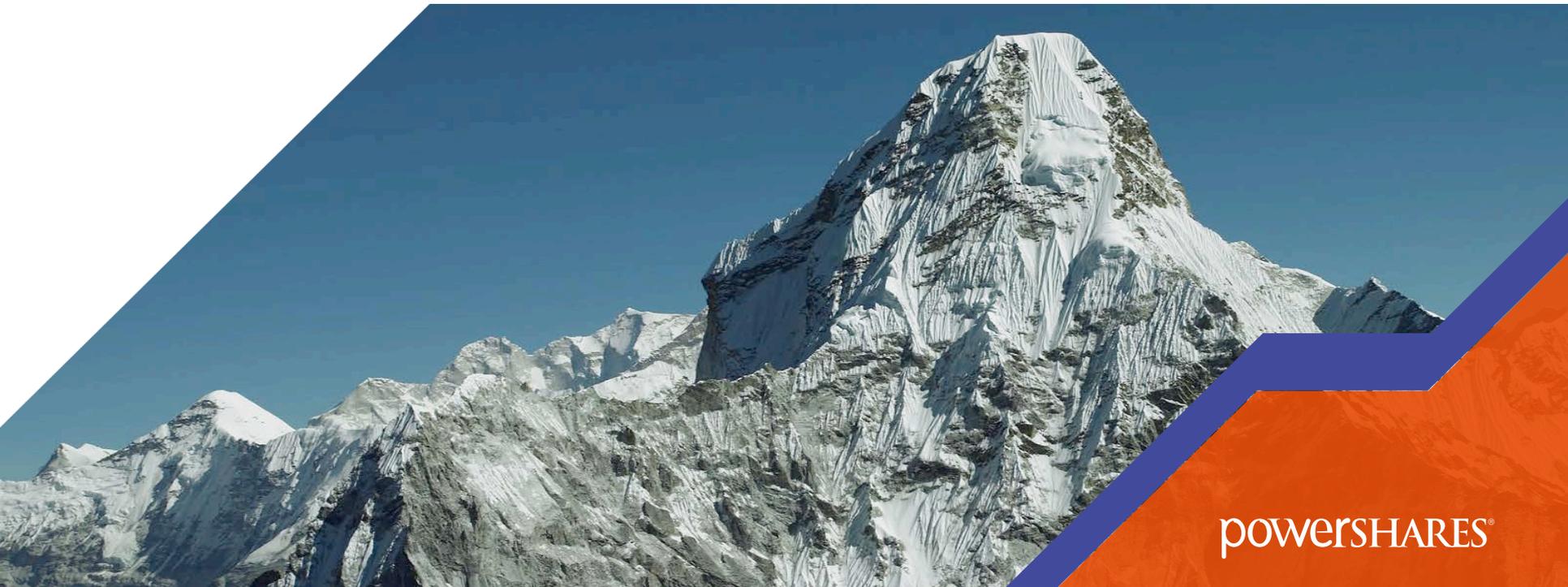




Smart Beta ETF Strategies

Leading the Intelligent ETF Revolution



powerSHARES®

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.

Overview



Smart Beta: Decoding the “Buzz”

The (R)evolution of Smart Beta Strategies

Seek a Proven Leader

Discover a More Sophisticated Approach

Implementation Strategies

Important Information

“PowerShares’ brand is really about ... providing investors more intelligent exposure to the markets, rather than just strictly cap-weighted beta.”

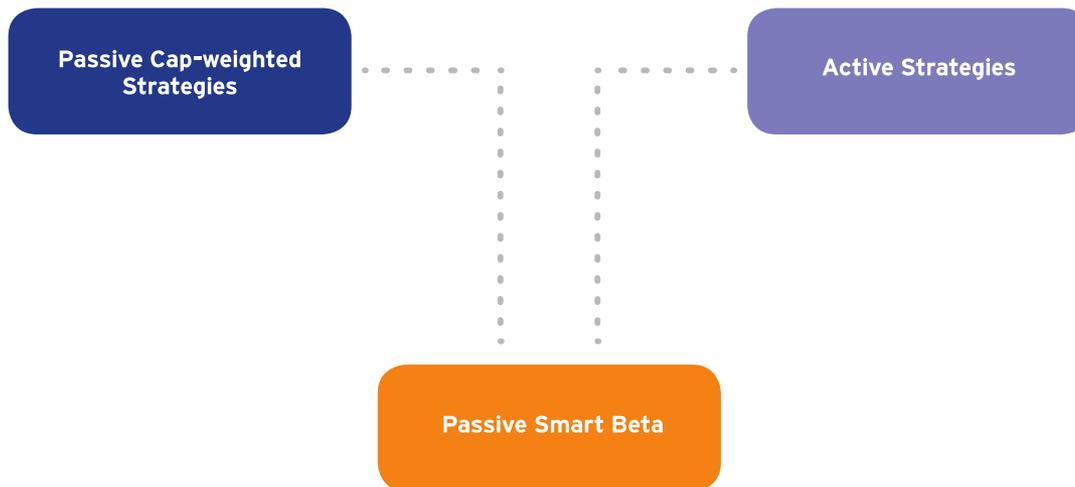
--Interview with IndexUniverse.com, “Straight From the Source: Bruce Bond”, Dec. 14, 2007
H. Bruce Bond, Founder & Former President and CEO, PowerShares Capital Management

Invesco PowerShares introduced many of the first non-cap- weighted exchange traded funds available today, calling them “Intelligent ETFs.”⁺

⁺ When we say that our ETFs are intelligent, we mean that in several different ways. Please see “Important Information” on slide 16 for a more detailed explanation.

Employing Features of Both Worlds

Invesco PowerShares believes that smart beta strategies offer exposure to the best of both worlds, providing investors a valuable alternative that expands portfolio construction opportunities.



- **May outperform a benchmark****
- **Replicates an index** with rules based methodology
- **Provides broad market exposure**
- **Ability to manage portfolio risk** through security diversification
- **Liquidity¹**
- **Lower costs²**
- **Transparency³**

****Smart beta funds may underperform cap-weighted benchmarks and increase portfolio risk.**

There is no assurance that an investment strategy will outperform or achieve its investment objectives.

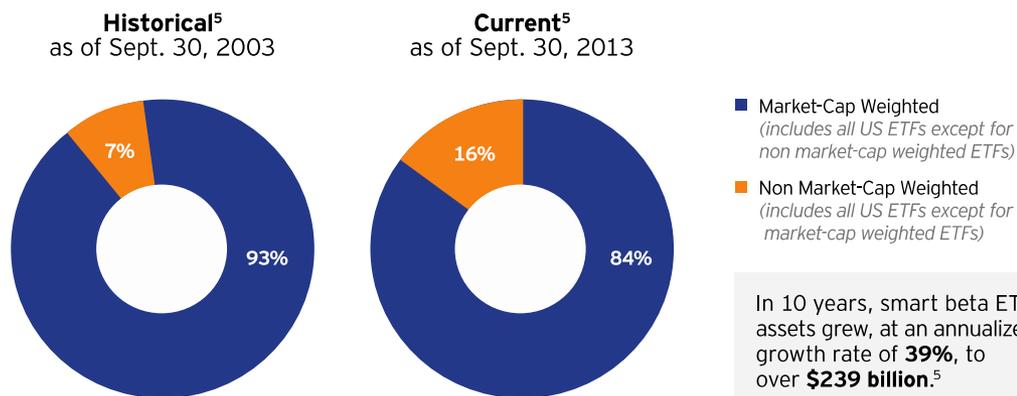
¹ *Liquidity: Shares are not individually redeemable and owners of the shares may acquire those shares from the Fund and tender those shares for redemption to the Fund in Creation Unit aggregations only, typically consisting of 50,000, 75,000, 100,000 or 200,000 shares.*

² *Transparency: ETFs disclose their holdings daily.*

³ *Low Cost: Since ordinary brokerage commissions apply for each buy and sell transaction, frequent activity may increase the cost of ETFs.*

Adoption of Smart Beta Allocations

Total US Equity Smart Beta ETF Assets



“Towers Watson* clients already have \$20 billion of assets invested in smart beta strategies.”⁴

—July 2013

**Towers Watson is a global consulting firm. Clients referenced are institutional clients.*

According to a recent Financial Times article, “Fund managers expect institutional investment in ‘smart beta’ equity strategies to surge in the next five years as investors increasingly attempt to manage portfolio risk”. One estimate stated that by 2018, over one-third of assets could be allocated to smart beta strategies. However, the article indicates that “expectations of such rapid asset growth are ‘ambitious’. ‘In the short term smart beta might attract a lot of money as it is new, people are excited about it and they think it works.

“ ‘There is a good chance 30 percent of equity allocations will end up in smart beta products.’ ”

The article underscores that an understanding of the diversity across smart beta funds is essential, and if ‘strategies fail to deliver in the long term, investors will withdraw.’⁶

— *Financial Times, July 14, 2013*

⁴ Total smart beta exposure for Towers Watson clients in 2012. Towers Watson, “Understanding smart beta,” July 2013

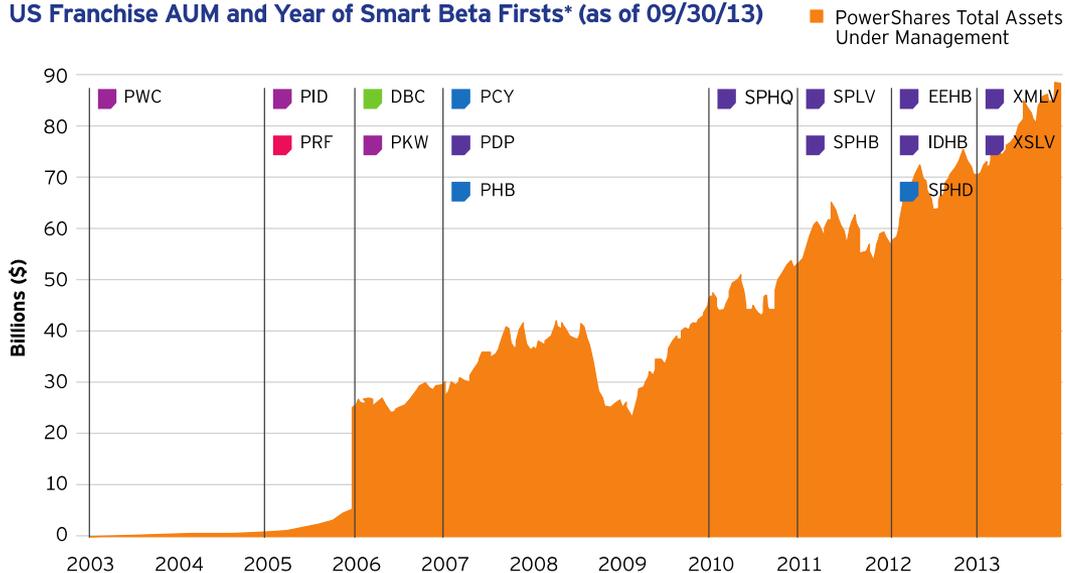
⁵ Source: Bloomberg L.P., as of Sept. 30, 2013

⁶ Source: Financial Times, “Smart beta funds eye \$5tn windfall”, July 14, 2013

First Time-Tested Strategies

As a pioneer in smart beta ETF strategies, Invesco PowerShares markets a number of time-tested options suitable for various market conditions and investor profiles.

US Franchise AUM and Year of Smart Beta Firsts* (as of 09/30/13)



Source: Invesco PowerShares Global Product Strategy & Research, data as of Sept. 30, 2013
*AUM represents all PowerShares US franchise assets and not just assets of funds shown.

+ DB Commodity Services LLC serves as the Managing Owner of the Fund.

| Ticker | Smart Beta ETF Firsts |
|--------|--|
| PWC | First Quantitatively Constructed "Intelligent" ETF |
| PID | First International Dividend ETF |
| PRF | First Fundamentals Weighted [®] Equity ETF |
| DBC | First Broad Commodity ETF to use Futures as Underlying Investment ⁺ |
| PKW | First Buyback Achiever ETF |
| PCY | First Emerging Market Sovereign Debt ETF |
| PDP | First Momentum/Technical ETF |
| PHB | First Fundamentals Weighted Fixed-Income ETF |
| SPHQ | First High Quality Weighted ETF |
| SPLV | First S&P 500 [®] Volatility-Weighted ETF |
| SPHB | First Beta-Weighted ETF |
| EEHB | First S&P Emerging Markets High Beta ETF |
| IDHB | First S&P International Developed High Beta ETF |
| SPHD | First S&P 500 [®] High Dividend ETF |
| XMLV | First S&P MidCap Low Volatility ETF |
| XSLV | First S&P SmallCap Low Volatility ETF |

Smart Beta ETFs

Discover A More Sophisticated Approach



Three Distinct Smart Beta Categories

Given the rapid adoption of smart beta options — and how quickly many providers have introduced strategies to meet the growing demand — it is vital that investors understand the expanded menu of options available. At Invesco PowerShares, we take a more sophisticated approach to help investors take advantage of the expanded tools previously inaccessible to many. Whether an investor is looking to fulfill a core or satellite asset allocation, Invesco PowerShares markets smart beta options in three distinct categories:

Single - Factor Strategies

Multi-Factor Strategies

Intelligent Commodities Strategies

powerSHARES®

Single-Factor Strategies

Unlike traditional market capitalization-weighted indexes, single-factor strategies may provide better risk-adjusted returns by allowing investors to capture risk premia from one certain factor such as the following:

Low Volatility Utilizes volatility rankings while seeking to minimize the effects of market fluctuations.

High Beta Utilizes a beta-weighted methodology to increase exposure to market movements of a benchmark without incorporating leverage.

Momentum Ranks securities relative to peers, utilizing relative strength methodology to identify the strongest and weakest investment trends.

Quality Focuses on companies that have a Standard and Poor's quality ranking of A-* or above which have historically exhibited higher sharpe ratios and lower volatility.

Dividend Ranks securities by their dividend yield while seeking to increase overall portfolio yield and potential for improved price performance.

Buyback Tracks US companies that consistently repurchase their own outstanding shares used by institutions and active managers for decades.

** Standard and Poor's quality rankings reflect the long-term growth and stability of a company's earnings and dividends in a range from A+ (highest) to C (lowest), with a ranking of D reflecting in reorganization and LIQ represents liquidation. See standardandpoors.com for additional information.*

Multi-Factor Strategies

Multi-factor strategies weight stocks based on a combination of risk factors, including:

Fundamentals Weighted Broad Market Equity

Ranks all publicly listed US companies according to four fundamental measures of company size: sales, cash flow, book value and dividends.

Alternatively Weighted Fixed Income

Assigns issuer weights based upon alternative weighting methodologies including equal, fundamental or other non-market capitalization weighting approaches.

Fundamentals Weighted Pure Style and Size

Provides precise size and style segmentation through the use of a multifactor fundamental style delineation methodology. Once segregated into each respective style box the methodology weights constituents based upon fundamental measures of company size: sales, cash flow, book value, & dividends

Quantitative Intellidex™

Evaluates companies based on a variety of factors that are grouped into five broad categories: price momentum, earnings momentum, quality, management action and value.

Quantitative Sector and Industry

Evaluates companies utilizing sector specific risk factors as well as general factors that are grouped into five broad categories: price momentum, earnings momentum, quality, management action, and value.

Intelligent Commodities Strategies

Seeks to address the roll return⁷ impact often seen in pure beta commodity strategies.

DB Commodities

Deutsche Asset & Wealth Management implements a roll methodology called Optimum Yield^{TM8} that seeks to minimize the negative impact of contango and maximize the positive impact of backwardation. Contango occurs when the prices of futures contracts are higher than the current spot prices and the curve slopes upward over the given time period. Backwardation occurs when the prices of the futures contracts are lower than the current spot prices and the futures curve slopes downward.

⁷ Roll Return: Roll return is the return, positive or negative, generated by rolling from a short-term futures contract to a longer term futures contract.

⁸ Optimum YieldTM: A roll methodology that is specifically designed for investors to gain access to the commodities market the way many institutions or commodity professionals would, rather than employing a front month roll methodology.

Commodities and futures generally are volatile and are not suitable for all investors.

Tools for Various Market Conditions & Investor Objectives

With the number of smart beta strategies becoming available, it is important that investors carefully consider their individual needs and circumstances when evaluating portfolio options. As a guide, we have outlined a few investor objectives and corresponding strategies that may be appropriate complements to an existing asset allocation strategy.

| Investor Seeking To | Smart Beta Strategy | Strategy Profile | Methodology |
|--|--|--|--|
| Generate excess returns with broad market exposure | PowerShares FTSE RAFI US 1000 Portfolio | Seeks to offer equity exposure while attempting to minimize performance drag from over/under valuations. | 1000 stocks within the FTSE RAFI US 1000 Index with the highest fundamental strength and weighted by their fundamental scores. |
| An efficient way to invest in commodities |  PowerShares DB Commodity Index Tracking Fund | Seeks to provide exposure to a broad basket of commodities including energy, precious metals, base metals and agriculture. | 14 of the most heavily traded and important physical commodities in the world. Implements a roll methodology called Optimum Yield™ that seeks to minimize the negative impact of contango and maximize the positive impact of backwardation. |

ETFs, in and of themselves, do not qualify as diversified investment strategies. Diversification does not guarantee a profit or eliminate the risk of loss.

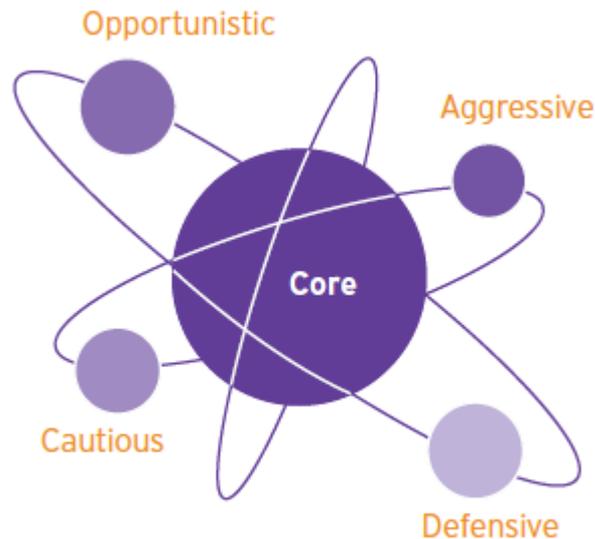
Commodities and futures generally are volatile and are not suitable for all investors.

ALPS Distributors, Inc. is the distributor of PowerShares DB Commodity Index Tracking Fund.

Invesco PowerShares does not offer investment advice. Please consult with your financial advisor for information regarding your own investment objectives.

Core-Satellite Investing

Smart beta ETF strategies are another portfolio construction tool that can be used as part of a core or satellite strategy to provide broader market exposure and diversification. With a core allocation in place, satellites may be used to increase or decrease market exposure with the objective of achieving portfolio outperformance.



Dialing Up or Reducing Portfolio Beta

- When bullish, it may make sense to increase portfolio beta
- When bearish, lowering portfolio beta may meet investment objective

| Factor Based Strategy | 1-Yr. Beta [*] | PowerShares ETFs | Methodology |
|-----------------------|-------------------------|---|---|
| High Beta | 1.65 | SPHB PowerShares S&P 500 [®] High Beta Portfolio | 100 stocks with the highest sensitivity to market movements, or beta, over the past 12 months |
| Relative Strength | 0.93 | PDP PowerShares Dorsey Wright Momentum Portfolio | 100 stocks that have demonstrated strong performance characteristics relative to its peers |
| High Quality | 0.83 | SPHQ PowerShares S&P 500 [®] High Quality Portfolio | Stocks reflecting long-term growth and stability of a company's earnings and dividends |
| Low Volatility | 0.62 | SPLV PowerShares S&P 500 [®] Low Volatility Portfolio | 100 stocks with the lowest realized volatility over the past 12 months |

Source: Bloomberg, L.P., as of Sept. 30, 2013

**Relative to the S&P 500 Index. Past performance is no guarantee of future results.*

Glossary & Terms



Backwardation: occurs when the prices of the futures contracts are lower than the current spot prices and the futures curve slopes downward.

Beta: is a measure of risk representing how a security is expected to respond to general market movements.

Book Value: represents a company's total assets minus intangibles and liabilities.

Cash Flow(s): is/are a revenue or expense stream that changes a cash account over a given period.

Contango: occurs when the prices of futures contracts are higher than the current spot prices and the curve slopes upward over the given time period.

Dividends: shows how much a company pays out each year to shareholders relative to its share price.

Dividend Yield: the yearly dividend per share divided by the market price at the time of purchase. It is the ratio that shows how much a company pays out in dividends each year relative to its share price.

Earnings Momentum: is a measure of the acceleration of the amount of earnings that a company produces during a specific period, which is usually defined as a quarter or a year.

Factor Driven: a method of using objective style determinates, such as book value, cash flow, sales and dividends, within an index in attempt to achieve mutually exclusive security selection.

Leverage: the use of various financial instruments or borrowed capital, such as margin, to increase the potential return of an investment.

Liquidity: is characterized by a high level of trading activity and is a measure of the degree to which an asset or stock can be bought or sold in the market without affecting its asset price. Assets or stocks that can be easily bought or sold are known as liquid assets.

Low Cost: since ordinary brokerage commissions apply for each buy and sell transaction, frequent activity may increase the cost of ETFs.

Management Action: activities taken by executives of a company that have the potential to positively or negatively impact a stock's market price.

Market-Cap-Weighted: a type of index in which individual components are weighted according to market capitalization. Index value can be calculated by

adding the market capitalizations of each index component and dividing that sum by the number of securities in the index.

Net Asset Value (NAV): the total value of a fund's portfolio holdings per share or unit. Most mutual funds calculate their NAVs once per day, after the market close. Many ETFs calculate an indication of their NAVs throughout the trading day, in addition to calculating their NAVs once per day, after the market close.

Non-Cap Weighted: assign weights to stocks based on factors other than market capitalization in an attempt to reduce the risk of overexposure to a certain sector or group of stocks.

Non-Price Weighted: assign weights to stocks based on factors other than price in an attempt to identify fair value of each company and avoid overweighting overvalued stocks.

Optimum Yield™: a roll methodology that is specifically designed for investors to gain access to the commodities market the way many institutions or commodity professionals would, rather than employing a front month roll methodology.

Price Momentum: is a measure of the acceleration of a stock's price during a specific period, which is usually defined as a quarter or a year.

Quality: a ranking that reflects the long-term growth and stability of a company's earnings and dividends.

Quantitative Weighted: a type of rules-based index in which individual components are weighted according to a variety of factors, such as volatility and momentum, in an attempt to generate excess return.

Risk Premiums/Premias: the rate of return that an investor can expect to receive on a security in excess of the risk-free rate for taking on additional risk.

Roll Return: roll return is the return, positive or negative, generated by rolling from a short-term futures contract to a longer term futures contract.

Glossary & Terms



Sales: is a measure of revenue that a company produces during a specific period of time, which is usually defined as a quarter or a year.

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.

Smart Beta: an alternative and selection index based methodology that may outperform a benchmark or reduce portfolio risk, or both.

Tax Efficiency: a measure of performance for an investment or a fund that is calculated by dividing the after-tax return (for a high-tax bracket investor) by the pre-tax return.

Invesco PowerShares does not offer tax advice. Please consult your own tax advisor for information regarding your own tax situation.

Transparency: ETFs disclose their holdings daily.

Value: is a measure of a stock that trades for less than its net asset value (NAV) and is usually identified by lower-than-average price-to-book or price-to-earnings ratios and/or high dividend yields.

Volatility: the annualized standard deviation of monthly index returns.

S&P 500® Index: is an unmanaged index considered representative of the US stock market. An investment cannot be made directly into an index.

FTSE RAFI US 1000 Index: is designed to track the performance of the largest US equities, selected based on the following four fundamental measures of firm size: book value, cash flow, sales and dividends. The 1,000 equities with the highest fundamental strength are weighted by their fundamental scores. An investment cannot be made directly into an index.

Important Information



Important Information

There is no assurance that the products listed in this material will achieve their investment objectives. Please be aware that the products listed are subject to various risks which depending upon the product may include risks such as value investing, sector, interest rate, fixed-income investing, commodities and futures, and foreign and emerging markets. For further description on the relative risks for each product please obtain the appropriate prospectus by visiting invescopowershares.com/prospectus.

When we say that our ETFs are intelligent, we mean that in several different ways:

One of our largest family of ETFs is based on Intellidexes™ — dynamic indexes that use rules-based quantitative analysis to choose stocks for their capital appreciation potential. We believe this is an intelligent way for an index to select stocks.

Our ETFs based on FTSE RAFI® indexes weight stocks according to fundamental economic factors. We believe this is a more intelligent weighting method than market-cap weighting. Furthermore, our Fundamental Index ETFs are based on four factors — sales, cash flow, book value and dividends — which we believe is a more balanced, intelligent approach than weighting stocks according to just one fundamental measure.

We also have a wide range of ETFs that target narrow slices of the market (Intelligent Access) — from niche industries to specific world regions. For investors who are interested in these niches, we believe ETFs — which invest in multiple companies within a market sector — may offer a more intelligent investment approach than stock picking.

Our PowerShares DB commodity funds (Intelligent Access) provide systematic access to some of the world's most important commodities by seeking to replicate rules-based indexes composed of futures contracts that trade on some of the most liquid and deep commodity markets in the world.

Overall, no matter what the focus, all ETFs offer investors tax efficiency and trading flexibility, which make them an intelligent investment tool for investors to consider. Whether you're looking for broad market exposure, specialized investment strategies or access to niche markets, we believe Invesco PowerShares ETFs represent an intelligent option for your portfolio.

General Risk Information

There are risks involved with investing in ETFs, including possible loss of money. Index-based ETFs are not actively managed. Investments focused in a particular industry are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

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.

Sector & Industry Risk Information

Companies engaged in the consumer discretionary, consumer staples, energy, financial services, healthcare, industrials, information technology, basic materials, utilities and telecommunication services sectors are subject to greater risks, and are more greatly impacted by market volatility, than more diversified investments.

Investments focused in a particular industry are subject to greater risk, and are more greatly impacted by market volatility than more diversified investments.

Growth & Value Risk Information

"Growth" and "value" styles of investing may be more volatile than other types of investments.

International Risk Information

The risks of investing in securities of foreign issuers, including emerging market issuers, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Small and Mid-Cap Risk Information

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

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Important Information



Securities Lending Risk

Securities lending involves a risk of loss because the borrower may fail to return the securities in a timely manner or at all. If a Fund is not able to recover the securities loaned, it may sell the collateral and purchase a replacement security in the market. Lending securities entails a risk of loss to the Funds if and to the extent that the market value of the loaned securities increases and the collateral is not increased accordingly.

Call Risk Information

Underlying securities may be subject to call risk, which may result in the Fund having to reinvest the proceeds at lower interest rates, resulting in a decline in the Fund's income.

Sampling Risk Information

The use of a representative sampling approach will result in its holding a smaller number of securities than are in the underlying Index, and may be subject to greater volatility.

High Dividend Risk Information

Securities that pay high dividends as a group can fall out of favor with the market, causing such companies to underperform companies that do not pay high dividends.

Alternatively Weighted Fixed-Income Risk Information

Municipal securities are subject to the risk that litigation, legislation or other political events, local business or economic conditions or the bankruptcy of the issuer could have a significant effect on an issuer's ability to make payments of principal and/or interest. Municipal securities can be significantly affected by political changes as well as uncertainties in the municipal market related to taxation, legislative changes or the rights of municipal security holders. Because many securities are issued to finance similar projects, especially those relating to education, health care, transportation and utilities, conditions in those sectors can affect the overall municipal market. In addition, changes in the financial condition of an individual municipal insurer can affect the overall municipal market.

The Fund may invest in fixed-income securities, such as notes and bonds, which carry interest rate and credit risk. Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa. Credit risk is the risk of loss on an investment due to the deterioration of an issuer's financial health.

High-yield securities have additional risks, including interest-rate changes, decreased market liquidity and a larger amount of outstanding debt than investment-grade securities.

Sovereign debt securities are subject to the additional risk that — under some political, diplomatic, social or economic circumstances — some developing countries that issue lower quality debt securities may be unable or unwilling to make principal or interest payments as they come due. The fund may have limited legal recourse against the issuer and/or guarantor of sovereign debt when default occurs. As a holder of government debt, the Fund may be requested to participate in the rescheduling of such debt and to extend further loans to government debtors.

Commodity Risk Information

Commodities and futures generally are volatile and are not suitable for all investors. Funds focusing on a single sector generally experience greater price volatility. The Fund is speculative and involves a high degree of risk. An investor may lose all or substantially all of an investment in the Fund.

This material must be accompanied or preceded by a DB prospectus. Please read the DB prospectus carefully before investing.

The PowerShares DB Funds are not mutual funds or any other type of Investment Company within the meaning of the Investment Company Act of 1940, as amended, and is not subject to regulation thereunder. To download a copy of each PowerShares DB prospectus please visit <http://www.invescopowershares.com/pdf/P-DBC-PRO-1.pdf>.

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Important Information



Certain marketing services may be provided for the Fund by Invesco Distributors, Inc. or its affiliate, Invesco PowerShares Capital Management LLC. Invesco Distributors, Inc. will be compensated by Deutsche Bank or its affiliates for providing these marketing services. Neither Invesco Distributors, Inc or Invesco PowerShares Capital Management LLC are affiliated with Deutsche Bank. Invesco PowerShares Capital Management LLC is not a sponsor or promoter of the Fund and is not responsible for the performance of the Fund or the decisions or actions of the managing owner of the Fund, DB Commodity Services LLC.

ALPS Distributors, Inc. is the distributor of the PowerShares DB Funds.

Invesco PowerShares Capital Management LLC is not affiliated with ALPS Distributors, Inc.

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Investors should be aware of the risks associated with data sources and quantitative processes used in our investment management process. Errors may exist in data acquired from third party vendors, the construction of model portfolios, and in coding related to the index and portfolio construction process. While Research Affiliates takes steps to identify data and process errors so as to minimize the potential impact of such errors on index and portfolio performance, we cannot guarantee that such errors will not occur.

“Fundamental Index®” and/or “Research Affiliates Fundamental Index®” and/or “RAFI” and/or all other RA trademarks, trade names, patented and patent-pending concepts are the exclusive property of Research Affiliates, LLC.

An investor should consider the Funds’ investment objectives, risks, charges and expenses carefully before investing. For this and more complete information about the Funds, call 800 983 0903 or visit invescopowershares.com. Please read the prospectus carefully before investing.

For Additional Resources



Visit [InvescoPowerShares.com/smart-beta](https://www.invescopowershares.com/smart-beta)

Or call 800 983 0903

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