

PSI

As of Dec. 31, 2009

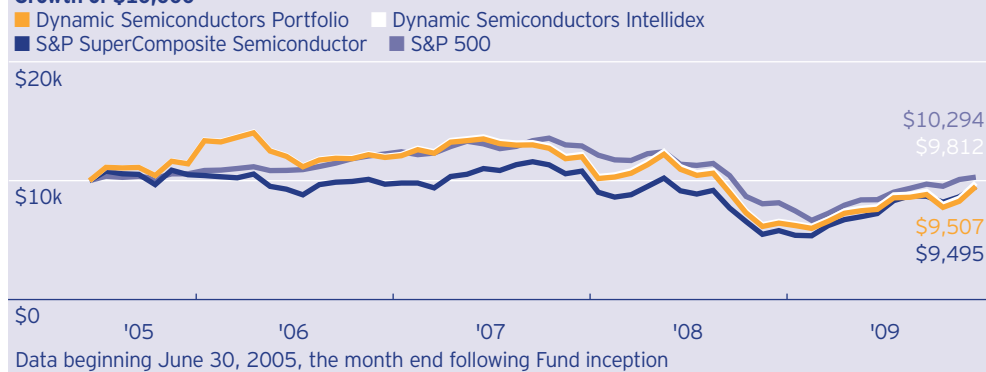
Fund Description

The PowerShares Dynamic Semiconductors Portfolio is based on the Dynamic Semiconductors Intellidex. The Fund will normally invest at least 90% of its total assets in common stocks that comprise the Index. The Intellidex thoroughly evaluates companies based on a variety of investment merit criteria, including fundamental growth, stock valuation, investment timeliness and risk factors. The Underlying Intellidex is comprised of stocks of 30 U.S. semiconductor companies. These are companies that are principally engaged in the manufacture of semiconductors. These companies may include, for example, companies involved in all aspects of the electronics business and in new technologies or specialty areas, including advanced design and manufacturing technologies, and lasers and electro-optics.

There are risks involved with investing in ETFs, including possible loss of money. Shares are not actively managed and are subject to risks similar to those of stocks, including those regarding short selling and margin maintenance requirements. Ordinary brokerage commissions apply. Concentrated industry investments involve greater risks than more diversified investments.

PowerShares Dynamic Semiconductors Portfolio

Growth of \$10,000¹



Fund Performance & Index History (%)¹

	1 Year	3 Year	5 Year	10 Year	Fund Inception ²
Underlying Index					
Dynamic Semiconductors Intellidex	49.15	-6.62	-	-	-1.22
Benchmark Indexes					
S&P SuperComposite Semiconductor	63.78	-0.71	-	-	-1.14
S&P 500	26.47	-5.62	-	-	0.65
Fund					
NAV	47.95	-7.35	-	-	-1.91
After Tax Held	47.72	-7.45	-	-	-1.99
After Tax Sold	31.16	-6.23	-	-	-1.66
Market Price	48.06	-7.41	-	-	-1.96

Performance data quoted represents past performance. As stated in the Fund's prospectus, the gross annual fund operating expense ratio is 0.82%. However, the Adviser has contractually agreed to waive fees and/or pay certain Fund expenses which resulted in a lower fee actually paid by investors. These waivers and reimbursement contracts are reviewed by the Board annually and extend through at least Aug. 30, 2010. Past performance is not a guarantee of future results; current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and Shares, when redeemed, may be worth more or less than their original cost. The Shares' performance reflects fee waivers, absent which performance would have been lower. See invescopowershares.com to find the most recent month-end performance numbers. After Tax Held represents total return after taxes on distributions and assumes Shares have not been sold. After Tax Sold represents total return after taxes on distributions and the sale of Fund Shares. After-tax returns reflect the highest federal income tax rate but exclude state and local taxes. Market returns are based on the midpoint of the bid/ask spread at 4 p.m. ET and do not represent the returns an investor would receive if shares were traded at other times.

Fund Data³

Dynamic Semiconductors Portfolio Intraday NAV (IIV)	PSI PSI.IV
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Underlying Index Data

Dynamic Semiconductors Intellidex Index Provider	DZE NYSE Arca
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3-Year Alpha, Beta and Correlation^{1,3}

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

	Alpha	Beta	Correlation
S&P SuperComposite Semiconductor	-5.88	0.93	0.88
S&P 500	1.79	1.14	0.65

3-Year Index Statistics^{1,3}

	Performance (%)	Volatility (%)	Sharpe Ratio
Dynamic Semiconductors Intellidex	-6.62	28.14	-0.31
S&P SuperComposite Semiconductor	-0.71	28.38	-0.09
S&P 500	-5.62	19.89	-0.38

Fund Inception: June 23, 2005

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

² Returns for the benchmark indexes are based on the closest month end to the Fund's inception date. Neither the underlying Index nor the benchmark indexes charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown; nor do any of the indexes lend securities, and no revenues from securities lending were added to the performance shown. In addition, the results actual investors might have achieved would have differed from those shown because of differences in the timing, amounts

of their investments, and fees and expenses associated with an investment in the Fund.

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

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

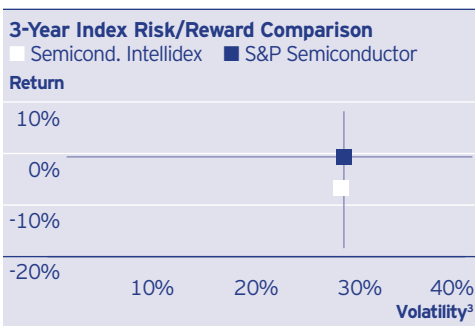
Shares are not individually redeemable and owners of the Shares may acquire those Shares from the Fund and tender those Shares for redemption to the Fund in Creation Unit aggregations only, typically consisting of 50,000 Shares.



PowerShares Dynamic Semiconductors Portfolio

As of Dec. 31, 2009

Top 30 Fund Holdings (%) ⁴	
Name	Weight
Micron Technology Inc.	6.25
Maxim Integrated Products Inc.	4.93
Linear Technology Corp.	4.91
Xilinx Inc.	4.79
Broadcom Corp.	4.69
Altera Corp.	4.68
Intel Corp.	4.62
Texas Instruments Inc.	4.46
Advanced Micro Devices Inc.	3.33
Entegris Inc.	3.04
Cirrus Logic Inc.	3.03
Amkor Technology Inc.	3.00
Fairchild Semiconductor International Inc.	2.95
Atheros Communications Inc.	2.88
Diodes Inc.	2.81
Vishay Intertechnology Inc.	2.75
Micrel Inc.	2.74
ON Semiconductor Corp.	2.74
Skyworks Solutions Inc.	2.73
Cymer Inc.	2.70
Silicon Laboratories Inc.	2.68
Microchip Technology Inc.	2.63
Integrated Device Technology Inc.	2.62
RF Micro Devices Inc.	2.62
LSI Corp.	2.62
Monolithic Power Systems Inc.	2.60
Power Integrations Inc.	2.56
OmniVision Technologies Inc.	2.56
PMC-Sierra Inc.	2.55
Hittite Microwave Corp.	2.55



Fund Details³

Weighted Harmonic Average	
Stock Price-to-Earnings Ratio	37.70
Weighted Harmonic Average	
Stock Price-to-Book-Value Ratio	2.46
Weighted Average Return on Equity	-11.31
Weighted Market Cap (mm)	10,417
Approximate Number of Securities	30
Expense Cap ⁵	0.60%
CUSIP	73935X781
Listing Exchange	NYSE Arca

Annual Index Performance (%)

	Semicond. Intellidex	S&P Semicond.
2006	5.17	-7.60
2007	1.31	11.35
2008	-46.11	-46.33
2009	49.15	63.78

Fund Market-Cap Allocations (%)

Large-Cap Growth	13.77
Large-Cap Value	-
Mid-Cap Growth	33.55
Mid-Cap Value	-
Small-Cap Growth	46.99
Small-Cap Value	5.69

Fund Subindustry Allocations (%)

Electronic Components	2.75
Semiconductor Equipment	8.74
Semiconductors	88.51

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Underlying Index performance does not represent Fund performance.

³ The Intraday NAV is a symbol representing estimated fair value based on the most recent intraday price of underlying assets.

Volatility is the annualized standard deviation of monthly index returns.

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

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

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

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

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

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

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

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

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

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

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

Shares are subject to risks including: Small and Medium-Sized Company Risk – investing in securities of small and medium-sized companies involves greater risk than is customarily associated with investing in more established companies.

The Fund is concentrated in a single industry, which involves substantially greater risk of loss and price fluctuations than an investment diversified across multiple industries or sector segments.

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

Note: Not all products available through all firms.