

# PMR PowerShares Dynamic Retail Portfolio



As of Dec. 31, 2014

### Fund Description

The PowerShares Dynamic Retail Portfolio is based on the Dynamic Retail Intellidex<sup>SM</sup> Index. The Fund will normally invest at least 90% of its total assets in common stocks that comprise the Intellidex. The Intellidex thoroughly evaluates companies based on a variety of investment merit criteria, including price momentum, earnings momentum, quality, management action, and value. The Underlying Intellidex is comprised of common stocks of 30 US retailers. These are companies that are principally engaged in operating general merchandise stores such as department stores, discount stores, warehouse clubs and superstores; specialty stores, including apparel, electronics, accessories and footwear stores; and home improvement and home furnishings stores. The Fund and the Index are rebalanced and reconstituted quarterly in February, May, August and November.

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. The Fund's return may not match the return of the Underlying Index. Concentrated industry investments involve greater risks than more diversified investments.

### Fund Data

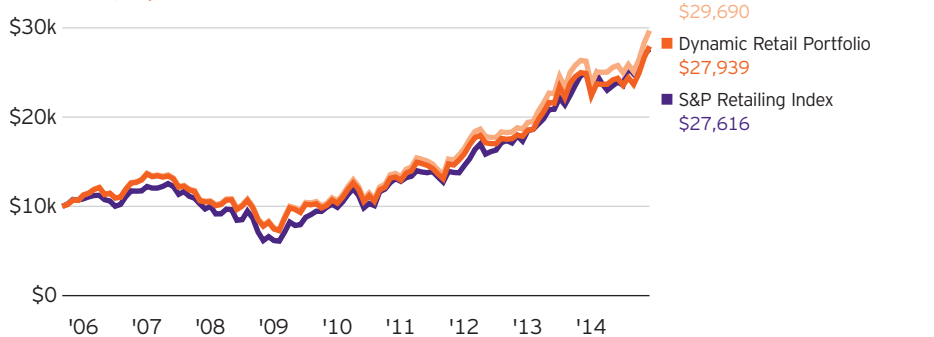
Dynamic Retail Portfolio	PMR
Intraday NAV (IIV)	PMRIV
CUSIP	73935X617
Listing Exchange	NYSE Arca
Number of Securities	30
30-Day SEC Yield	0.25%
30-Day SEC Unsubsidized Yield	-0.06%
Total Expense Ratio	0.79%
Net Expense Ratio	0.63%

The Adviser has contractually agreed to waive fees and/or pay certain Fund expenses through at least Aug. 31, 2015.

### Underlying Index Data

Dynamic Retail Intellidex	DWR
Index Provider	NYSE Arca

### Growth of \$10,000



Data beginning Fund inception and ending Dec. 31, 2014. Fund performance shown at NAV.

### Fund Performance & Index History (%)

	1 year	3 year	5 year	10 year	Fund Inception
<b>Underlying Index</b>					
Dynamic Retail Intellidex Index	13.05	23.52	22.04	-	12.59
<b>Benchmark Index</b>					
S&P Retailing Index	10.89	26.13	21.94	10.18	11.70
<b>Fund</b>					
NAV	12.27	22.51	21.14	-	11.84
After Tax Held	11.76	22.11	20.83	-	11.64
After Tax Sold	6.91	17.81	17.28	-	9.79
Market Price	12.47	22.57	21.17	-	11.85

Returns less than one year are cumulative. Performance data quoted represents past performance. 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. 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 performance reflects fee waivers, absent which, performance data quoted would have been lower.

### 5-Year Index Statistics

	Alpha	Beta	Correlation	Sharpe Ratio	Volatility (%)
Dynamic Retail Intellidex Index	-	-	-	1.29	17.08
S&P Retailing Index	1.69	0.93	0.91	1.31	16.72

Alpha, beta and correlation are that of the underlying index.

### A Smart Beta Portfolio

Fund Inception: Oct. 26, 2005

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

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 Composite 1500 Retailing (S&P Retailing) Index consists of all retailing stocks included in the S&P

Composite 1500 Index.

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 Dec. 31, 2014

**Top Fund Holdings (%)**

Name	Weight
Walgreens Boots Alliance	5.30
Lowe's	5.14
Kroger	5.12
CVS Caremark	5.03
O'Reilly Automotive	5.03
Ross Stores	4.92
Costco Wholesale	4.76
Wal-Mart Stores	4.71
Office Depot	3.37
Lands End	2.95
Spartannash	2.92
Avis Budget	2.87
Advance Auto Parts	2.82
Zumiez	2.81
Outerwall	2.79
Sprouts Farmers Market	2.78
Cato 'A'	2.76
Burlington Stores	2.75
Boise Cascade	2.71
Weis Markets	2.70
SUPERVALU	2.70
Dollar Tree Stores	2.68
Michaels	2.68
Select Comfort	2.67
Safeway	2.64
Fresh Market	2.62
Smart & Final Stores	2.62
Best Buy	2.58
Pricesmart	2.45
Mattress Firm	2.13

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

**Annual Index Performance (%)**

	Dynamic Retail Intellidex Index	S&P Retailing Index
2006	22.01	9.64
2007	-18.76	-17.28
2008	-21.25	-31.94
2009	31.58	55.08
2010	24.79	27.87
2011	15.12	5.07
2012	18.46	25.83
2013	40.72	43.81
2014	13.05	10.89

**Fund Details**

P/B Ratio	3.93
P/E Ratio	22.76
Return on Equity	17.65%
Weighted Market Cap (\$MM)	34,846

**Fund Subindustry Allocations (%)**

Food Retail	21.18
Hypermarkets & Super Centers	11.92
Apparel Retail	10.49
Drug Retail	10.33
Specialty Stores	8.83
Automotive Retail	7.85
General Merchandise Stores	5.43
Home Improvement Retail	5.14
Homefurnishing Retail	4.80
Internet Retail	2.95

**Fund Market-Cap Allocations (%)**

Large-Cap Blend	5.26
Large-Cap Growth	29.99
Large-Cap Value	4.71
Mid-Cap Blend	2.61
Mid-Cap Growth	13.72
Mid-Cap Value	2.59
Small-Cap Blend	6.07
Small-Cap Growth	21.20
Small-Cap Value	13.86

**Leading the Intelligent ETF Revolution®****About risk**

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

Equity risk states that the value of equity securities, including common stocks, may fall due to both changes in general economic and political conditions that impact the market as a whole, as well as factors that directly relate to a specific company or industry.

The fund may engage in frequent trading of its portfolio securities in connection with the rebalancing or adjustment of the Underlying Index.

Investments focused in a particular industry or sector, such as the building and construction industry, are subject to greater risk, 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 **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. **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. **Weighted Harmonic Average Stock Price-to-Earnings Ratio (P/E Ratio)** is the share price divided by earnings per share. It is measured on a 12-month trailing basis. **Weighted Harmonic Average Stock Price-to-Book-Value Ratio (P/B 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. The **30-Day SEC Yield** is based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period. The **30-Day SEC Unsubsidized Yield** reflects the 30-day yield if the investment adviser were not waiving all or part of its fee or reimbursing the fund for part of its expenses. Total return would have also been lower in the absence of these temporary reimbursements or waivers. **Beta** is a measure of risk representing how a security is expected to respond to general market movements. **Smart Beta** represents an alternative and selection index based methodology that seeks to outperform a benchmark or reduce portfolio risk, or both. Smart beta funds may underperform cap-weighted benchmarks and increase portfolio risk. Typically, security classifications used in calculating

allocation tables are as of the last trading day of the previous month.

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

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**Before investing, investors should carefully read the prospectus/summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the Fund call 800 983 0903 or visit [invescopowershares.com](http://invescopowershares.com) for the prospectus/summary prospectus.**

Note: Not all products available through all firms or in all jurisdictions.