

# PIC

As of June 30, 2011

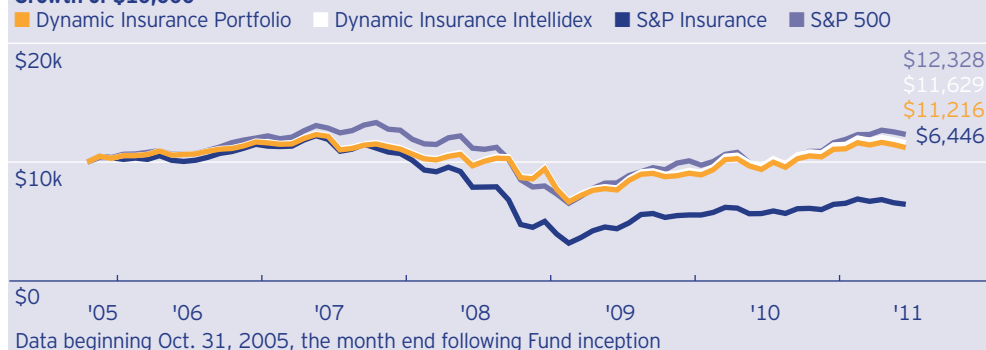
## Fund Description

The PowerShares Dynamic Insurance Portfolio is based on the Dynamic Insurance Intellidex<sup>SM</sup>. 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. insurance companies. These are companies that are principally engaged in underwriting or distributing and reselling life, health and property/casualty insurance policies.

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 Insurance Portfolio

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



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

	1 Year	3 Year	5 Year	10 Year	Fund Inception <sup>2</sup>
<b>Underlying Index</b>					
Dynamic Insurance Intellidex	20.38	5.79	1.74	-	3.21
<b>Benchmark Indexes</b>					
S&P Insurance	13.68	-6.50	-8.51	-	-7.46
S&P 500	30.68	3.34	2.95	-	3.76
<b>Fund</b>					
NAV	19.52	5.01	1.06	-	2.56
After Tax Held	18.44	4.39	0.52	-	2.04
After Tax Sold	12.66	3.90	0.58	-	1.88
Market Price	19.42	5.01	1.10	-	2.57

Performance data quoted represents past performance. As stated in the Fund's prospectus, the total expense ratio is 1.23%. However, the Adviser has contractually agreed to waive fees and/or pay certain Fund expenses which resulted in a net expense ratio of 0.63%. These waivers and reimbursement contracts extend through at least Aug. 31, 2011. Past performance is not a guarantee of future results; current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and Shares, when redeemed, may be worth more or less than their original cost. The Shares' performance reflects fee waivers, absent which performance would have been lower. See [invescopowershares.com](http://invescopowershares.com) to find the most recent month-end performance numbers. After Tax Held represents total return after taxes on distributions and assumes Shares have not been sold. After Tax Sold represents total return after taxes on distributions and the sale of Fund Shares. After-tax returns reflect the highest federal income tax rate but exclude state and local taxes. Market returns are based on the midpoint 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 Data<sup>3</sup>

Dynamic Insurance Portfolio	PIC
Intraday NAV (IIV)	PIC.IV

### Underlying Index Data

Dynamic Insurance Intellidex	DWJ
Index Provider	NYSE Arca

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

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

	Alpha	Beta	Correlation
S&P Insurance	6.00	0.62	0.91
S&P 500	-0.68	0.90	0.85

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

	Performance (%)	Volatility (%)	Sharpe Ratio
Dynamic Insurance Intellidex	1.74	18.94	0.00
S&P Insurance	-8.51	27.95	-0.39
S&P 500	2.95	17.86	0.07

### Fund Inception: Oct. 26, 2005

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

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

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

The S&P SuperComposite Insurance Index (S&P Insurance) consists of all insurance stocks included in the S&P SuperComposite 1500 Index. The S&P 500<sup>®</sup> Index is an unmanaged index considered representative of the U.S. stock market.

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

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



As of June 30, 2011

# PowerShares Dynamic Insurance Portfolio

Top Fund Holdings (%) <sup>4</sup> Name	Weight
Prudential Financial Inc.	5.25
Hartford Financial Services Group Inc.	5.18
Lincoln National Corp.	5.14
AFLAC Inc.	5.07
CNA Financial Corp.	5.04
Chubb Corp.	5.03
ACE Ltd.	5.00
Travelers Cos. Inc.	4.95
National Western Life Insurance Co. (CI A)	2.97
FBL Financial Group Inc. (CI A)	2.95
CNO Financial Group Inc.	2.94
AmTrust Financial Services Inc.	2.91
Meadowbrook Insurance Group Inc.	2.90
Delphi Financial Group Inc. (CI A)	2.89
American National Insurance Co.	2.87
American Financial Group Inc.	2.87
ProAssurance Corp.	2.86
Symetra Financial Corp.	2.86
Erie Indemnity Co. (CI A)	2.84
American Equity Investment Life Holding Co.	2.81
W.R. Berkley Corp.	2.81
Assurant Inc.	2.78
Reinsurance Group of America Inc.	2.77
Torchmark Corp.	2.77
RenaissanceRe Holdings Ltd.	2.75
Horace Mann Educators Corp.	2.75
Validus Holdings Ltd.	2.75
Aspen Insurance Holdings Ltd.	2.69
Hilltop Holdings Inc.	2.59

Fund Details <sup>3</sup>	
Weighted Harmonic Average	
Stock Price-to-Earnings Ratio	9.91
Weighted Harmonic Average	
Stock Price-to-Book-Value Ratio	0.84
Weighted Average Return on Equity	10.69
Weighted Market Cap (mm)	8,797
Number of Securities	29
Net Expense Ratio	0.63%
CUSIP	73935X641
Listing Exchange	NYSE Arca

Fund Subindustry Allocations (%)	
Property & Casualty Insurance	39.62
Life & Health Insurance	35.65
Multi-Line Insurance	16.45
Reinsurance	8.28

	Annual Index Performance (%)	
	Insurance Intellidex	S&P Insurance
2006	13.89	10.81
2007	-4.70	-6.75
2008	-14.63	-53.24
2009	-2.90	10.78
2010	23.09	16.03
2011 YTD	1.62	0.03

Fund Market-Cap Allocations (%)	
Large-Cap Growth	5.07
Large-Cap Value	25.40
Mid-Cap Growth	5.04
Mid-Cap Value	33.04
Small-Cap Growth	5.45
Small-Cap Value	25.99

Fund Sector Allocations (%)	
Consumer Discretionary	-
Consumer Staples	-
Energy	-
Financials	100.00
Health Care	-
Industrials	-
Information Technology	-
Materials	-
Telecommunication Services	-
Utilities	-

## Leading the Intelligent ETF Revolution®

Underlying Index performance does not represent Fund performance.

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

Volatility is the annualized standard deviation of index returns.

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

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

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

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

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

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

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

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

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

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

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

The Fund contains securities in the insurance industry. Companies engaged in this industry are subject to greater risks, and are more greatly impacted by market volatility, than more diversified investments.

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

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

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Note: Not all products available through all firms.