

# UDN

As of December 31, 2011

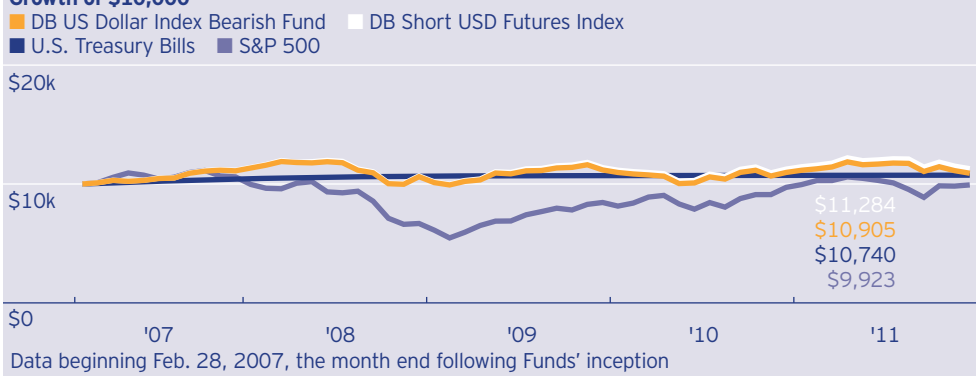
## Fund Description

Invesco PowerShares Capital Management LLC<sup>4</sup> provides institutional caliber products by seeking to replicate enhanced indexes. These indexes derive their investment decisions from methodologies that incorporate technically advanced and robust institutional investment research.

The PowerShares DB US Dollar Bearish Fund (Symbol: UDN) is managed by DB Commodity Services LLC and is based on the Deutsche Bank Short US Dollar Index (USD<sup>X</sup>) Futures Index – Excess Return™ (DB Short USD Futures Index). The fund seeks to track changes in the index plus the interest income from the fund's holdings of U.S. Treasury securities less the fund's expenses. The fund is designed for investors who want a cost effective and convenient way to track the value of the U.S. dollar relative to a basket of the six major world currencies – the euro, Japanese yen, British pound, Canadian dollar, Swedish krona and Swiss franc. The Index is a rules-based index composed solely of short U.S. Dollar Index futures contracts that track on the ICE futures exchange (USD<sup>X</sup> futures contracts). The USD<sup>X</sup> futures contract is designed to replicate the performance of being short the U.S. dollar against the following currencies: euro, Japanese yen, British pound, Canadian dollar, Swedish krona and Swiss franc. You cannot invest directly in the Index.

## PowerShares DB US Dollar Index Bearish Fund

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



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

	1 Year	3 Year	5 Year	Since Index Publication <sup>2</sup>	Since Fund Inception <sup>3</sup>
<b>Underlying Index</b>					
DB Short USD Futures	0.29	1.84	2.60	2.82	2.69
<b>Benchmark Indexes</b>					
U.S. Treasury Bills	0.14	0.21	1.60	1.66	1.49
S&P 500	2.11	14.12	-0.25	0.03	-0.16
<b>Fund</b>					
NAV <sup>5</sup>	-0.63	0.90	-	-	1.96
Market Price <sup>6</sup>	-0.89	0.87	-	-	1.94

**PERFORMANCE DATA QUOTED REPRESENTS PAST PERFORMANCE. INVESTMENT RETURNS AND PRINCIPAL VALUE WILL FLUCTUATE AND SHARES OF THE FUND, WHEN REDEEMED, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. SEE INVESCOPOWERSHARES.COM TO FIND THE MOST RECENT MONTH-END PERFORMANCE NUMBERS.**

Fund Data	PowerShares DB USD Bearish Fund
Fund Symbol	UDN
Share Price <sup>5</sup>	\$26.86
Intraday NAV (IIV) <sup>6</sup>	UDNIV
NAV Price <sup>5</sup>	\$26.88
Options	Yes

### Underlying Index Data<sup>5</sup>

DB Short USD Futures Index	DBUSDXS
Index Provider	Deutsche Bank AG London

### Alpha, Beta and Correlation<sup>1,2,6</sup>

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

	Alpha	Beta	Correlation
U.S. Treasury Bills	0.68	3.11	0.04
S&P 500	1.41	0.32	0.60

Index Statistics Since Index Publication <sup>1,2,6</sup>	Performance (%)	Volatility (%)	Sharpe Ratio
DB Short USD Futures	2.82	10.12	0.10
U.S. Treasury Bills	1.66	0.59	0.47
S&P 500	0.03	18.73	-0.07

<sup>1</sup> Index history has certain inherent limitations and does not represent actual trading performance or returns of the Fund. Index history does not represent trades that have actually been executed and therefore may under or over compensate for the impact, if any, of certain market factors, such as illiquidity. No representation is being made that the Fund will or is likely to achieve profits or losses similar to the Index history. For a complete list of risks associated with an investment in the Fund, please see the prospectus.

<sup>2</sup> The underlying Index's initial publication date: Nov. 22, 2006. Unless otherwise noted, historical information of all displayed indexes is based on this date.

<sup>3</sup> The Fund's exchange listing date: Feb. 20, 2007.

<sup>4</sup> 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.

<sup>5</sup> Please see <http://dbfunds.db.com/udn> for current DB Short USD Futures Index Levels, Indicative intraday NAV and last end-of-day NAV.

The Fund seeks to track the Deutsche Bank Short US Dollar Index (USD<sup>X</sup>) Futures Index - Excess Return™ (Symbol: USDDNX), respectively. Results for the Deutsche Bank Short USD Futures Index – Total Return™ (Symbol: DBUSDXS), which consists of the Index plus 3-month U.S. Treasury securities returns, is displayed because the Fund collateralizes futures positions with 3-month U.S. Treasury securities.

The S&P 500® Index (S&P 500) is an unmanaged index considered representative of the U.S. stock market. U.S. Treasury bills are debt obligations of the U.S. government and backed by its full faith and credit, having a maturity of one year or less. You cannot invest directly in an index.

**PLEASE SEE IMPORTANT CONSIDERATIONS ON BACK.**

**Shares are not individually redeemable. Owners of the Shares may acquire those Shares from the Fund or tender those Shares for redemption to the Fund in Creation and Redemption Units, respectively, typically consisting of 200,000 Shares.**

As of December 31, 2011

Weight (%)	
Components of USD <sup>®</sup> Futures Contract	
Euro	57.6
Japanese Yen	13.6
British Pound	11.9
Canadian Dollar	9.1
Swedish Krona	4.2
Swiss Franc	3.6

The DB Short USD Futures Index is made up only of short USD<sup>®</sup> futures contracts.

Fund Details	
Management Fee	0.75%
Estimated Futures Brokerage Expenses	0.05%
UDN CUSIP	73936D206
Listing Exchange	NYSE Arca

	Index Volatility (%) <sup>1,6</sup>		
	DB Short USD	U.S. Trsry Bills	S&P 500
1 Year	9.51	0.04	15.94
3 Year	10.37	0.06	18.97
5 Year	10.20	0.58	18.88

	Annual Index History (%) <sup>1,2</sup>		
	DB Short USD	U.S. Trsry Bills	S&P 500
2007	12.39	4.40	5.49
2008	-4.23	1.40	-36.99
2009	6.49	0.15	26.47
2010	-1.09	0.14	15.08
2011	0.29	0.14	2.11

## How Does the Fund Invest?

The Dollar Bearish Fund invests by going short USD<sup>®</sup> futures contracts. The USD<sup>®</sup> futures contract provides a general indication of the value of the U.S. dollar as compared to six major world currencies. The fund fully collateralizes its futures positions with cash and 3-month U.S. Treasury bills.

## Why Invest in the Fund?

- **Diversify:** The Dollar Bearish Fund may help you to diversify your portfolio of U.S. equities because the value of the U.S. dollar has not historically been well-correlated with U.S. stock market performance.
- **Hedge:** An investment in the Dollar Bearish Fund may help you to hedge – or protect – your U.S. investments from a decline in the value of the U.S. dollar.
- **Seek profit:** The U.S. dollar historically has experienced long periods of appreciation and depreciation. You can act on your view on whether the U.S. dollar will appreciate or depreciate by investing in the Dollar Bearish Fund.
- **Transparent, liquid and convenient:** The Dollar Bearish Fund invests in the USD<sup>®</sup> futures contract, which is an actively-traded contract listed on a regulated futures exchange. The fund gives you convenient and immediate access to the performance of the U.S. dollar because it trades on the NYSE Arca Exchange and you can purchase it in your securities brokerage account.
- **Earn interest:** The fund collateralizes its futures contracts with cash and 3-month U.S. Treasury Bills and earns interest on this collateral. This interest accrues to your benefit.

## Leading the Intelligent ETF Revolution<sup>®</sup>

<sup>6</sup> The Intraday NAV is a symbol representing estimated fair value based on the most recent intraday price of underlying assets.

Market returns are based on the midpoint between the highest bid and the lowest offer, as of the time that the Fund's NAV is calculated, generally around 4 p.m. ET and do not represent the returns an investor would receive if shares were traded at other times.

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.

U.S. Dollar Index and USD<sup>®</sup> are trademarks or service marks of ICE Futures U.S.<sup>™</sup>, Inc., registered in the United States, Great Britain, the European Union and Japan and used under license.

**ALPS Distributors, Inc. is the distributor of the PowerShares DB US Dollar Index Bearish Fund. Invesco PowerShares Capital Management LLC is not affiliated with ALPS Distributors, Inc.**

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Note: Not all products available through all firms.

## IMPORTANT CONSIDERATIONS

- **Currencies and futures generally are volatile and are not suitable for all investors. Investment in foreign exchange related products is subject to many factors that contribute to or increase volatility, such as national debt levels and trade deficits, changes in domestic and foreign interest rates, and investors' expectations concerning interest rates, currency exchange rates and global or regional political, economic or financial events and situations. The Fund will be successful only if significant losses are avoided. Please review the prospectus regarding break-even figures for the Fund.**
- **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.**
- **The Fund is not a mutual fund or any other type of Investment Company within the meaning of the Investment Company Act of 1940, as amended, and are not subject to regulation thereunder.**
- **Shares in the Fund are not FDIC insured, may lose value and have no bank guarantee.**
- **This material must be accompanied or preceded by a prospectus. Please read the prospectus carefully before investing.**