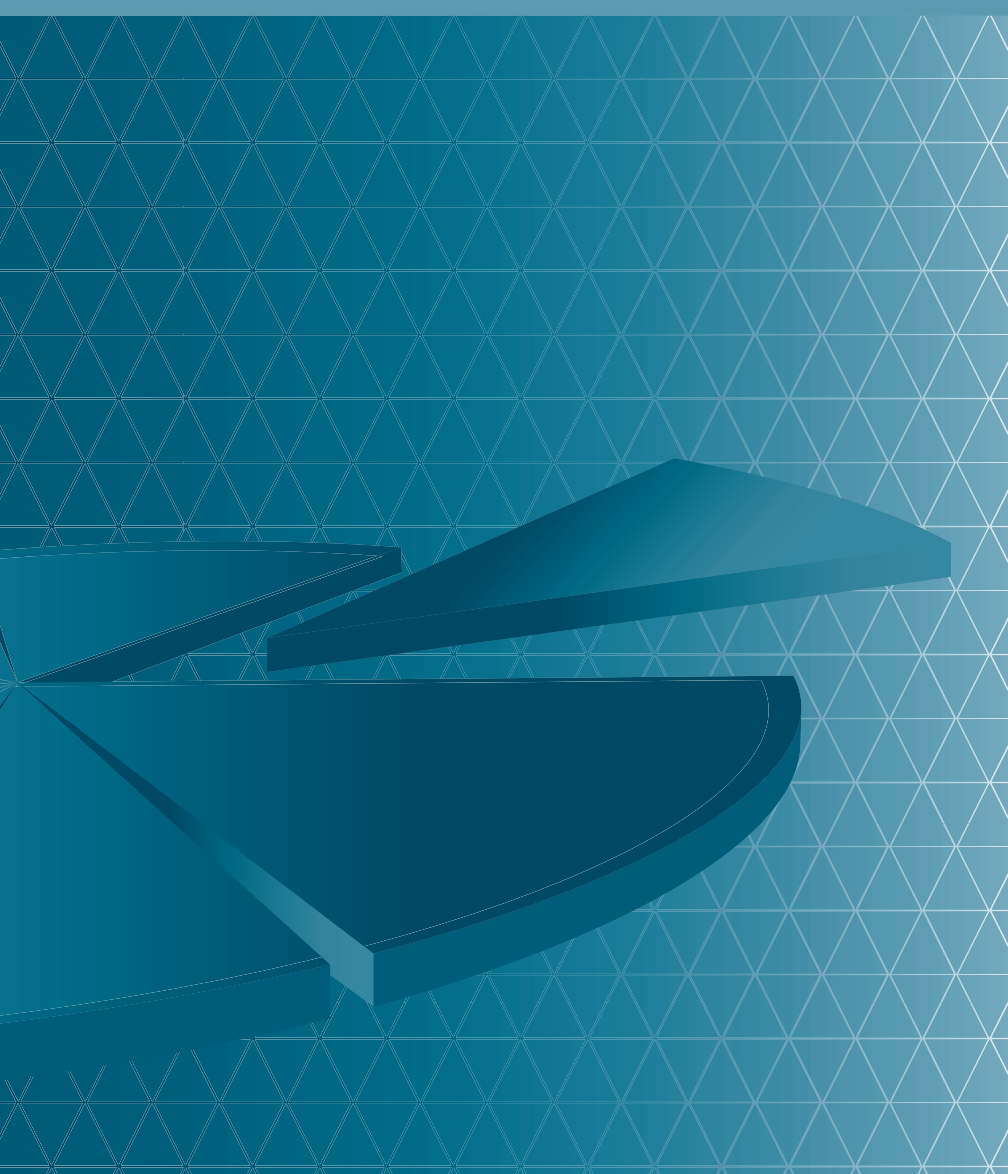




ALPS EQUAL Sector Weight ETF

An ALPS Advisors Solution

EQL



ALPS ETF Trust | SEMI-ANNUAL REPORT

June 30, 2011

ALPS Equal Sector Weight ETF

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Dear Shareholders:

When ALPS launched its ETF Trust in 2008 our goal was to bring innovative solutions to the ETF⁽¹⁾ industry that provide investors with access to a unique market segment or strategy. With the launch of EQL in July of 2009 we fulfilled that promise by bringing to market the world's first ETF that provides access to an Equal Sector Strategy.

Sectors are one of the most important drivers of risk and return. An Equal Sector Strategy can minimize the negative impact that any one sector can have on a portfolio. At the same time by offering meaningful exposure to each sector of the market, it allows investors the ability to participate in market rallies regardless of where they occur. We believe the transparency⁽²⁾, liquidity⁽³⁾ and low fees of the ETF structure make EQL a viable alternative for US large-cap investing.

In the pages that follow our Fund managers have provided a performance overview. We thank you for your investment and for being an EQL shareholder.

Thomas A. Carter*
President, ALPS ETF Trust

* Registered representative of ALPS Distributors, Inc. Ordinary brokerage commissions apply.

⁽¹⁾ Exchange Traded Fund ("ETF").

⁽²⁾ ETFs are considered transparent because their portfolio holdings are disclosed daily.

⁽³⁾ ETFs are considered to have continuous liquidity because they allow for an individual to trade throughout the day.

INVESTMENT OBJECTIVE

The Fund seeks investment results that replicate as closely as possible, before fees and expenses, the performance of the Banc of America Securities – Merrill Lynch Equal Sector Weight Index (the “Underlying Index”). The Fund’s investment objective is not fundamental and may be changed by the Board of Trustees without shareholder approval.

PRIMARY INVESTMENT STRATEGIES

The Adviser will seek to match the performance of the Underlying Index. The Underlying Index is an index of indexes comprised in equal proportions of the nine Select Sector SPDR Indexes (“The Underlying Sector Indexes”). In order to track the securities in the Underlying Index, the Fund will use a “fund of funds” approach, and seek to achieve its investment objective by investing at least 90% of its total assets in the shares of Select Sector SPDR exchange-traded funds (each, an “Underlying Sector ETF” and collectively the “Underlying Sector ETFs”) that track the Underlying Sector indexes of which the Underlying Index is comprised.

PERFORMANCE OVERVIEW

For the semi-annual period ended June 30, 2011, the Fund generated a total return of 6.70%, outperforming its benchmark, the Banc of America Securities Merrill Lynch Equal Sector Weight Index, as well as the S&P 500 which returned 5.93% and 6.02%, respectively. The Fund will generally outperform its benchmark because of the total return nature which accounts for the reinvestment of dividends, whereas the benchmark only captures capital appreciation and ignores the effect of dividends and interest. In general, US large-cap equities continued their momentum from 2009, although sluggish GDP growth in the US, sovereign debt issues in Europe and the pending expiration of the 2rd round of Quantitative Easing (“QE 2”) all began to weigh on equity prices in the latter half of the 2nd quarter. All nine sectors of the S&P 500 had positive returns for the first half of 2011 with the exception of Financials which declined 3.1%. Of particular significance was the change in sector leadership that took place in the first six months of the year. Defensive sectors, which had lagged during most of the recovery since March of 2009, lead the way. The best performing sector was Healthcare (14.0%), followed by Utilities (9.1%). After Financials, The Technology (2.9%) and Materials (3.6%) sectors were the worst performers in the first half of 2010, reversing nearly a two-year trend during which those sectors lead the recovery.

Compared to the S&P 500, the Fund benefited from its sector weights in 8 of the 9 sectors. The Fund benefited most from its relative overweight in the Utilities and Consumer Staples sectors as well as from its underweight in the Technology and Financial sectors. The Fund was negatively impacted by its overweight in the Materials sector which was the 3rd worst performing sector during the period.



PERFORMANCE as of June 30, 2011

Annualized	6 Month	1 Year	Since Inception Annualized*
ALPS Equal Sector Weight ETF			
NAV (Net Asset Value)	6.67%	32.28%	24.72%
Market Price**	6.70%	32.40%	24.85%
Banc of America Securities Merrill Lynch Equal			
Sector Weight Index	5.93%	30.31%	22.70%
S&P 500 Total Return Index	6.02%	30.69%	23.89%

Total Expense Ratio (per the current Prospectus) 0.54%

Performance data quoted represents past performance. Past performance does not guarantee future results. Current performance may be higher or lower than actual data quoted. Call 1.866.675.2639 or visit www.alpsetfs.com for current month end performance. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

NAV is an exchange-traded fund's per-share value. The per-share dollar amount of the fund is derived by dividing the total value of all the securities in its portfolio, less any liabilities, by the number of fund shares outstanding. Market Price is the price at which a share can currently be traded in the market. Information detailing the number of days the Market Price of the Fund was greater than the Fund's NAV and the number of days it was less than the Fund's NAV can be obtained at www.alpsetfs.com.

* The Fund commenced Investment Operations on July 06, 2009 with an Inception Date, the first day of trading on the Exchange, of July 7, 2009.

** Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

Banc of America Securities Merrill Lynch Equal Sector Weight Index: a U.S. equity index comprised, in equal weights, of nine sub-indices, and is a price-return index.

S&P 500 Index: the Standard & Poor's composite index of 500 stocks, a widely recognized, unmanaged index of common stock prices.

An investor cannot invest directly in an index.

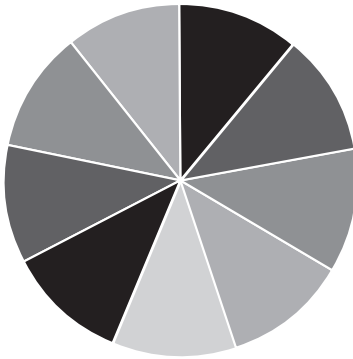
The following table shows the sector weights of both the Fund and the S&P 500 as of June 30, 2011:

SECTOR WEIGHTING COMPARISON as of June 30, 2011

	EQL	S&P 500
Materials (XLB)	11.5%	3.7%
Energy (XLE)	11.3	12.7
Consumer Discretionary (XLY)	11.3	10.6
Industrials (XLI)	11.2	11.3
Technology (XLK)	11.2	20.9
Financials (XLF)	11.0	15.1
Utilities (XLU)	10.9	3.4
Healthcare (XLV)	10.9	11.7
Consumer Staples (XLP)	10.7	10.6

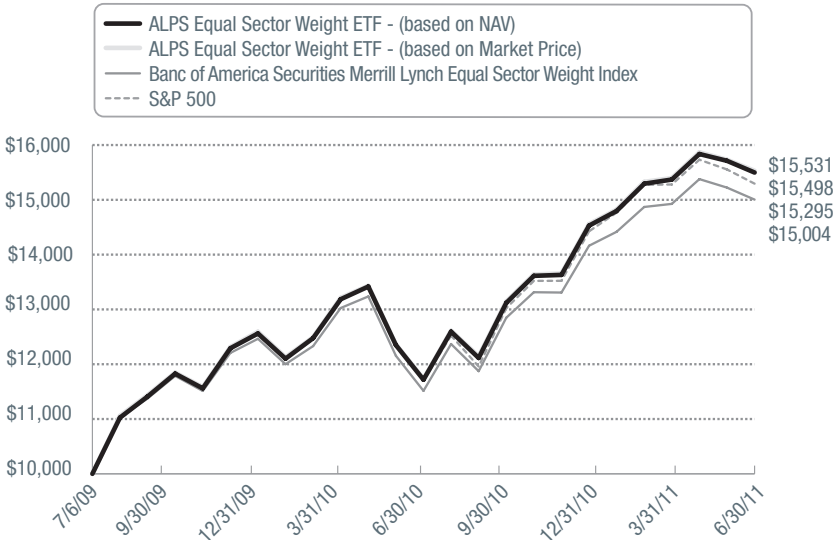
Source: S&P 500.

SECTOR ALLOCATION as of June 30, 2011



- Materials (XLB) – 11.5%
- Consumer Discretionary (XLY) – 11.3%
- Energy (XLE) – 11.3%
- Industrials (XLI) – 11.2%
- Technology (XLK) – 11.2%
- Financials (XLF) – 11.0%
- Healthcare (XLV) – 10.9%
- Utilities (XLU) – 10.9%
- Consumer Staples (XLP) – 10.7%

GROWTH OF \$10,000 as of June 30, 2011



The chart above represents historical performance of a hypothetical investment of \$10,000 in the Fund over the life of the Fund. Performance calculations are as of the end of each month. Past performance does not guarantee future results. This chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.



Disclosure of Fund Expenses

(Unaudited)

Shareholder Expense Example: As a shareholder of the Fund, you incur two types of costs: (1) transaction costs which may include creation and redemption fees or brokerage charges, and (2) ongoing costs, including management fees and other Fund expenses. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other funds. It is based on an investment of \$1,000 invested at January 1, 2011 and held through the period ended June 30, 2011.

Actual Return: The first line of the table provides information about actual account values and actual expenses. You may use the information in this table, together with the amount you invested, to estimate the expenses that you incurred over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During the Period" to estimate the expenses attributable to your investment during this period.

Hypothetical 5% Return: The second line of the table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

The expenses shown in the table are meant to highlight ongoing Fund costs only and do not reflect any transaction costs, such as creation and redemption fees, or brokerage charges. Therefore, the second table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these costs were included, your costs would have been higher.

	Beginning Account Value 1/01/11	Ending Account Value 6/30/11	Expense Ratio	Expenses Paid During the Period 1/01/11- 6/30/11 ^(a)
Actual	\$1,000.00	\$1,066.70	0.34%	\$1.74
Hypothetical	\$1,000.00	\$1,023.11	0.34%	\$1.71

^(a) Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (181), then divided by 365.

Schedule of Investments

June 30, 2011 (Unaudited)

Security Description	Shares	Value
EXCHANGE TRADED FUNDS (99.91%)		
Consumer Discretionary (11.32%)		
Consumer Discretionary Select Sector SPDR Fund	157,930	\$ 6,350,365
Consumer Staples (10.72%)		
Consumer Staples Select Sector SPDR Fund	192,569	6,013,930
Energy (11.23%)		
Energy Select Sector SPDR Fund	83,588	6,298,356
Financials (10.97%)		
Financial Select Sector SPDR Fund	401,647	6,157,248
Healthcare (10.91%)		
Health Care Select Sector SPDR Fund	172,415	6,124,181
Industrials (11.22%)		
Industrial Select Sector SPDR Fund	169,061	6,295,831
Materials (11.48%)		
Materials Select Sector SPDR Fund	163,573	6,441,505
Technology (11.22%)		
Technology Select Sector SPDR Fund	244,859	6,292,876
Utilities (10.84%)		
Utilities Select Sector SPDR Fund	181,660	6,081,977
TOTAL EXCHANGE TRADED FUNDS		
(Cost \$49,928,961)		56,056,269
TOTAL INVESTMENTS (99.91%)		
(Cost \$49,928,961)		56,056,269
NET OTHER ASSETS AND LIABILITIES (0.09%)		48,797
NET ASSETS (100.00%)		\$ 56,105,066

Common Abbreviations:

SPDR - Standard & Poor's Depositary Receipts

See Notes to Financial Statements.



Statement of Assets and Liabilities

June 30, 2011 (Unaudited)

ASSETS:

Investments, at value	\$	56,056,269
Cash		64,119
Total Assets		56,120,388

LIABILITIES:

Payable to advisor		15,322
Total Liabilities		15,322

NET ASSETS	\$	56,105,066
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NET ASSETS CONSIST OF:

Paid-in capital	\$	46,086,702
Overdistributed net investment income		(1,711)
Accumulated net realized gain on investments		3,892,767
Net unrealized appreciation on investments		6,127,308

NET ASSETS	\$	56,105,066
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INVESTMENTS, AT COST	\$	49,928,961
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PRICING OF SHARES

Net Assets	\$	56,105,066
Shares of beneficial interest outstanding (Unlimited number of shares authorized, par value \$0.01 per share)		1,500,000
Net Asset Value, offering and redemption price per share	\$	37.40

See Notes to Financial Statements.

Statement of Operations
For the Six Months Ended June 30, 2011 (Unaudited)

INVESTMENT INCOME:

Dividends	\$ 533,894
Total Investment Income	533,894

EXPENSES:

Investment advisory fee	105,787
Total expenses before reimbursement	105,787
Expenses reimbursed/waived by:	
Investment advisor	(8,577)

NET EXPENSES 97,210

NET INVESTMENT INCOME 436,684

Net realized gain on investments 3,875,020

Net change in unrealized appreciation on investments (1,198,628)

NET REALIZED AND UNREALIZED GAIN

ON INVESTMENTS 2,676,392

NET INCREASE IN NET ASSETS RESULTING

FROM OPERATIONS \$ 3,113,076

See Notes to Financial Statements.



Statements of Changes in Net Assets

	For the Six Months Ended June 30, 2011 (Unaudited)	For the Year Ended December 31, 2010
OPERATIONS:		
Net investment income	\$ 436,684	\$ 758,350
Net realized gain on investments	3,875,020	298,723
Net change in unrealized appreciation on investments	(1,198,628)	5,854,347
Net increase in net assets resulting from operations	3,113,076	6,911,420
DISTRIBUTIONS TO SHAREHOLDERS:		
From net investment income	(443,952)	(758,546)
Total distributions	(443,952)	(758,546)
SHARE TRANSACTIONS:		
Proceeds from sale of shares	20,362,110	34,389,889
Cost of shares redeemed	(19,937,858)	(1,539,300)
Net increase from share transactions	424,252	32,850,589
Net increase in net assets	3,093,376	39,003,463
NET ASSETS:		
Beginning of period	53,011,690	14,008,227
End of period*	\$ 56,105,066	\$ 53,011,690
* Including (over)/undistributed net investment income of:		
	\$ (1,711)	\$ 5,557
OTHER INFORMATION:		
SHARE TRANSACTIONS:		
Beginning shares	1,500,000	450,000
Shares sold	550,000	1,100,000
Shares redeemed	(550,000)	(50,000)
Shares outstanding, end of period	1,500,000	1,500,000

See Notes to Financial Statements.

Financial Highlights

For a Share Outstanding Throughout the Periods Presented

	For the Six Months Ended June 30, 2011 (Unaudited)	For the Year Ended December 31, 2010	For the Period July 7, 2009 (Inception) through December 31, 2009
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 35.34	\$ 31.13	\$ 25.04
INCOME FROM OPERATIONS:			
Net investment income	0.28 ^(a)	0.68 ^(a)	0.31
Net realized and unrealized gain on investments	2.08	4.14	6.10
Total from Investment Operations	2.36	4.82	6.41
LESS DISTRIBUTIONS:			
From net investment income	(0.30)	(0.61)	(0.31)
From capital gains	—	—	(0.01)
Total Distributions	(0.30)	(0.61)	(0.32)
NET INCREASE IN NET ASSET VALUE	2.06	4.21	6.09
NET ASSET VALUE, END OF PERIOD	\$ 37.40	\$ 35.34	\$ 31.13
TOTAL RETURN^(b)	6.67%	15.67%	25.60%
RATIOS/SUPPLEMENTAL DATA:			
Net assets, end of period (in 000s)	\$ 56,105	\$ 53,012	\$ 14,008
RATIOS TO AVERAGE NET ASSETS:			
Net investment income including reimbursement/waiver	1.53% ^(c)	2.14%	2.60% ^(c)
Net investment income excluding reimbursement/waiver	1.50% ^(c)	2.11%	2.57% ^(c)
Operating expenses including reimbursement/waiver	0.34% ^(c)	0.34%	0.34% ^(c)
Operating expenses excluding reimbursement/waiver	0.37% ^(c)	0.37%	0.37% ^(c)
PORTFOLIO TURNOVER RATE^(d)	2%	7%	4%

^(a) Calculated using average shares outstanding.

^(b) Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period and redemption at the net asset value on the last day of the period. The return presented does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption or sale of Fund shares. Total return calculated for a period of less than one year is not annualized.

^(c) Annualized.

^(d) Portfolio turnover is not annualized and does not include securities received or delivered from processing creations or redemptions.

See Notes to Financial Statements.



1. ORGANIZATION

The ALPS ETF Trust (the “Trust”) is an open-end management investment company organized as a Delaware statutory trust on September 13, 2007 and is registered with the Securities and Exchange Commission (“SEC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). As of June 30, 2011, the Trust consists of nine separate portfolios. Each portfolio represents a separate series of the Trust. This report pertains solely to the ALPS Equal Sector Weight ETF (the “Fund”), which commenced on July 7, 2009. The investment objective of the Fund is to seek investment results that correspond generally to the price and yield (before the Fund’s fees and expenses) of the Banc of America Securities Merrill Lynch Equal Sector Weight Index.

The Fund’s Shares (“Shares”) are listed on the New York Stock Exchange (“NYSE”) Arca. The Fund issues and redeems Shares at Net Asset Value (“NAV”) in blocks of 50,000 Shares each of which is called a “Creation Unit.” Creation Units are issued and redeemed principally in-kind for securities included in a specified index. Except when aggregated in Creation Units, Shares are not redeemable securities of the Fund.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of the financial statements. The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

A. Portfolio Valuation

The Fund’s NAV is determined daily, as of the close of regular trading on the NYSE, normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. The NAV is computed by dividing the value of all assets of the Fund (including accrued interest and dividends), less all liabilities (including accrued expenses and dividends declared but unpaid), by the total number of shares outstanding.

Portfolio securities listed on any exchange other than the National Association of Securities Dealer Automated Quotation (“NASDAQ”) exchange are valued at the last sale price on the business day as of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the most recent bid and asked prices on such day. Securities traded on the

NASDAQ are valued at the NASDAQ Official Closing Price as determined by NASDAQ. Short-term investments that mature in less than 60 days are valued at amortized cost, which approximates market value.

The Fund's investments are valued at market value or, in the absence of market value with respect to any portfolio securities, at fair value according to procedures adopted by the Trust's Board of Trustees (the "Board"). When market quotations are not readily available or when events occur that make established valuation methods unreliable, securities of the Fund may be valued in good faith by or under the direction of the Board.

B. Securities Transactions and Investment Income

Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date. Interest income, if any, is recorded on the accrual basis.

C. Federal Tax Information

The timing and character of income and capital gain distributions are determined in accordance with income tax regulations, which may differ from U.S. GAAP. Reclassifications are made to the Fund's capital accounts for permanent tax differences to reflect income and gains available for distribution (or available capital loss carryforwards) under income tax regulations.

For the year ended December 31, 2010, permanent book and tax differences resulting primarily from in-kind transactions were identified and reclassified among the components of the Fund's net assets as follows:

Undistributed Net Investment Income	Accumulated Net Realized Loss	Paid-in Capital
\$5,712	\$(286,603)	\$280,891

Net investment income and net realized gain, as disclosed on the Statement of Operations, and net assets were not affected by these reclassifications.

D. Dividends and Distributions to Shareholders

Dividends from net investment income of the Fund, if any, are declared and paid quarterly or as the Board of Trustees may determine from time to time. Distributions of net realized capital gains earned by the Fund, if any, are distributed at least annually.

Distributions from net investment income and capital gains are determined in accordance with income tax regulations, which may differ from U.S. GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund.



The tax character of the distributions paid was as follows:

	Year Ended December 31, 2010	Period Ended December 31, 2009
Distributions paid from:		
Ordinary Income	\$ 758,546	\$ 127,761
Total	\$ 758,546	\$ 127,761

As of December 31, 2010, the components of distributable earnings on a tax basis for the Fund were as follows:

Undistributed net investment income	\$ 50,692
Net unrealized appreciation on investments	7,298,548
Total	\$ 7,349,240

The differences between book-basis and tax-basis are primarily due to the deferral of losses from wash sales.

E. Income Taxes

No provision for income taxes is included in the accompanying financial statements, as the Fund intends to distribute to shareholders all taxable investment income and realized gains and otherwise comply with Subchapter M of the Internal Revenue Code applicable to regulated investment companies.

The Fund evaluates tax positions taken (or expected to be taken) in the course of preparing the Fund's tax returns to determine whether these positions meet a "more-likely-than-not" standard that, based on the technical merits, have a more than fifty percent likelihood of being sustained by a taxing authority upon examination. A tax position that meets the "more-likely-than-not" recognition threshold is measured to determine the amount of benefit to recognize in the financial statements.

Management of the Fund analyzes all open tax years, as defined by the Statute of Limitations, for all major jurisdictions, including federal tax authorities and certain state tax authorities. As of and during the fiscal year ended December 31, 2010, the Fund did not have a liability for any unrecognized tax benefits. The Fund will file income tax returns in the U.S. federal jurisdiction and Colorado. For the years ended December 31, 2009, and December 31, 2010, the Fund's returns are open to examination by the appropriate taxing authority.

F. Fair Value Measurements

The Fund discloses the classification of its fair value measurements following a three-tier hierarchy based on the inputs used to measure fair value. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or

unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability that are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability that are developed based on the best information available.

Various inputs are used in determining the value of the Fund's investments as of the end of the reporting period. When inputs used fall into different levels of the fair value hierarchy, the level in the hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The designated input levels are not necessarily an indication of the risk or liquidity associated with these investments. These inputs are categorized in the following hierarchy under applicable financial accounting standards:

Level 1 – unadjusted quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

Investments in Securities at Value*	Level 1 – Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
Exchange Traded Funds	\$56,056,269	\$ –	\$ –	\$56,056,269
TOTAL	\$56,056,269	\$ –	\$ –	\$56,056,269

* For detailed descriptions of the sectors, see the accompanying Statement of Investments.

For the period ended June 30, 2011, the Fund did not have any significant transfers between Level 1 and Level 2 securities. The Fund did not have any securities which used significant unobservable inputs (Level 3) in determining fair value.

3. INVESTMENT ADVISORY FEE AND OTHER AFFILIATED TRANSACTIONS

ALPS Advisors, Inc. (the "Investment Adviser") acts as the Fund's investment adviser pursuant to an Advisory Agreement with the Trust on behalf of the Fund (the "Advisory Agreement"). Pursuant to the Advisory Agreement, the Fund pays the Investment Adviser a unitary fee for the services and facilities it provides



payable on a monthly basis at the annual rate of 0.37% of the Fund's average daily net assets. ALPS Distributors Inc. ("ADI") is both the distributor for the Fund as well as the Select Sector SPDR exchange traded funds ("Underlying Sector ETFs") that the Fund invests in. As required by exemptive relief obtained by the Underlying Sector ETFs, the Investment Adviser will reimburse the Fund an amount equal to the distribution fee received by ADI from the Underlying Sector ETFs attributable to the Fund's investment in the Underlying Sector ETFs, for so long as ADI acts as the distributor to the Fund and the Underlying Sector ETFs. From time to time, the Investment Adviser may waive all or a portion of its fee.

Out of the unitary management fee, the Investment Adviser pays substantially all expenses of the Fund, including the licensing fee of the Index provider, and the cost of transfer agency, custody, fund administration, legal, audit, trustees and other services, except for interest expenses, distribution fees or expenses, brokerage expenses, taxes and extraordinary expenses not incurred in the ordinary course of the Fund's business. In addition, the Investment Adviser's unitary management fee is designed to compensate the Investment Adviser for providing services for the Fund.

ALPS Fund Services, Inc. ("ALPS"), an affiliate of the Investment Adviser, is the administrator of the Fund.

The Bank of New York Mellon is the custodian, fund accounting agent and transfer agent for the Fund.

Each Trustee who is not an officer or employee of the Investment Adviser, or any of its affiliates ("Independent Trustees") is paid a quarterly retainer of \$3,500, \$1,500 for each regularly scheduled Board meeting attended and \$750 for each special meeting held outside of regularly scheduled meetings.

4. PURCHASES AND SALES OF SECURITIES

For the period ended June 30, 2011, the cost of purchases and proceeds from sales of investment securities, excluding short-term investments and in-kind transactions, were as follows:

Purchases	Sales
\$ 1,030,990	\$ 1,686,148

For the period ended June 30, 2011, the cost of in-kind purchases and proceeds from in-kind sales were as follows:

Purchases	Sales
\$ 19,563,009	\$ 18,497,210

Gains on in-kind transactions are generally not considered taxable gains for federal income tax purposes.

As of June 30, 2011, the costs of investments for federal income tax purposes and accumulated net unrealized appreciation/(depreciation) on investments were as follows:

Gross appreciation on investments (excess of value over tax cost)	\$ 6,136,002
Gross depreciation on investments (excess of tax cost over value)	\$ (70,752)
Net Unrealized Appreciation	\$ 6,065,250
Cost of investments for income tax purposes	\$49,991,020

5. CAPITAL SHARE TRANSACTIONS

Shares are created and redeemed by the Fund only in Creation Unit size aggregations of 50,000. Only broker-dealers or large institutional investors with creation and redemption agreements called Authorized Participants ("AP") are permitted to purchase or redeem Creation Units from the Fund. Such transactions are generally permitted on an in-kind basis, with a balancing cash component to equate the transaction to the net asset value per unit of the Fund on the transaction date. Cash may be substituted equivalent to the value of certain securities generally when they are not available in sufficient quantity for delivery, not eligible for trading by the AP or as a result of other market circumstances.

6. INDEMNIFICATIONS

Under the Trust's organizational documents, its Trustees and Officers are indemnified against certain liability arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Trust that have not yet occurred.

7. SUBSEQUENT EVENTS

On July 19, 2011, ALPS Holdings, Inc. ("ALPS") and its various subsidiaries (including, ALPS Advisors, Inc., ALPS Fund Services, Inc. and ALPS Distributors, Inc.), entered into a merger agreement ("Transaction Agreement") providing for the acquisition of ALPS by DST Systems, Inc. ("DST"). If the transaction contemplated by the Transaction Agreement (the "Transaction") is completed, ALPS will become a wholly owned subsidiary of DST, a publicly traded company. Completion of the Transaction is subject to a number of conditions, including without limitation obtaining regulatory approval and the consent to the Transaction by a certain percentage of ALPS' clients representing a specified percentage of the annualized revenue of ALPS and its subsidiaries. ALPS and DST currently expect to complete the Transaction in the fourth quarter of 2011.



PROXY VOTING POLICIES AND PROCEDURES

A description of the Fund's proxy voting policies and procedures used in determining how to vote for proxies and information regarding how the Fund voted proxies related to portfolio securities during the most recent 12-month period ended June 30th is available without charge, (1) on the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>; (2) upon request, by calling 1-866-513-5856; and (3) on the Trust's website located at <http://www.alpsetfs.com>.

PORTFOLIO HOLDINGS

The Trust will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Trust's Form N-Q will be available (1) on the SEC's website at <http://www.sec.gov>; (2) by calling 1-866-513-5856; (3) on the Trust's website located at <http://www.alpsetfs.com>; and (4) for review and copying at the SEC's Public Reference Room ("PRR") in Washington D.C. Information regarding the operation of the PRR may be obtained by calling 1-800-732-0330.

Board Considerations Regarding Approval of Investment Advisory Agreement

At an in-person meeting held on June 20, 2011, the Board of Trustees of the Trust (the "Board"), including the Trustees who are not "interested persons" of the Trust within the meaning of the Investment Company Act of 1940, as amended (the "Independent Trustees"), evaluated a proposal to approve the renewal of the Investment Advisory Agreement (the "Advisory Agreement") between the Trust and ALPS Advisors, Inc. (the "Investment Adviser") with respect to ALPS Equal Sector Weight ETF (the "Fund").

In evaluating the Advisory Agreement, the Board did not identify any single factor as all-important or controlling. The following summary does not identify all the matters considered by the Board, but includes the principal matters it considered. The Board considered whether renewal of the Advisory Agreement would be in the best interests of the Fund and its shareholders, based on: (i) the nature, extent and quality of the services to be provided by the Investment Adviser under the Advisory Agreement; (ii) the investment performance of the Fund; (iii) the expenses borne by the Fund under the unitary fee arrangement of the Advisory Agreement; (iv) the estimated profitability of the Investment Adviser and its affiliates from their relationship with the Fund; (v) potential fall-out benefits to the Investment Adviser from its relationship with the Fund; and (vi) other general information about the Investment Adviser and its affiliates. The following is a summary of the Board's consideration and conclusions regarding these matters.

Nature, Extent and Quality of the Services to be Provided

The Board considered the nature, extent and quality of the services to be provided by the Investment Adviser, including the functions performed by the Investment Adviser for the Fund, information describing the Investment Adviser's organization and the background and experience of the persons responsible for the day-to-day management of the Fund. The Trustees reviewed financial information regarding the Investment Adviser and its parent company. The Board considered that the Fund would be managed by senior personnel at the Investment Adviser. In that regard, the Board considered the history of care and conscientiousness in supervising the management of the Fund provided by such personnel. The Board also considered the compliance records of the Investment Adviser. Finally, the Board considered its and the Fund's association with the current personnel employed by the Investment Adviser.

The Board concluded that the nature and extent of the services to be provided by the Investment Adviser to the Fund were appropriate, that the quality of the service was satisfactory, and that the Fund was likely to benefit from services provided under the Advisory Agreement. The Board also concluded that the Investment Adviser would have sufficient personnel, with the appropriate education and experience, to serve the Fund effectively. The Board also concluded that the Investment Adviser had demonstrated a continuing ability to attract and retain well-qualified personnel.

Investment Performance

The Board also reviewed investment performance information of the Fund compared to that of a peer group and its benchmark index. The Board evaluated the correlation and tracking error between the underlying index and the Fund.



Board Considerations Regarding Approval of Investment Advisory Agreement

Costs of the Services to be Provided to the Fund

The Board noted that the advisory fee paid to the Investment Adviser by the Fund was a unitary fee pursuant to which the Investment Adviser assumes all expenses of the Fund (including the cost of transfer agency, custody, advisory, fund administration, legal, audit and other services) other than the payments under the Advisory Agreement, brokerage expenses, taxes, interest, litigation expenses and other extraordinary expenses. The Board reviewed comparative fee information for the Fund, including information about the rates of compensation paid to investment advisers, and overall expense ratios, for funds comparable in size, character and investment strategy to the Fund. The Board considered the fact that the Fund's fees were generally comparable to the fees charged to similar funds. The Board concluded that the unitary fee payable by the Fund to the Investment Adviser was reasonable in relation to the nature and quality of the services expected to be provided, taking into account the fees charged by other advisers for managing comparable funds with similar strategies.

Projected Profitability and Costs of Services to the Investment Adviser

The Board reviewed reports of the financial position of the Investment Adviser and its parent company. The Board considered the estimated profitability of the overall relationship between the Investment Adviser and its affiliates and the Fund. The Board noted that since the Fund was subject to a unitary fee arrangement with the Investment Adviser pursuant to the Advisory Agreement, there were no other fees payable to other affiliates for non-advisory services. The Board noted that the Investment Adviser was currently not experiencing profitability with respect to its management of the Fund, and concluded that the estimated future profitability of the Investment Adviser and its affiliates was reasonable in relation to the services to be provided, and to the costs of providing services to the Fund. The Board acknowledged the Investment Adviser's well-established stand-alone management relationships independent of the Fund and the regulatory and entrepreneurial risks it assumed in connection with the management of the Fund.

Fall-Out Benefits

The Board also considered any potential "fall-out" benefits that the Investment Adviser might receive because of its relationship with the Fund and concluded that there were no such benefits.

Economies of Scale

The Board reviewed the Fund's assets under management, and noted that because of the Fund's unitary fee arrangement, consideration of economies of scale was not a relevant factor to the Fund.

Conclusion

Based on its evaluation, the Board unanimously concluded that the terms of the Advisory Agreement continued to be reasonable, fair and in the best interests of the Fund and its shareholders.



This report has been prepared for the ALPS Equal Sector Weight ETF shareholders and may be distributed to others only if preceded or accompanied by a prospectus.

ALPS Distributors, Inc., distributor for the ALPS Equal Sector Weight ETF.

