228,798	201,979	240,876

The Trust has entered into a Distribution Agreement with Invesco Distributors, Inc. (the "Distributor"), which serves as the distributor of Creation Units for each Fund. The Distributor does not maintain a secondary market in the Shares. The Distributor is an affiliate of the Adviser.

PowerShares Exchange-Traded Fund Trust

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The Adviser has entered into a licensing agreement for each Fund with the following Licensors:

Fund	Licensor
Dynamic MagniQuant Portfolio	NYSE Arca
Dynamic Market Portfolio	NYSE Arca
Dynamic OTC Portfolio	NYSE Arca
FTSE RAFI US 1000 Portfolio	FTSE International Ltd.
FTSE RAFI US 1500 Small-Mid Portfolio	FTSE International Ltd.

Each Underlying Index name trademark is owned by the respective Licensors. These trademarks have been licensed to the Adviser for use with the Funds. The Funds are not sponsored, endorsed, sold or promoted by the Licensors and the Licensors make no representation regarding the advisability of investing in any of these Funds. The Trust has entered into a sub-licensing agreement under which the Funds are required to pay the sub-licensing fees which are shown on the Statements of Operations.

The Trust has entered into service agreements whereby The Bank of New York Mellon, a wholly-owned subsidiary of The Bank of New York Mellon Corporation, serves as the administrator, custodian, fund accountant and transfer agent for each Fund.

Note 4. Investments in Affiliates

The Fund's Adviser is a subsidiary of Invesco Ltd. and therefore, Invesco Ltd. and Invesco Mortgage Capital, Inc. REIT are considered to be affiliated with the Fund. The table below shows the transactions in and earnings from the investment in Invesco Ltd. and Invesco Mortgage Capital, Inc. REIT for the fiscal year ended April 30, 2011.

FTSE RAFI US 1000 Portfolio

	Value 04/30/10	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation	Realized Gain	Value 04/30/11	Dividend Income
Invesco Ltd.	$279,926	$387,666	$(4,500)	$44,270	$2,104	$709,466	$7,208

FTSE RAFI US 1500 Small-Mid Portfolio

	Value 04/30/10	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation	Realized Gain	Value 04/30/11	Dividend Income
Invesco Mortgage Capital, Inc. REIT	$—	$102,113	$(11,432)	$2,368	$(202)	$92,847	$—

Note 5. Additional Valuation Information

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3) generally when market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other

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investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

Level 1 – Prices are determined using quoted prices in an active market for identical assets.

Level 2 – Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 – Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

Except for the Fund listed below, as of April 30, 2011, the securities in each Fund were valued based on Level 1 inputs. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

With respect to each Fund, during the fiscal year ended April 30, 2011, there were no significant transfers between investment levels.

	Investment in Securities			
	Level 1	Level 2	Level 3	Total
FTSE RAFI US 1500 Small-Mid Portfolio				
Equity Securities	$409,731,958	$—	$17,741	$409,749,699
Money Market Fund	298,871	—	—	298,871
Total Investments	$410,030,829	$—	$17,741	$410,048,570

Note 6. Distributions to Shareholders and Tax Components of Net Assets

Tax Character of Distributions to Shareholders Paid During the Fiscal Years Ended April 30, 2011 and 2010:

	2011		2010	
	Ordinary Income	Return of Capital	Ordinary Income	Return of Capital
Dynamic MagniQuant Portfolio	$ 213,106	$—	$ 149,699	$—
Dynamic Market Portfolio	2,885,329	—	2,569,156	—
Dynamic OTC Portfolio	84,849	—	61,560	—
FTSE RAFI US 1000 Portfolio	14,549,503	—	7,652,691	—
FTSE RAFI US 1500 Small-Mid Portfolio	2,570,205	—	1,105,854	—

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Tax Components of Net Assets at Fiscal Year-End:

	Undistributed Ordinary Income	Temporary Book/Tax Differences	Net Unrealized Appreciation on Investments	Net Unrealized Appreciation on Other Investments	Capital Loss Carryforward	Post-October Deferrals*	Shares of Beneficial Interest	Total Net Assets
Dynamic MagniQuant Portfolio	$ 34,147	$ (5,036)	$ 3,699,446	$ —	$ (26,523,046)	$ (377,381)	$ 50,196,324	$ 27,024,454
Dynamic Market Portfolio	130,164	(15,178)	16,186,177	—	(349,412,599)	(59,187)	521,377,907	188,207,284
Dynamic OTC Portfolio	—	(5,634)	5,899,163	—	(78,915,217)	(826,453)	114,168,819	40,320,678
FTSE RAFI US 1000 Portfolio	3,567,518	(23,480)	97,801,365	—	(134,372,307)	(6,119,616)	1,247,392,742	1,208,246,222
FTSE RAFI US 1500 Small-Mid Portfolio	794,373	(8,622)	46,451,839	1,568	(16,003,048)	(4,119,440)	382,709,371	409,826,041

* Capital losses incurred after October 31 ("Post-October losses") within the taxable year are deemed to arise on the first business day of each Fund's next taxable year.

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Funds to utilize. The ability to utilize capital loss carryforward in the future may be limited under Internal Revenue Code rules and related regulations based on the results of future transactions.

The following Funds have capital loss carryforward amounts as of April 30, 2011, which expire on April 30 of each year listed below:

	2012	2013	2014	2015	2016	2017	2018	2019	Total*
Dynamic MagniQuant Portfolio	$ —	$ —	$ —	$ —	$ 5,211,608	$10,595,808	$ 7,191,135	$ 3,524,495	$ 26,523,046
Dynamic Market Portfolio	8,920,879	5,021,729	13,686,812	65,552,628	39,899,556	96,635,542	104,214,879	15,480,574	349,412,599
Dynamic OTC Portfolio	651,452	5,297,385	5,449,844	21,767,708	11,353,752	15,764,010	14,947,690	3,683,376	78,915,217
FTSE RAFI US 1000 Portfolio	—	—	—	44,432	1,148,192	44,806,580	49,808,238	38,564,865	134,372,307
FTSE RAFI US 1500 Small-Mid Portfolio	—	—	—	5,818	128,460	8,229,508	5,168,127	2,471,135	16,003,048

* Capital loss carryforward as of the date listed above is reduced for limitations, if any, to the extent required by the Internal Revenue Code.

PowerShares Exchange-Traded Fund Trust

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During the fiscal year ended April 30, 2011, the following capital loss carryforwards were expired:

	Amount
Dynamic Market Portfolio	$225,469
Dynamic OTC Portfolio	252,044

Note 7. Investment Transactions

For the fiscal year ended April 30, 2011, the cost of securities purchased and proceeds from sales of securities, excluding short-term securities, money market funds and in-kind transactions, were as follows:

	Purchases	Sales
Dynamic MagniQuant Portfolio	$ 25,736,649	$ 25,673,178
Dynamic Market Portfolio	203,028,825	204,562,434
Dynamic OTC Portfolio	28,324,705	28,006,087
FTSE RAFI US 1000 Portfolio	82,167,342	79,315,928
FTSE RAFI US 1500 Small-Mid Portfolio	62,887,073	62,781,972

For the fiscal year ended April 30, 2011, in-kind transactions associated with creations and redemptions were as follows:

	Securities Received	Securities Delivered
Dynamic MagniQuant Portfolio	$ 54,335,577	$ 57,597,474
Dynamic Market Portfolio	342,941,113	413,906,390
Dynamic OTC Portfolio	48,235,614	55,409,724
FTSE RAFI US 1000 Portfolio	485,763,270	75,591,145
FTSE RAFI US 1500 Small-Mid Portfolio	214,503,734	157,822,176

Gains and (losses) on in-kind transactions are generally not considered taxable gains and (losses) for Federal income tax purposes.

At April 30, 2011, the aggregate cost and the net unrealized appreciation of investments for tax purposes were as follows:

	Cost	Net Unrealized Appreciation	Gross Unrealized Appreciation	Gross Unrealized (Depreciation)
Dynamic MagniQuant Portfolio	$ 23,405,135	$ 3,699,446	$ 3,949,145	$ (249,699)
Dynamic Market Portfolio	172,136,632	16,186,177	18,086,794	(1,900,617)
Dynamic OTC Portfolio	34,496,894	5,899,163	6,247,297	(348,134)
FTSE RAFI US 1000 Portfolio	1,110,457,771	97,801,365	143,514,820	(45,713,455)
FTSE RAFI US 1500 Small-Mid Portfolio	363,596,731	46,453,407	61,806,123	(15,352,716)

Note 8. Reclassification of Permanent Differences

Primarily as a result of differing book/tax treatment of investment activity and expiring capital loss carryforwards, on April 30, 2011, amounts were reclassified between undistributed net investment income

PowerShares Exchange-Traded Fund Trust

April 30, 2011

(loss), undistributed net realized gain (loss) and Shares of beneficial interest. These reclassifications had no effect on the net assets of each Fund. For the fiscal year ended April 30, 2011, the reclassifications were as follows:

	Undistributed Net Investment Income (Loss)	Undistributed Net Realized Gain (Loss)	Shares of Beneficial Interest
Dynamic MagniQuant Portfolio	$ 16,420	$ (6,184,165)	$ 6,167,745
Dynamic Market Portfolio	163,734	(46,987,292)	46,823,558
Dynamic OTC Portfolio	38,661	(9,528,255)	9,489,594
FTSE RAFI US 1000 Portfolio	(2,166,790)	(20,633,659)	22,800,449
FTSE RAFI US 1500 Small-Mid Portfolio	(153,418)	(46,798,123)	46,951,541

Note 9. Trustees' Fees

The Fund compensates each Trustee who is not an 'interested person" as defined in the 1940 Act (an "Independent Trustee"). The Non-Independent Trustees of the Trust do not receive any Trustees' fees.

The Trust has adopted a deferred compensation plan (the "Plan"). Under the Plan, an Independent Trustee who has executed a Deferred Fee Agreement (a "Participating Trustee") may defer receipt of all or a portion of his compensation ("Deferral Fees"). Such Deferral Fees are deemed to be invested in select PowerShares Funds. The Deferral Fees payable to the Participating Trustee are valued as of the date such Deferral Fees would have been paid to the Participating Trustee. The value increases with contributions or with increases in the value of the Shares selected, and the value decreases with distributions or with declines in the value of the Shares selected.

Note 10. Capital

Shares are created and redeemed by the Trust only in Creation Unit size aggregations of 50,000 Shares. Only Authorized Participants are permitted to purchase or redeem Creation Units from the Funds. Such transactions are generally permitted on an in-kind basis, with a balancing cash component to equate the transaction to the NAV per Share of each Fund of the Trust on the transaction date. Cash may be substituted equivalent to the value of certain securities generally when they are not available in sufficient quantity for delivery, not eligible for trading by the Authorized Participant or as a result of other market circumstances.

Note 11. Indemnifications

Under the Trust's organizational documents, its officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Trust. Each Independent Trustee is also indemnified against certain liabilities arising out of the performance of his duties to the Trust pursuant to an Indemnification Agreement between the Independent Trustee and the Trust. Additionally, in the normal course of business, the Trust enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Trust that have not yet occurred. However, based on experience, the Trust believes the risk of loss to be remote.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of PowerShares Exchange-Traded Fund Trust:

In our opinion, the accompanying statements of assets and liabilities, including the schedules of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of each of the portfolios indicated in Note 1 of the financial statements (each a portfolio of PowerShares Exchange-Traded Fund Trust, hereafter referred to as the "Trust") at April 30, 2011, and the results of each of their operations, the changes in each of their net assets, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Trust's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at April 30, 2011 by correspondence with the custodian and brokers, and the application of alternative auditing procedures where securities purchased had not been received, provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
New York, New York
June 24, 2011

Tax Information

Form 1099-DIV, Form 1042-S and other year-end tax information provide shareholders with actual calendar year amounts that should be included in their tax returns. Shareholders should consult their tax advisors.

The following distribution information is being provided as required by the Internal Revenue Code or to meet a specific state's requirement.

Each Fund designates the following amounts or, if subsequently determined to be different the maximum amount allowable for its fiscal year ended April 30, 2011:

Federal Income Tax Information

	Qualified Dividend Income*	Corporate Dividends Received Deduction*
Dynamic MagniQuant Portfolio	100%	100%
Dynamic Market Portfolio	100%	100%
Dynamic OTC Portfolio	100%	100%
FTSE RAFI US 1000 Portfolio	100%	100%
FTSE RAFI US 1500 Small-Mid Portfolio	100%	100%

* The above percentages are based on ordinary income dividends paid to shareholders during the Fund's fiscal year.

Trustees and Officers

The Independent Trustees, the Trustees who are affiliated with the Adviser (the "Non-Independent Trustees") and the executive officers of the Trust, their term of office and length of time served, their principal business occupations during at least the past five years, the number of portfolios in the Fund Complex overseen by each Trustee and the other directorships, if any, held by a Trustee, are shown below.

The Trustees and officers information is current as of April 30, 2011.

Name, Address, and Age of Independent Trustees	Position(s) Held with Trust	Term of Office and Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Independent Trustees	Other Directorships Held by Independent Trustees
Ronn R. Bagge (53) c/o Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Trustee	Since 2003	Founder and Principal, YQA Capital Management LLC (1998-Present); formerly Owner/CEO of Electronic Dynamic Balancing Co., Inc. (high-speed rotating equipment service provider)	107	None
Todd J. Barre (53) c/o Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Trustee	Since 2010	Assistant Professor of Business, Trinity Christian College (2010-Present); formerly Vice President and Senior Investment Strategist (2001-2008); Director of Open Architecture and Trading (2007- 2008); Head of Fundamental Research (2004-2007); and Vice President and Senior Fixed Income Strategist (1994-2001), BMO Financial Group/Harris Private Bank	107	None

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At April 30, 2011, the Fund Complex consisted of the Trust's 56 portfolios and three other exchange-traded fund trusts with 51 portfolios advised by the Adviser.

Name, Address, and Age of Independent Trustees	Position(s) Held with Trust	Term of Office and Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Independent Trustees	Other Directorships Held by Independent Trustees
Marc M. Kole (50) c/o Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Trustee	Since 2006	Chief Financial Officer, Hope Network (social services) (2008-Present); formerly Assistant Vice President and Controller, Priority Health (health insurance) (2005-2008); Senior Vice President of Finance, United Healthcare (2004-2005); Senior Vice President of Finance, Oxford Health Plans (2000-2004)	107	None
Philip M. Nussbaum (49) c/o Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Trustee	Since 2003	Chairman, Performance Trust Capital Partners (2004-Present)	107	None

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At April 30, 2011, the Fund Complex consisted of the Trust's 56 portfolios and three other exchange-traded fund trusts with 51 portfolios advised by the Adviser.

Name, Address, and Age of Independent Trustees	Position(s) Held with Trust	Term of Office and Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Independent Trustees	Other Directorships Held by Independent Trustees
Donald H. Wilson (51) c/o Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Trustee	Since 2006	Chairman and Chief Executive Officer, Stone Pillar Advisers, Ltd. (2010-Present); formerly, Chief Operating Officer, AMCORE Financial, Inc. (bank holding company) (2007-2009); Executive Vice President and Chief Financial Officer, AMCORE Financial, Inc. (2006-2007); Senior Vice President and Treasurer, Marshall & Ilsley Corp. (bank holding company) (1995-2006)	107	None

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At April 30, 2011, the Fund Complex consisted of the Trust's 56 portfolios and three other exchange-traded fund trusts with 51 portfolios advised by the Adviser.

Name, Address, and Age of Interested Trustees	Position(s) Held with Trust	Term of Office and Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Interested Trustees	Other Directorships Held by Interested Trustees
H. Bruce Bond (47) Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Chairman of the Board and Trustee	Since 2003	Chairman, Invesco PowerShares Capital Management LLC (2009-Present); formerly, Managing Director, Invesco PowerShares Capital Management LLC (2002-2009); Manager, Nuveen Investments (1998-2002)	107	None

* This is the date the Interested Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At April 30, 2011, the Fund Complex consists of the Trust's 56 portfolios and three other exchange-traded fund trusts with 51 portfolios advised by the Adviser.

Trustees and Officers (Continued)

Name, Address, and Age of Interested Trustees	Position(s) Held with Trust	Term of Office and Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Interested Trustees	Other Directorships Held by Interested Trustees
Kevin M. Carome (54) Invesco Ltd. Two Peachtree Pointe 1555 Peachtree St., N.E., Suite 1800 Atlanta, GA 30309	Trustee	Since 2010	Senior Managing Director and General Counsel, Invesco Ltd. (2006-Present); formerly, Senior Vice President and General Counsel, Invesco Advisors, Inc. (2003-2005); Senior Vice President and General Counsel, Liberty Financial Companies, Inc. (2000-2001); General Counsel of certain investment management subsidiaries of Liberty Financial Companies, Inc. (1998-2000); Associate General Counsel, Liberty Financial Companies, Inc. (1993-1998); Associate, Ropes & Gray LLP	107	None

* This is the date the Interested Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At April 30, 2011, the Fund Complex consisted of the Trust's 56 portfolios and three other exchange-traded fund trusts with 51 portfolios advised by the Adviser.

Trustees and Officers (Continued)

Name, Address, and Age of Executive Officer	Position(s) Held with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years
Andrew Schlossberg (36) Invesco Management Group, Inc. 11 Greenway Plaza Suite 100 Houston, Texas 77046	President	Since 2009	Managing Director, U.S. head of business strategy and chief marketing officer for Invesco Ltd. In the United States (2008-Present); formerly, Mr. Schlossberg served in multiple roles within Invesco, including head of corporate development, as well as global leadership roles in strategy and product development in the company's North American Institutional and Retirement divisions (2002-2007)
Bruce T. Duncan (56) Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Treasurer and Secretary	Treasurer since 2006 and Secretary since 2008	Senior Vice President of Finance, Invesco PowerShares Capital Management LLC (2005-Present); formerly Private Practice Attorney (2000-2005); Vice President of Investor Relations, The ServiceMaster Company (1994-2000); Vice President of Taxes, The ServiceMaster Company (1990-2000)
Benjamin Fulton (49) Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Vice President	Since 2009	Executive Vice President – Global Product Development, Invesco PowerShares Capital Management LLC (2005-Present); formerly principal of Clermont Consulting, a consulting firm focused on the creation and development of retail investment products (2003-2005); President and a founding partner of Claymore Securities, a financial services firm in the Chicago land area (2001-2003); Managing Director of Structured Investments at Nuveen Investments (1998-2001)
Peter Hubbard (29) Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Vice President	Since 2009	Vice President and Director of Portfolio Management – Invesco PowerShares Capital Management LLC (2008-Present); formerly Portfolio Manager, Invesco PowerShares Capital Management LLC (2007-2008); Research Analyst, Invesco PowerShares Capital Management LLC (2005-2007); Research Analyst and Trader, Ritchie Capital, a hedge fund operator (2003-2005)

* This is the period for which the Officers began serving the Trust. Each Officer serves a one-year term, until his successor is elected.

Name, Address, and Age of Executive Officer	Position(s) Held with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years
David Warren (53) Invesco Trimark Ltd. 5140 Yonge Street Suite 900 Toronto, Ontario M2N 6X7	Vice President	Since 2009	Director, Executive Vice President and Chief Financial Officer, Invesco Trimark Ltd. and Chief Administrative Officer, North American Retail, Invesco Ltd (2007-Present); formerly, Director, Executive Vice President and Chief Financial Officer, Invesco Trimark Ltd. (2000-2006)
Todd Spillane (51) Invesco Management Group, Inc. 11 Greenway Plaza Suite 100 Houston, Texas 77046	Chief Compliance Officer	Since 2010	Senior Vice President, Invesco Management Group, Inc.; Chief Compliance Officer, INVESCO Private Capital Investments, Inc. (holding company), Invesco Private Capital, Inc. (registered investment adviser) and Invesco Senior Secured Management, Inc. (registered investment adviser); Chief Compliance Officer and Senior Vice President, Invesco Advisers, Inc. (formerly Invesco Institutional, (N.A.), Inc. – registered investment adviser) and Vice President, Invesco Distributors, Inc. and Invesco Investment Services, Inc.; formerly Chief Compliance Officer, Invesco Global Asset Management (N.A.), Inc. – registered investment adviser) and Invesco Advisers, Inc. (formerly Invesco Institutional (N.A.), Inc.) (registered investment adviser); Senior Vice President and Chief Compliance Officer, Invesco Advisors, Inc., Invesco Capital Management, Inc. and Invesco Private Asset Management, Inc.; Vice President, Invesco Capital Management, Inc. and Fund Management Company

Availability of Additional Information About the Trustees

The Statement of Additional Information includes additional information about the Trustees and is available, without charge, upon request at (800) 983-0903.

* This is the period for which the Officers began serving the Trust. Each Officer serves a one-year term, until his successor is elected.

Board Considerations Regarding Continuation of Investment Advisory Agreement

At a meeting held on April 14, 2011, the Board of Trustees of the PowerShares Exchange-Traded Fund Trust (the "Trust"), including the Independent Trustees, unanimously approved the continuation of the Investment Advisory Agreement between Invesco PowerShares Capital Management LLC (the "Adviser") and the Trust for the following 54 series (each, a "Fund" and collectively, the "Funds"):

PowerShares Dynamic Market Portfolio
PowerShares Dynamic OTC Portfolio
PowerShares Golden Dragon Halter USX China Portfolio
PowerShares High Yield Equity Dividend Achievers™ Portfolio
PowerShares WilderHill Clean Energy Portfolio
PowerShares Dynamic Large Cap Growth Portfolio
PowerShares Dynamic Large Cap Value Portfolio
PowerShares Dynamic Mid Cap Growth Portfolio
PowerShares Dynamic Mid Cap Value Portfolio
PowerShares Dynamic Small Cap Growth Portfolio
PowerShares Dynamic Small Cap Value Portfolio
PowerShares Dynamic Biotechnology & Genome Portfolio
PowerShares Dynamic Food & Beverage Portfolio
PowerShares Dynamic Leisure and Entertainment Portfolio
PowerShares Dynamic Media Portfolio
PowerShares Dynamic Networking Portfolio
PowerShares Dynamic Pharmaceuticals Portfolio
PowerShares Dynamic Semiconductors Portfolio
PowerShares Dynamic Software Portfolio
PowerShares Zacks Micro Cap Portfolio
PowerShares Aerospace & Defense Portfolio
PowerShares Morningstar StockInvestor Core Portfolio
PowerShares Dividend Achievers™ Portfolio
PowerShares International Dividend Achievers™ Portfolio
PowerShares Dynamic Building and Construction Portfolio
PowerShares Dynamic Energy Exploration and Production Portfolio
PowerShares WilderHill Progressive Energy Portfolio
PowerShares Dynamic Insurance Portfolio
PowerShares Dynamic Oil and Gas Services Portfolio
PowerShares Dynamic Retail Portfolio
PowerShares Dynamic Utilities Portfolio
PowerShares Lux Nanotech Portfolio
PowerShares FTSE RAFI US 1000 Portfolio
PowerShares FTSE RAFI US 1500 Small-Mid Portfolio
PowerShares Water Resources Portfolio
PowerShares Dynamic Energy Sector Portfolio
PowerShares Dynamic Financial Sector Portfolio
PowerShares Dynamic Healthcare Sector Portfolio
PowerShares Dynamic Industrials Sector Portfolio
PowerShares Dynamic Large Cap Portfolio
PowerShares Dynamic MagniQuant Portfolio
PowerShares Dynamic Mid Cap Portfolio
PowerShares Dynamic Small Cap Portfolio
PowerShares Dynamic Technology Sector Portfolio
PowerShares Buyback Achievers™ Portfolio
PowerShares Cleantech™ Portfolio
PowerShares Dynamic Banking Portfolio
PowerShares Dynamic Basic Materials Sector Portfolio
PowerShares Dynamic Consumer Discretionary Sector Portfolio
PowerShares Dynamic Consumer Staples Sector Portfolio
PowerShares Financial Preferred Portfolio
PowerShares Global Listed Private Equity Portfolio
PowerShares DWA Technical Leaders™ Portfolio
PowerShares S&P 500® High Quality Portfolio

The Trustees reviewed information from the Adviser describing: (i) the nature, extent and quality of services provided, (ii) the investment performance of the Funds and the Adviser, (iii) the costs of services provided and estimated profits realized by the Adviser, (iv) the extent to which economies of scale are realized as the Funds grow, (v) whether fee levels reflect any possible economies of scale for the benefit of Fund shareholders, (vi) comparisons of services rendered and amounts paid to other registered investment companies and (vii) any benefits realized by the Adviser from its relationship with each Fund. Based on all of the information considered and the conclusions reached, the Board, including the Independent Trustees, determined to approve the continuation of the Investment Advisory Agreement for each Fund. No single factor was determinative in the Board's analysis.

Nature, Extent and Quality of Services. In evaluating the nature, extent and quality of the Adviser's services, the Trustees reviewed information concerning the functions performed by the Adviser for the Funds, information describing the Adviser's current organization and projected staffing, including operations assistance provided by the Adviser's parent organization, Invesco Ltd., and the background and experience of the persons responsible for the day-to-day management of the Funds. The Trustees reviewed matters related to the Adviser's execution of portfolio transactions on behalf of the Funds. The Trustees also reviewed information on the performance of the Funds and the performance of their underlying indices through December 31, 2010, including reports on the correlation and tracking error between the underlying index and each Fund's performance, as well as the Adviser's analysis of the tracking error between each Fund and its underlying index. The Trustees noted that, in each case, the correlation and tracking error for each Fund was within the targeted range set forth in the Trust's registration statement. The Trustees concluded that each Fund was correlated to its underlying index and that the tracking error for each Fund was within an acceptable range given that Fund's particular circumstances.

The Trustees also considered the services provided by the Adviser in its oversight of the Funds' administrator, custodian and transfer agent. They noted the significant amount of time and effort that had been devoted to this oversight function.

Based on their review, the Trustees concluded that the nature, extent and quality of services provided by the Adviser to the Funds under the Investment Advisory Agreement were appropriate and reasonable.

Fees, Expenses and Profitability. The Trustees reviewed and discussed the information provided by the Adviser on each Fund's expense ratio and advisory fee, as compared to information compiled by the Adviser from Lipper Inc. databases on the expense ratios of comparable exchange-traded funds ("ETFs"), open-end (non-ETF) index funds and open-end actively-managed funds. The Trustees noted that the annual advisory fee charged to each Fund is:

- 0.50% of the Fund's average net assets, for each Fund other than PowerShares High Yield Equity Dividend Achievers™ Portfolio, PowerShares Dividend Achievers™ Portfolio, PowerShares International Dividend Achievers™ Portfolio, PowerShares FTSE RAFI US 1000 Portfolio and PowerShares FTSE RAFI US 1500 Small-Mid Portfolio;

- 0.40% of the Fund's average net assets, for each of PowerShares High Yield Equity Dividend Achievers™ Portfolio, PowerShares Dividend Achievers™ Portfolio and PowerShares International Dividend Achievers™ Portfolio; and

- 0.29% of the Fund's average net assets, for each of PowerShares FTSE RAFI US 1000 Portfolio and PowerShares FTSE RAFI US 1500 Small-Mid Portfolio.

The Trustees also noted that the Adviser has agreed to waive a portion of its advisory fee and/or pay expenses (an "Expense Cap") to the extent necessary to prevent the annual operating expenses of each Fund from exceeding the percentage of that Fund's average daily net assets, at least until August 31, 2012, as set forth below:

- 0.60%, excluding interest expenses, brokerage commissions and other trading expenses, taxes and extraordinary expenses, for each of PowerShares Dynamic OTC Portfolio and PowerShares Dynamic Market Portfolio;
- 0.50%, excluding interest expenses, licensing fees, offering costs, brokerage commissions and other trading expenses, taxes and extraordinary expenses, for each of PowerShares High Yield Equity Dividend Achievers™ Portfolio, PowerShares Dividend Achievers™ Portfolio and PowerShares International Dividend Achievers™ Portfolio;
- 0.50%, excluding interest expenses, offering costs, brokerage commissions and other trading expenses, taxes and extraordinary expenses, for each of PowerShares Morningstar StockInvestor Core Portfolio and PowerShares S&P 500® High Quality Portfolio (the Trustees noted that the Expense Cap for each of these Funds was reduced to 0.50% effective July 1, 2010);
- 0.39%, excluding interest expenses, offering costs, brokerage commissions and other trading expenses, taxes and extraordinary expenses, for each of PowerShares FTSE RAFI US 1000 Portfolio and PowerShares FTSE RAFI US 1500 Small-Mid Portfolio; and
- 0.60%, excluding interest expenses, licensing fees, offering costs, brokerage commissions and other trading expenses, taxes and extraordinary expenses, for each other Fund.

The Trustees noted that the Adviser represented that it does not provide investment advisory services to any clients other than the Funds and other ETFs overseen by the Board. The Trustees noted that each Fund's advisory fee was:

- higher than the median advisory fee of its ETF peer funds (except for the advisory fee of each of PowerShares Financial Preferred Portfolio, PowerShares FTSE RAFI US 1000 Portfolio, PowerShares Global Listed Private Equity Portfolio and PowerShares Golden Dragon Halter USX China Portfolio, which was equal to or lower than the median advisory fee of its ETF peer funds); and
- higher than the median advisory fee of its open-end index peer funds (except for the advisory fee of each of PowerShares DWA Technical Leaders™ Portfolio, PowerShares Dynamic Banking Portfolio, PowerShares Dynamic Basic Materials Sector Portfolio, PowerShares Dynamic Biotechnology & Genome Portfolio, PowerShares Dynamic Financial Sector Portfolio, PowerShares Dynamic Healthcare Portfolio, PowerShares Dynamic Insurance Portfolio, PowerShares Dynamic Mid Cap Growth Portfolio, PowerShares Dynamic Networking Portfolio, PowerShares Dynamic OTC Portfolio, PowerShares Dynamic Pharmaceuticals Portfolio, PowerShares Dynamic Semiconductors Portfolio, PowerShares Dynamic Small Cap Growth Portfolio, PowerShares Dynamic Software Portfolio, PowerShares Dynamic Technology Sector Portfolio, PowerShares Golden Dragon Halter USX China Portfolio, PowerShares Lux Nanotech Portfolio, PowerShares Morningstar StockInvestor Core Portfolio and PowerShares S&P 500® High Quality Portfolio, which was equal to or lower than

the median advisory fee of its open-end index peer funds, and there was no comparable data for PowerShares Financial Preferred Portfolio or PowerShares Global Listed Private Equity Portfolio); but

- lower than the median advisory fee of its open-end actively-managed peer funds.

The Trustees determined that the advisory fees were reasonable, noting the complexity of the indices, which generally require more frequent rebalancing of the portfolios, the distinguishing factors of the Funds, and the higher administrative, operational and management oversight costs for the Adviser. With respect to the Funds' expense ratios, the Trustees noted that the net expense ratio for each Fund was:

- higher than the median expense ratio of its ETF peer funds (except for the net expense ratio of each of PowerShares Dynamic Market Portfolio, PowerShares Dynamic OTC Portfolio, PowerShares FTSE RAFI US 1000 Portfolio, PowerShares Golden Dragon Halter USX China Portfolio and PowerShares S&P 500® High Quality Portfolio, which was equal to or less than the median expense ratio of its ETF peer funds); and

- higher than the median expense ratio of its open-end index peer funds (except for the net expense ratio of each of PowerShares Aerospace & Defense Portfolio, PowerShares Cleantech™ Portfolio, PowerShares DWA Technical Leaders™ Portfolio, PowerShares Dynamic Banking Portfolio, PowerShares Dynamic Basic Materials Sector Portfolio, PowerShares Dynamic Biotechnology & Genome Portfolio, PowerShares Dynamic Building & Construction Portfolio, PowerShares Dynamic Consumer Discretionary Sector Portfolio, PowerShares Dynamic Consumer Staples Sector Portfolio, PowerShares Dynamic Financial Sector Portfolio, PowerShares Dynamic Food & Beverage Portfolio, PowerShares Dynamic Healthcare Portfolio, PowerShares Dynamic Industrials Sector Portfolio, PowerShares Dynamic Insurance Portfolio, PowerShares Dynamic Large Cap Portfolio, PowerShares Dynamic Large Cap Growth Portfolio, PowerShares Dynamic Leisure and Entertainment Portfolio, PowerShares Dynamic Media Portfolio, PowerShares Dynamic Mid Cap Growth Portfolio, PowerShares Morningstar StockInvestor Core Portfolio, PowerShares Dynamic Networking Portfolio, PowerShares Dynamic OTC Portfolio, PowerShares Dynamic Pharmaceuticals Portfolio, PowerShares Dynamic Retail Portfolio, PowerShares Dynamic Semiconductors Portfolio, PowerShares Dynamic Small Cap Growth Portfolio, PowerShares Dynamic Small Cap Value Portfolio, PowerShares Dynamic Software Portfolio, PowerShares Dynamic Technology Sector Portfolio, PowerShares Dynamic Utilities Sector Portfolio, PowerShares FTSE RAFI US 1000 Portfolio, PowerShares FTSE RAFI US 1500 Small-Mid Portfolio, PowerShares Golden Dragon Halter USX China Portfolio, PowerShares Lux Nanotech Portfolio and PowerShares S&P 500® High Quality Portfolio, which was equal to or lower than the median expense ratio of its open-end index peer funds, and there was no comparable data for PowerShares Financial Preferred Portfolio or PowerShares Global Listed Private Equity Portfolio); but

- lower than the median expense ratio of its open-end actively-managed peer funds.

The Trustees noted that a significant component of the non-advisory fee expenses was the license fees paid by the Funds, and those Funds for which license fees are included in the Funds' Expense Caps.

The Board concluded that the advisory fee and expense ratio of each Fund (giving effect to the Fund's Expense Cap) were reasonable and appropriate in light of the services provided.

Board Considerations Regarding Continuation of Investment Advisory Agreement (Continued)

In conjunction with their review of fees, the Trustees also considered information provided by the Adviser on the revenues received by the Adviser under the Investment Advisory Agreement for each Fund, as well as the fees waived and expenses reimbursed by the Adviser for the Funds. The Trustees reviewed information provided by the Adviser on its profitability as well as any profits or losses realized by the Adviser from its relationship to each Fund. The Trustees concluded that the estimated profitability to the Adviser of the advisory services provided to any of the Funds was not unreasonable.

Also at the April 14, 2011 meeting, the Adviser proposed reducing the annual advisory fee for each of PowerShares Dynamic Large Cap Portfolio, PowerShares Dynamic Mid Cap Growth Portfolio, PowerShares Dynamic Mid Cap Portfolio, PowerShares Dynamic Mid Cap Value Portfolio, PowerShares Dynamic Small Cap Growth Portfolio, PowerShares Dynamic Small Cap Portfolio and PowerShares Dynamic Small Cap Value Portfolio (each, a "Style Fund") effective June 16, 2011. The Adviser also proposed revising each Style Fund's Expense Cap that is in place until August 31, 2012 to further reduce each Style Fund's annual operating expenses effective June 16, 2011. The Board considered the Adviser's representation that there would be no diminution in the quantity or quality of services provided to each Style Fund in connection with the amendment to the Investment Advisory Agreement to reflect the advisory fee changes. The Board concluded for each Style Fund that the reduced advisory fee was appropriate, and determined to approve the amended Investment Advisory Agreement and amended Expense Cap, effective June 16, 2011.

Economies of Scale and Whether Fee Levels Reflect These Economies of Scale. The Trustees reviewed the information provided by the Adviser as to the extent to which economies of scale are realized as each Fund grows and whether fee levels reflect economies of scale for the benefit of shareholders. The Trustees reviewed each Fund's asset size, expense ratio and expense limitation agreed to by the Adviser. The Trustees noted that, for Funds whose expenses are higher than their respective Expense Caps, any reduction in that Fund's expenses would be enjoyed by the Adviser, but that Fund shareholders benefit from the lower expense ratio as a result of the Fund's Expense Cap. The Trustees also noted that the Excess Expense Agreement with the Trust provides that the Adviser is entitled to be reimbursed by each Fund, other than PowerShares Dynamic Market Portfolio and PowerShares Dynamic OTC Portfolio, for fees waived or expenses absorbed pursuant to the Expense Cap for a period of three years from the date the fee or expense was incurred, provided that no reimbursement would be made that would result in a Fund exceeding its Expense Cap. The Trustees considered whether the advisory fee rate for each Fund was reasonable in relation to the asset size of that Fund, and concluded that the flat advisory fee was reasonable and appropriate, noting the Fund expenses the Adviser has borne as a result of the Expense Cap.

The Trustees noted that the Adviser had not identified any further benefits that it derived from its relationship with the Funds and had noted that it does not have any soft-dollar arrangements.

Based on all of the information considered and the conclusions reached, the Board, including the Independent Trustees, determined to approve the continuation of the Investment Advisory Agreement for each Fund. No single factor was determinative in the Board's analysis.

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PROXY VOTING POLICIES AND PROCEDURES

A description of the Funds' proxy voting policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available, without charge and upon request, by calling (800) 983-0903. This information is also available on the Securities and Exchange Commission's ("Commission") website at ***www.sec.gov***.

Information regarding how the Funds voted proxies for portfolio securities, if applicable, during the most recent 12-month period ended June 30, is also available, without charge and upon request, by (i) calling (800) 983-0903; or (ii) accessing the Funds' Form N-PX on the Commission's website at ***www.sec.gov***.

QUARTERLY PORTFOLIOS

The Funds file their complete schedules of portfolio holdings with the Commission for the first and third quarters of each fiscal year on Form N-Q. The Funds' Form N-Qs are available on the Commission's website at ***www.sec.gov***. The Funds' Form N-Qs may also be reviewed and copied at the Commission's Public Reference Room in Washington, D.C.; information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

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