

### KBWP - Attractive Rating

#### PowerShares KBW Property & Casualty Insurance Portfolio



★★★★☆	<b>Predictive Rating</b>	Attractive
<b>Business Strength</b>		
★★★★☆	Quality of Earnings	Neutral EE
★★★★☆	Return on Invested Capital (ROIC)	11.96%
<b>Valuation</b>		
★★★★★	Free Cash Flow Yield	12.57%
★★★★★	Price to Economic Book Value	0.87
★★★☆☆	Market-Implied Duration of Growth	13 year(s)

- We recommend investors buy KBWP.
- KBWP ranks in the 97th percentile of the 400+ ETFs we cover.
- Neutral EE means that economic earnings are negative but moving in the same direction as GAAP EPS.
- The Price to Economic Book Value ratio compares market expectations for future cash flows to existing cash flows. When the ratio is greater than one, the market predicts cash flows will increase, and vice versa.
- Market-Implied Duration of Moat measures the number of years of future profit growth implied by the stock price.

### ETF Details

Net Asset Value (\$MM)	\$3.92
Issuer	Invesco PowerShares
Category	Financials / Non-REIT
Index	KBW Property & Casualty
Management Style	Passive
Exposure	Long
Inception Date	12/02/10
Number of Holdings	24
Premium (Discount)	-0.27%
Avg. Daily Volume (3 Mo.)	310
Geography	U.S.

### Predictive Rating Methodology

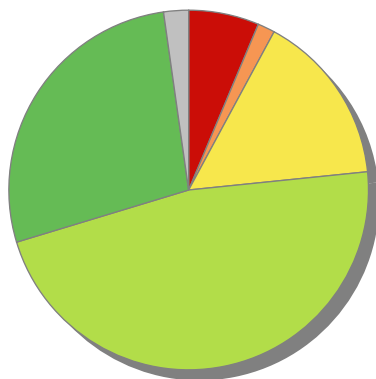
Our rating is based on the aggregation of our financial models for the ETF's holdings, which enables us to assess the profitability and valuation of the ETF just like a stock.

Our predictive ETF rating system is the same as our stock rating system, consistently [top-ranked](#) by Barron's.

### Expense Analysis

Expense Ratio	0.35%
Rank (percentile)	61.41%
10-Year Cost	\$893.64

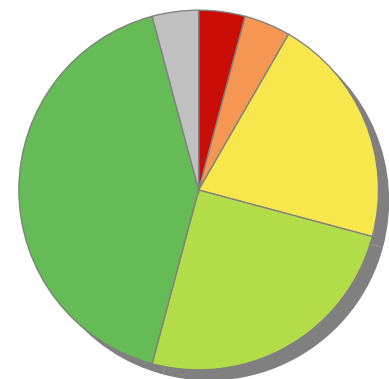
KBWP's fees will cost an investor \$893.64 over 10 years assuming a \$10,000 investment and 10% returns.



### Allocations

8.73%	Very Dangerous ★☆☆☆	1
2.13%	Dangerous ★★☆☆	1
21.37%	Neutral ★★★☆☆	5
26.86%	Attractive ★★★★☆	6
37.84%	Very Attractive ★★★★★	10
3.08%	Unrated	1

### Holdings



### Top 5 Holdings

The Travelers Companies, Inc. (TRV)	9.37%
The Allstate Corp (ALL)	8.73%
The Chubb Corp (CB)	7.53%
The Progressive Corp (PGR)	7.49%
Allied World Assurance Co Holdings, Ltd. (AWH)	4.66%

### Capitalization Exposure

Large Cap	34.17%
Mid Cap	47.31%
Small Cap	18.52%

Our Predictive ETF Rating includes an analysis of the total cost of owning an ETF. Please contact us for more information.

## Explanation of Predictive ETF Rating System

Our ETF research aggregates results from our Company Valuation models for each of the companies held by an ETF. Our rating system grades ETFs according to the 5 most important criteria for assessing the risk versus reward of an ETF. Our analysis results in the 5 ratings: Very Attractive corresponds to a "Strong Buy" rating, Attractive to "Buy", Very Dangerous to a "Sell or Short", and everything in-between to a "Hold" rating.

Predictive Risk/Reward Rating	Business Strength		Valuation		
	Quality of Earnings	Return on Invested Capital	FCF Yield	Price to Economic Book Value	Market-Implied Duration of Growth
Very Dangerous ☆☆☆☆	Misleading Trend	Bottom Quintile	< -5%	> 3.5 or -1 < 0	> 50
Dangerous ☆☆☆☆	False Positive	4th Quintile	-5% < -1%	2.4 < 3.5 or < -1	20 < 50
Neutral ☆☆☆☆	Neutral EE	3rd Quintile	-1% < 3%	1.6 < 2.4	10 < 20
Attractive ☆☆☆☆	Positive EE	2nd Quintile	3% < 10%	1.1 < 1.6	3 < 10
Very Attractive ☆☆☆☆	Rising EE	Top Quintile	> 10%	0 < 1.1	0 < 3

## New Constructs® - Profile

Incorporated in July 2002, [New Constructs](#) is an independent publisher of investment research that provides clients with consulting, advisory and research services. We specialize in quality-of-earnings, forensic accounting and discounted cash flow valuation analyses for all U.S. public companies.

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- Superior Recommendations** - Our [stock-picks](#) consistently outperform. See our track record in our [stock-picking accolades](#) and [Proof Is In Performance](#) reports.
- More Accurate Research** - Our [patented Research Platform](#) for [reversing accounting distortions](#) and [discounted cash flow analysis](#) leverages better data to deliver smarter research.
- Time Savings** - We check the fine print in thousands of corporate filings so you don't have to. As reported by [Barron's](#), our expertise in analyzing SEC filings delivers [Hidden Gems and Red Flags](#) that drive long-term stock-picking success.
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- Based on the complete set of financial information available.
- Standard for all companies.
- A more accurate representation of the true underlying cash flows of the business.

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