



# COHEN & STEERS

## Global Realty Majors ETF

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*An ALPS Advisors, Inc. Solution*

ALPS ETF Trust **ANNUAL REPORT**  
*November 30, 2011*



Shareholder Letter	2
Performance Overview	3
Disclosure of Fund Expenses	6
Report of Independent Registered Public Accounting Firm	7
Financial Statements	
Schedule of Investments	8
Statement of Assets and Liabilities	12
Statements of Operations	13
Statements of Changes in Net Assets	14
Financial Highlights	16
Notes to Financial Statements	18
Additional Information	26
Trustees and Officers	27
Board Considerations Regarding Continuation of Investment Advisory Agreement	32

November 30, 2011 (Unaudited)

Dear Shareholders:

When ALPS launched its ETF<sup>(1)</sup> Trust in 2008 our goal was to bring innovative solutions to the ETF industry that provide investors with access to a unique market segment or strategy. Our first portfolio – the Cohen & Steers Global Realty Majors ETF (“GRI”) – is one of the first ETFs to provide investors with access to a diversified portfolio of global real estate securities. US real estate, while already a mainstream asset class, only covers 1/3 of the global real estate universe. Furthermore, development of Real Estate Investment Trusts (“REITs”) in the global market continues to be strong as foreign countries seek to securitize their private real estate holdings. As a result, real estate fund that is global in scope can provide investors with a wider range of opportunities than a purely domestic fund while preserving the diversification and income benefits of US REITs.

By partnering with Cohen & Steers, we have secured a best in breed real estate manager with a great track record and reputation. Furthermore, the transparency<sup>(2)</sup>, low cost and tax efficiency of the ETF structure provides access to global real estate in a very efficient manner. We believe access to global real estate, the benefits of the ETF structure, and the expertise of Cohen & Steers make for a powerful investment combination that will allow investors to build better portfolios.

In the pages that follow our Fund managers have provided a performance overview.

We thank you for your investment and for being a GRI shareholder.



Thomas A. Carter\*  
President, ALPS ETF Trust

\* Registered representative of ALPS Distributors, Inc.

<sup>(1)</sup> Exchange Traded Fund (“ETF”).

<sup>(2)</sup> ETFs are considered transparent because their portfolio holdings are disclosed daily.

Ordinary brokerage commissions apply.

## FUND DESCRIPTION

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The Cohen & Steers Global Realty Majors ETF (the “Fund”) seeks investment results that correspond generally to the performance (before the Fund’s fees and expenses) of an equity index called the Cohen & Steers Global Realty Majors Index (the “Index”). The Shares of the Fund are listed and trade on the NYSE Arca under the ticker symbol “GRI.” The Fund will normally invest substantially all of its assets in the 75 stocks that comprise the Cohen & Steers Global Realty Majors Index. The Fund began trading on May 9, 2008.

The Index is a free-float, market-cap-weighted total return index of selected real estate equity securities maintained by Cohen & Steers. It is quoted intraday on a real-time basis by the Chicago Mercantile Exchange under the symbol GRM. The Index’s free-float market capitalization approach and qualitative screening process emphasize companies that the Cohen & Steers Index Committee believes are leading the securitization of real estate globally.

## PERFORMANCE OVERVIEW

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Global real estate securities suffered through a volatile year that plagued many risky assets, particularly securities with smaller capitalizations or those domiciled overseas. After a roller-coaster ride, global real estate securities lost 5.53% for the 11-month period ended November 30, 2011. Worries about fiscal contagion in Europe and a hiccup in the US recovery impacted all equities, including global real estate securities. US real estate securities lead the way, rising 3.7%. Both the European and Asian property sectors lost value, with Europe losing 8.5% and Asia falling 18.0%.

Overall results for the US property sector were mixed, as increasing economic uncertainty and more conservative expectations for future growth weighed heavily on the more cyclical sectors of the market. Shopping centers underperformed on fears of slow income growth and the Industrial sector was negatively impacted by ProLogis, whose European business unit continued to suffer. The Regional Mall sector declined in value as well but was insulated somewhat by its concentration in higher quality locations. The more defensive Self-Storage sector was the leader in the group and benefited from peak level occupancies and the pricing power to raise rents for existing tenants.

The European real estate market was plagued by continued uncertainty surrounding the sovereign debt crisis and the fate of the Euro. Despite the installation of new fiscal-minded governments in Italy and Greece, rapid economic deceleration across the continent put additional strain on government budgets. The United Kingdom was one of the more resilient markets (-2.5%) as investors focused on London’s prime office and retail locations. French real estate securities lost 8.9% of their value and reflected the rise in yields on French sovereign debt and its increased vulnerability to deteriorating capital markets. The Netherlands property market suffered the greatest losses (-24.6%) due to the pan-European exposure of its companies.

The Asian property market saw steep declines in 2011 amid fears of recession and high inflation. The Australian sector was the only region to show positive results, rising 0.9% for the 11-month period. Australia benefited from the Reserve Bank of Australia’s rate cut after a long period of stable monetary policy. The remaining real estate markets suffered, with Japan faring next best (-17.8%). Slowing exports to

November 30, 2011 (Unaudited)

Europe and China, sluggish domestic growth and rising vacancies in Tokyo all contributed to declines in the Japanese property market. Weak residential demand hurt property developers in Singapore (-21.5%). In addition, lower 2012 growth expectations impacted many of the export-sensitive sectors. Hong Kong was the worst performing property sector (-27.8%) and real estate securities were plagued by a deceleration in rent growth and weak demand.

For the eleven months ended November 30, 2011 the Fund's market price decreased 4.37% and the Fund's net asset value ("NAV") decreased 5.53%. Over the same time period the Fund's benchmark decreased 6.70%.

**Performance** as of November 30, 2011

	5 Month	YTD	1 Year	3 Year	Since Inception Annualized*
<b>Fund Performance</b>					
NAV	-11.33%	-5.53%	0.34%	17.83%	-7.16%
Market Price**	-10.54%	-4.37%	1.59%	18.58%	-6.74%
<b>Index Performance</b>					
Cohen & Steers Global Realty	-11.19%	-4.85%	1.16%	18.96%	-6.32%
Majors Portfolio Index					
FTSE EPRA/NAREIT Developed	-12.04%	-6.70%	-0.81%	19.42%	-6.34%
Real Estate Index					
S&P 500 Total Return Index	-4.67%	1.08%	7.83%	14.13%	-1.34%

**Total Expense Ratio (per the current prospectus) 0.55%.**

Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance data may be higher or lower than actual data quoted. For most current month-end performance data please visit [www.alpsfunds.com](http://www.alpsfunds.com).

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. 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.alpsfunds.com](http://www.alpsfunds.com).

\* Fund Inception 5/7/08.

\*\* Market Price is the price at which a share can currently be traded in the market.

**Cohen & Steers Global Realty Majors® Portfolio Index:** A free-float adjusted, modified market capitalization-weighted index of global real estate equities. The modified market capitalization weighting approach and qualitative screening process emphasize those companies that, in the opinion of the Cohen & Steers investment committee, are leading the securitization of real estate globally.

**FTSE EPRA/NAREIT Developed Real Estate Index:** An unmanaged market-weighted total return index that consists of many companies from developed markets whose floats are larger than \$100 million and which derive more than half of their revenue from property-related activities.

**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.

November 30, 2011 (Unaudited)

**TOP 10 HOLDINGS** (as a % of Net Assets)\* as of November 30, 2011

Simon Property Group, Inc.	4.02%	HCP, Inc.	3.16%
Mitsubishi Estate Co., Ltd.	3.87	Ventas, Inc.	3.05
Public Storage	3.75	Boston Properties, Inc.	2.82
Sun Hung Kai Properties, Ltd.	3.61	<b>Percent of Net Assets</b>	
Westfield Group	3.58	<b>in Top Ten Holdings:</b>	<b>34.57%</b>
Unibail-Rodamco	3.42		
Equity Residential	3.29		

\* Future holdings are subject to change.

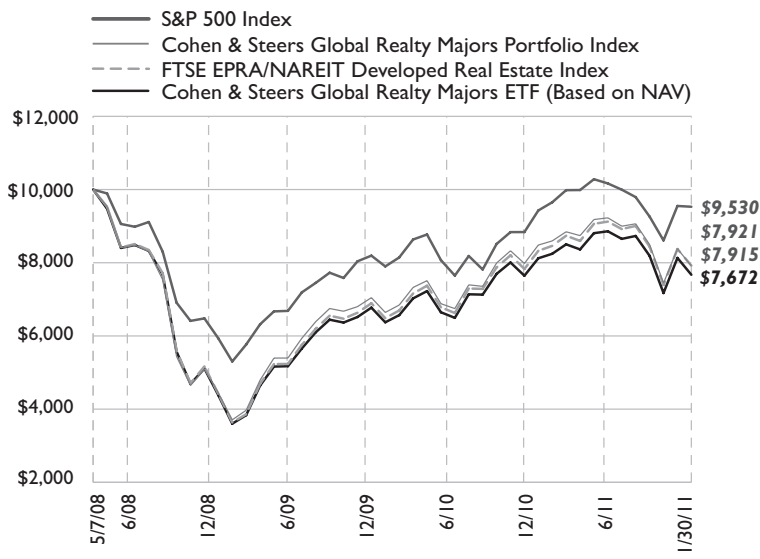
**GEOGRAPHIC BREAKDOWN\*\***

United States	48.42%	Canada	2.16%
Hong Kong	12.54	Netherlands	1.07
Australia	9.86	Brazil	0.87
Japan	9.19	Switzerland	0.60
Great Britain	5.88	Sweden	0.43
France	5.32		
Singapore	3.66		

\*\* % of Total Investments

**GROWTH OF \$10K** as of November 30, 2011

Comparison of Change in Value of \$10,000 Investment in Cohen & Steers Global Realty Majors ETF and Cohen & Steers Global Realty Majors Index.



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.

**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 July 1, 2011, and held through the period ended November 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 line 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 7/01/11	Ending Account Value 11/30/11	Expense Ratio	Expenses Paid During the Period <sup>(a)</sup> 7/01/11-11/30/11
Actual	\$ 1,000.00	\$ 886.70	0.55%	\$ 2.17 <sup>(a)</sup>
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,022.43	0.55%	\$ 2.80 <sup>(b)</sup>

<sup>(a)</sup> Effective March 7, 2011, the Board approved changing the fiscal year end of the Fund from December 31 to November 30. Actual 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 (153), then divided by 365.

<sup>(b)</sup> 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 (184), then divided by 365.

To the Board of Trustees and Shareholders of ALPS ETF Trust:

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Cohen & Steers Global Realty Majors ETF, one of the funds constituting the ALPS ETF Trust (the "Trust") as of November 30, 2011, and the related statements of operations for the period ended November 30, 2011 and the year ended December 31, 2010, the statement of changes in net assets for the period ended November 30, 2011 and each of the two years in the period ended December 31, 2010, and the financial highlights for the period ended November 30, 2011, each of the two years in the period ended December 31, 2010, and the period May 7, 2008 (inception) to December 31, 2008. These financial statements and financial highlights are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trust is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of November 30, 2011, by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Cohen & Steers Global Realty Majors ETF of the ALPS ETF Trust as of November 30, 2011, the results of its operations for the period ended November 30, 2011 and the year ended December 31, 2010, the changes in its net assets for the period ended November 30, 2011 and each of the two years in the period ended December 31, 2010, and the financial highlights for the period ended November 30, 2011, each of the two years in the period ended December 31, 2010, and the period May 7, 2008 (inception) to December 31, 2008, in conformity with accounting principles generally accepted in the United States of America.

**DELOITTE & TOUCHE LLP**

Denver, Colorado  
January 27, 2012

Security Description	Shares	Value
<b>COMMON STOCKS (99.63%)</b>		
<i>Australia (9.82%)</i>		
CFS Retail Property Trust	237,919	\$ 449,722
Dexus Property Group	490,310	435,697
Goodman Group	666,909	407,644
GPT Group	173,381	559,279
Mirvac Group	346,054	451,487
Stockland Trust Group	241,459	840,893
Westfield Group	214,546	1,807,306
		<u>4,952,028</u>
<i>Brazil (0.87%)</i>		
BR Malls Participacoes SA	43,000	436,859
<i>Canada (2.15%)</i>		
Boardwalk Real Estate Investment Trust	3,969	202,871
Dundee Real Estate Investment Trust	6,225	200,143
RioCan Real Estate Investment Trust	27,231	683,219
		<u>1,086,233</u>
<i>France (5.30%)</i>		
Fonciere des Regions	3,956	262,781
Gecina SA	2,647	228,298
ICADE	2,317	184,990
Klepierre	9,433	273,139
Unibail-Rodamco	9,252	1,721,846
		<u>2,671,054</u>
<i>Hong Kong (12.49%)</i>		
China Overseas Land & Investment, Ltd.	388,000	643,714
China Resources Land, Ltd.	204,500	299,826
Hang Lung Properties, Ltd.	203,000	595,254
Henderson Land Development Co., Ltd.	94,000	450,929
Hongkong Land Holdings, Ltd.	118,000	533,360
The Link Real Estate Investment Trust	228,000	807,845
Sino Land Co., Ltd.	348,000	423,392
Sun Hung Kai Properties, Ltd.	152,000	1,821,928
The Wharf Holdings, Ltd.	153,700	722,492
		<u>6,298,740</u>

Security Description	Shares	Value
<b>Japan (9.16%)</b>		
Mitsubishi Estate Co., Ltd.	120,000	\$ 1,950,792
Mitsui Fudosan Co., Ltd.	84,000	1,317,944
Nippon Building Fund, Inc.	55	503,027
Sumitomo Realty & Development Co., Ltd.	44,000	845,086
		<u>4,616,849</u>
<b>Netherlands (1.07%)</b>		
Corio N.V.	9,351	415,714
Eurocommercial Properties N.V.	3,618	122,149
		<u>537,863</u>
<b>Singapore (3.64%)</b>		
Ascendas Real Estate Investment Trust	172,066	273,963
CapitaLand, Ltd.	262,000	515,309
CapitaMall Trust	265,347	361,390
City Developments, Ltd.	47,000	355,824
Global Logistic Properties, Ltd.*	232,000	329,553
		<u>1,836,039</u>
<b>Sweden (0.43%)</b>		
Castellum AB	17,428	218,241
<b>Switzerland (0.61%)</b>		
PSP Swiss Property AG*	3,522	305,899
<b>United Kingdom (5.85%)</b>		
British Land Co., Plc	89,899	700,320
Capital Shopping Centres Group Plc	60,684	306,470
Derwent London Plc	8,275	208,239
Great Portland Estates Plc	31,768	176,126
Hammerson Plc	72,362	445,114
Land Securities Group Plc	78,513	848,343
Segro Plc	75,354	267,018
		<u>2,951,630</u>
<b>United States (48.24%)</b>		
Alexandria Real Estate Equities, Inc.	6,278	411,586
American Campus Communities, Inc.	7,045	277,150
AvalonBay Communities, Inc.	9,529	1,189,696
Boston Properties, Inc.	14,885	1,419,731
BRE Properties, Inc.	7,573	368,502
Brookfield Office Properties, Inc.	21,906	322,675

November 30, 2011

Security Description	Shares	Value
<b>United States (continued)</b>		
Camden Property Trust	7,212	\$ 416,349
Corporate Office Properties Trust	7,286	151,913
Digital Realty Trust, Inc.	10,069	639,382
Douglas Emmett, Inc.	12,931	232,499
Duke Realty Corp.	25,677	297,853
Equity Residential	30,041	1,657,963
Essex Property Trust, Inc.	3,312	439,999
Federal Realty Investment Trust	6,364	562,769
General Growth Properties, Inc.	61,715	868,947
HCP, Inc.	41,269	1,595,047
Health Care REIT, Inc.	19,094	957,946
Host Hotels & Resorts, Inc.	71,549	1,012,418
Kimco Realty Corp.	41,237	650,307
Liberty Property Trust	11,713	349,165
The Macerich Co.	13,366	669,637
ProLogis	46,508	1,293,853
Public Storage	14,353	1,893,161
Regency Centers Corp.	9,137	339,531
Simon Property Group, Inc.	16,308	2,027,737
SL Green Realty Corp.	8,660	570,174
UDR, Inc.	22,198	521,653
Ventas, Inc.	29,173	1,539,167
Vornado Realty Trust	18,687	1,391,247
Weingarten Realty Investors	12,272	253,908
		<u>24,321,965</u>
<b>TOTAL COMMON STOCKS</b>		
(Cost \$50,622,454)		<u>50,233,400</u>
<b>TOTAL INVESTMENTS (99.63%)</b>		
(Cost \$50,622,454)		50,233,400
<b>NET OTHER ASSETS AND LIABILITIES (0.37%)</b>		<u>184,620</u>
<b>NET ASSETS (100.00%)</b>		<u>\$ 50,418,020</u>

\* Non-income producing security.

*Common Abbreviations:*

*AB - Aktiebolag is the Swedish equivalent of the term corporation.*

*AG - Aktiengesellschaft is a German term that refers to a corporation that is limited by shares, i.e., owned by shareholders.*

*Ltd. - Limited.*

*N.V. - Naamloze Vennootschap is the Dutch term for a public limited liability corporation.*

*Plc - Public Limited Co.*

*REIT - Real Estate Investment Trust.*

*SA - Generally designated corporations in various countries, mostly those employing the civil law.*

*See Notes to Financial Statements.*

**ASSETS:**

Investments, at value	\$ 50,233,400
Cash	112,895
Foreign currency, at value (Cost \$12,703)	12,801
Receivable for investments sold	246
Foreign tax reclaims	7,350
Interest and dividends receivable	74,540
<b>Total Assets</b>	<b>50,441,232</b>

**LIABILITIES:**

Payable for investments purchased	422
Payable to advisor	22,790
<b>Total Liabilities</b>	<b>23,212</b>
<b>NET ASSETS</b>	<b>\$ 50,418,020</b>

**NET ASSETS CONSIST OF:**

Paid-in capital	\$ 54,842,555
Overdistributed net investment income	(728,017)
Accumulated net realized loss on investments and foreign currency transactions	(3,307,003)
Net unrealized depreciation on investments and translation of assets and liabilities denominated in foreign currencies	(389,515)
<b>NET ASSETS</b>	<b>\$ 50,418,020</b>

**INVESTMENTS, AT COST** \$ 50,622,454

**PRICING OF SHARES**

Net Assets	\$ 50,418,020
Shares of beneficial interest outstanding (Unlimited number of shares authorized, par value \$0.01 per share)	1,550,000
Net Asset Value, offering and redemption price per share	\$ 32.53

	For the Period January 1, 2011 to November 30, 2011 <sup>(a)</sup>	For the Year Ended December 31, 2010
<b>INVESTMENT INCOME:</b>		
Dividends <sup>(b)</sup>	\$ 1,697,951	\$ 1,244,995
Total Investment Income	1,697,951	1,244,995
<b>EXPENSES:</b>		
Investment advisory fee	261,699	140,275
Total Net Expenses	261,699	140,275
<b>NET INVESTMENT INCOME</b>	<b>1,436,252</b>	<b>1,104,720</b>
Net realized gain/(loss) on investments	777,361	(962,358)
Net realized gain/(loss) on foreign currency transactions	(5,226)	729
Net change in unrealized appreciation/(depreciation) on investments	(5,846,321)	5,068,972
Net change in unrealized appreciation/(depreciation) on translation of assets and liabilities denominated in foreign currencies	(1,971)	1,768
<b>NET REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS</b>	<b>(5,076,157)</b>	<b>4,109,111</b>
<b>NET INCREASE/(DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b>\$ (3,639,905)</b>	<b>\$ 5,213,831</b>

<sup>(a)</sup> Effective March 7, 2011, the Board approved changing the fiscal year end of the Fund from December 31 to November 30.

<sup>(b)</sup> Net of foreign withholding tax of \$77,454 and \$33,498, respectively.

	For the Period January 1, 2011 to November 30, 2011 <sup>(a)</sup>	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
<b>OPERATIONS:</b>			
Net investment income	\$ 1,436,252	\$ 1,104,720	\$ 212,230
Net realized gain/(loss) on investments and foreign currency transactions	772,135	(961,629)	(1,175,772)
Net change in unrealized appreciation/(depreciation) on investments and foreign currency	(5,848,292)	5,070,740	2,832,094
Net increase/(decrease) in net assets resulting from operations	(3,639,905)	5,213,831	1,868,552

**DISTRIBUTIONS TO SHAREHOLDERS:**

From net investment income	(1,593,186)	(1,865,795)	(504,174)
Total distributions	(1,593,186)	(1,865,795)	(504,174)

**SHARE TRANSACTIONS:**

Proceeds from sale of shares	19,906,094	26,743,914	6,176,164
Cost of shares redeemed	(6,881,318)	(68,866)	—
Net increase from share transactions	13,024,776	26,675,048	6,176,164
Net increase in net assets	7,791,685	30,023,084	7,540,542

**NET ASSETS:**

Beginning of year	42,626,335	12,603,251	5,062,709
End of period*	\$ 50,418,020	\$ 42,626,335	\$ 12,603,251

\*Including overdistributed net investment income of: \$ (728,017) \$ (1,044,296) \$ (294,951)

**Other Information:****SHARE TRANSACTIONS:**

Beginning shares	1,200,000	402,000	202,000
Shares sold	550,000	800,000	200,000
Shares redeemed	(200,000)	(2,000)	—
Shares outstanding, end of period	1,550,000	1,200,000	402,000

<sup>(a)</sup> Effective March 7, 2011, the Board approved changing the fiscal year end of the Fund from December 31 to November 30.

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**NET ASSET VALUE, BEGINNING OF PERIOD****INCOME/(LOSS) FROM OPERATIONS:**

Net investment income

Net realized and unrealized gain/(loss) on investments

Total from Investment Operations

**LESS DISTRIBUTIONS:**

From net investment income

Total Distributions

**NET INCREASE/(DECREASE) IN NET ASSET VALUE****NET ASSET VALUE, END OF PERIOD****TOTAL RETURN<sup>(c)</sup>****RATIOS/ SUPPLEMENTAL DATA:**

Net assets, end of period (in 000s)

**RATIOS TO AVERAGE NET ASSETS:**

Net investment income including reimbursement/waiver

Operating expenses including reimbursement/waiver

Operating expenses excluding reimbursement/waiver

**PORTFOLIO TURNOVER RATE<sup>(e)</sup>**

<sup>(a)</sup> Effective March 7, 2011, the Board approved changing the fiscal year end of the Fund from December 31 to November 30.

<sup>(b)</sup> Calculated using average shares outstanding.

<sup>(c)</sup> 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 and assuming all distributions are reinvested at actual reinvestment prices. Total return calculated for a period of less than one year is not annualized.

<sup>(d)</sup> Annualized.

<sup>(e)</sup> Portfolio turnover is not annualized and does not include securities received or delivered from processing creations or redemptions.

# FINANCIAL HIGHLIGHTS

For a Share Outstanding Throughout the Period Presented

	For the Period January 1, 2011 to November 30, 2011 <sup>(a)</sup>	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009	For the Period May 7, 2008 (Inception) through December 31, 2008
	\$ 35.52	\$ 31.35	\$ 25.06	\$ 50.00
	0.97 <sup>(b)</sup>	1.43 <sup>(b)</sup>	0.98	0.47
	(2.87)	4.68	7.00	(24.92)
	(1.90)	6.11	7.98	(24.45)
	(1.09)	(1.94)	(1.69)	(0.49)
	(1.09)	(1.94)	(1.69)	(0.49)
	(2.99)	4.17	6.29	(24.94)
	\$ 32.53	\$ 35.52	\$ 31.35	\$ 25.06
	(5.53)%	19.91%	32.51%	(48.90)%
	\$ 50,418	\$ 42,626	\$ 12,603	\$ 5,063
	3.02% <sup>(d)</sup>	4.33%	3.24%	3.49% <sup>(d)</sup>
	0.55% <sup>(d)</sup>	0.55%	0.55%	0.55% <sup>(d)</sup>
	0.55% <sup>(d)</sup>	0.55%	0.55%	0.55% <sup>(d)</sup>
	15%	14%	18%	18%

## **I. ORGANIZATION**

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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 November 30, 2011, the Trust consists of seven separate portfolios. Each portfolio represents a separate series of the Trust. This report pertains solely to the Cohen & Steers Global Realty Majors ETF (the "Fund"), which commenced operations on May 7, 2008. 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 Cohen & Steers Global Realty Majors 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**

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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. These securities generally include, but are not limited to, restricted securities (securities which may not be publicly sold without registration under the Securities Act of 1933) for which a pricing service is unable to provide a market price; securities whose trading has been formally suspended; a security whose market price is not available from a pre-established primary pricing source or the pricing source is not willing to provide a price; a security with respect to which an event has occurred that is most likely to materially affect the value of the security after the market has closed but before the calculation of the Fund's NAV or make it difficult or impossible to obtain a reliable market quotation; or a security whose price, as provided by the pricing service, does not reflect the security's "fair value" due to the security being de-listed from a national exchange or the security's primary trading market is temporarily closed at a time when, under normal conditions, it would be open. As a general principle, the current "fair value" of a security would be the amount which the owner might reasonably expect to receive from the closing sale prices on the applicable exchange and fair value prices may not reflect the actual value of a security. A variety of factors may be considered in determining the fair value of such securities.

### ***B. Foreign Currency Translation and Foreign Investments***

The Fund invests in foreign securities which may involve a number of risk factors and special considerations not present with investments in securities of U.S. corporations.

Investment in non-U.S. issuers may involve unique risks compared to investing in securities of U.S. issuers. These risks may include, but are not limited to: (i) less information about non-U.S. issuers or markets may be available due to less rigorous disclosure, accounting standards or regulatory practices; (ii) many non-U.S. markets are smaller, less liquid and more volatile thus, in a changing market, the advisers may not be able to sell the Fund's portfolio securities at times, in amounts and at prices they consider reasonable; (iii) currency exchange rates or controls may adversely affect the value of the Fund's investments; (iv) the economies of non-U.S. countries may grow at slower rates than expected or may experience downturns or recessions; and, (v) withholdings and other non-U.S. taxes may decrease the Fund's return.

The accounting records of the Fund are maintained in U.S. dollars. Portfolio securities and other assets and liabilities denominated in a foreign currency are translated to U.S. dollars at the prevailing rates of exchange at period end. Amounts related to the purchases and sales of securities and investment income are translated into U.S.

dollars at the prevailing exchange rate on the respective dates of transactions. The effects of changes in foreign currency exchange rates on portfolio investments are included in the net realized and unrealized gains and losses on investments. Net gains and losses on foreign currency transactions include disposition of foreign currencies, and currency gains and losses between the accrual and receipt dates of portfolio investment income and between the trade and settlement dates of portfolio investment transactions.

### **C. 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.

### **D. 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 period ended November 30, 2011, permanent book and tax differences resulting primarily from differing treatment of foreign currency and in-kind transactions were identified and reclassified among the components of the Fund's net assets as follows:

<b>Undistributed Net</b>	<b>Accumulated Net</b>	
<b>Investment Income</b>	<b>Realized Loss</b>	<b>Paid-in Capital</b>
\$473,213	\$(1,697,434)	\$1,224,221

Net investment income and net realized (loss), as disclosed on the Statement of Operations, and net assets were not affected by this reclassification.

Under the Regulated Investment Company Modernization Act of 2010 ("the Modernization Act"), net capital losses recognized in tax years beginning after December 22, 2010 may be carried forward indefinitely, and the character of the losses is retained as short-term and/or long-term. Under the law in effect prior to the Modernization Act, net capital losses were carried forward for eight years and treated as short-term. As a transition rule, the Modernization Act requires that post-enactment net capital losses be used before pre-enactment net capital losses. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term losses rather than being considered all short-term as under previous law.

At November 30, 2011, the Fund had available for tax purposes unused pre-enactment capital loss carryforwards as follows:

<i>Year of Expiration</i>			
2016	2017	2018	Total
\$176,692	\$809,982	\$187,815	\$1,174,489

At November 30, 2011, the Fund had available for tax purposes unused post-enactment capital loss carryforwards as follows:

ST	LT
\$328,726	\$500,425

### ***E. 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:

	For the Period Ended November 30, 2011	For the Year Ended December 31, 2010
<b><i>Distributions paid from:</i></b>		
Ordinary income	\$ 1,593,186	\$ 1,865,795
<b>Total</b>	<b>\$ 1,593,186</b>	<b>\$ 1,865,795</b>

As of November 30, 2011, the components of distributable earnings on a tax basis for the Fund were as follows:

Undistributed net investment income	\$ 145,438
Accumulated net realized loss on investments and foreign currency transactions	(2,003,640)
Net unrealized depreciation on investments and translation of assets and liabilities denominated in foreign currencies	(2,566,425)
Other Cumulative Effect of Timing Differences	92
<b>Total</b>	<b>\$ (4,424,535)</b>

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

**F. 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 November 30, 2011, 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, 2008 through November 30, 2011, the Fund's returns are still open to examination by the appropriate taxing authority.

**G. 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 assets or liabilities that the Fund has the ability to access.

Level 2 - Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.

Level 3 - Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

Investments in Securities at Value*	Level 1 - Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
Common Stocks	\$ 50,233,400	\$ —	\$ —	\$ 50,233,400
<b>TOTAL</b>	<b>\$ 50,233,400</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 50,233,400</b>

\* For a detailed geographical breakdown, see the accompanying Schedule of Investments.

For the period ended November 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 0.55% of the Fund's average daily net assets. 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 fees of the Sub-Adviser, the licensing fee of the Index provider, and the cost of transfer agency, custody, fund administration, legal, audit 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.

Prior to June 30, 2011 Mellon Capital Management Corporation acted as the Fund's sub-adviser pursuant to a sub-advisory agreement with the Investment Adviser. According to this agreement, the Investment Adviser paid the sub-adviser on a monthly basis, an annual rate of 0.10% of the Fund's average daily net assets subject to an annual minimum of \$125,000. Effective July 1, 2011, the sub-advisory agreement was terminated and all responsibilities were assumed by the Investment Adviser.

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, any sub-adviser or any of their 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 November 30, 2011, the cost of purchases and proceeds from sales of investment securities, excluding in-kind transactions and short-term investments, were as follows:

Purchases	Sales
\$10,773,078	\$7,832,726

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

Purchases	Sales
\$14,925,064	\$4,808,797

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

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

Gross Appreciation (excess of value over tax cost)	\$ 2,737,032
Gross Depreciation (excess of tax cost over value)	(5,302,996)
Gross Depreciation of foreign currency and other derivatives	(461)
Net unrealized depreciation	\$ (2,566,425)
Cost of investment for income tax purposes	\$ 52,799,364

## 5. CAPITAL SHARE TRANSACTIONS

Shares are created and redeemed by the Fund only in Creation Unit size aggregations of 50,000 shares. 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 officers and Trustees 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. NEW ACCOUNTING PRONOUNCEMENTS

In May 2011, the FASB issued ASU No. 2011-04 “Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements” in GAAP and the International Financial Reporting Standards (“IFRSs”). ASU No.2011-04 amends FASB ASC Topic 820, “Fair Value Measurements and Disclosures”, to establish common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP and IFRSs. ASU No.2011-04 is effective for fiscal years beginning after December 15, 2011 and for interim periods within those fiscal years. Management is currently evaluating the impact these amendments may have on the Fund’s financial statements.

## 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.alpsfunds.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.alpsfunds.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.

## Shareholder Meeting

A Special Meeting of the Shareholders was held on October 14, 2011 for the purpose of voting on a proposal to approve a new Investment Advisory Agreement between ALPS ETF Trust, on behalf of the Fund, and ALPS Advisors, Inc. The proposal passed and the results are noted below.

**Proposal 1:** To approve a new Investment Advisory Agreement between ALPS ETF Trust, on behalf of the Fund, and ALPS Advisors, Inc.:

Record Date	Number of Votes						
	Votes	Affirmative	Against	Abstain	Uninstructed		
922,428.975	786,612.124	15,975.000	18,032.851	101,809.000			
Percentages of Total Outstanding				Percentages of Voted			
Affirmative	Against	Abstain	Uninstructed	Affirmative	Against	Abstain	Uninstructed
49.163%	0.998%	1.128%	6.363%	85.276%	1.732%	1.955%	11.037%

**INDEPENDENT TRUSTEES**

Name, Address and Age of Management Trustee*	Position(s) Held with Trust	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustees***	Other Directorships Held by Trustees
Mary K. Anstine, age 71	Trustee	Since March 2008	Ms. Anstine was President/Chief Executive Officer of HealthONE Alliance, Denver, Colorado, and former Executive Vice President of First Interstate Bank of Denver. Ms. Anstine is also Trustee/Director of the following: AV Hunter Trust; Colorado Uplift Board. Ms. Anstine was formerly a Director of the Trust Bank of Colorado (later purchased and now known as Northern Trust Bank), HealthONE and Denver Area Council of the Boy Scouts of America and a member of the American Bankers Association Trust Executive Committee.	21	Ms. Anstine is a Trustee of Financial Investors Variable Insurance Trust (5 funds); Financial Investors Trust (17 funds); Reaves Utility Income Fund; and Westcore Trust (12 funds).
Jeremy W. Deems, age 35	Trustee	Since March 2008	Mr. Deems is the Co-Founder, Chief Compliance Officer and Chief Financial Officer of Green Alpha Advisors, LLC. Prior to joining Green Alpha Advisors, Mr. Deems was CFO and Treasurer of Forward Management, LLC, ReFlow Management Co., LLC, ReFlow Fund, LLC, a private investment fund, and Sutton Place Management, LLC, an administrative services company, from 2004 to June 2007. Prior to this, Mr. Deems served as Controller of Forward Management, LLC, ReFlow Management Co., LLC, ReFlow Fund, LLC and Sutton Place Management, LLC.	21	Mr. Deems is a Trustee of Financial Investors Trust (17 funds); Financial Investors Variable Insurance Trust (5 funds); and Reaves Utility Income Fund.

November 30, 2011 (Unaudited)

**INDEPENDENT TRUSTEES** *Continued*

Name, Address and Age of Management Trustee*	Position(s) Held with Trust	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustees***	Other Directorships Held by Trustees
Rick A. Pederson, age 59	Trustee	Since March 2008	President, Foundation Properties, Inc. (a real estate investment management company), 1994 - present; Partner, Western Capital Partners (a prime lending company), 2000 - present; Partner, Bow River Capital Partners (investment manager), 2003 - present; Principal, The Pauls Corporation (real estate development), 2008 - present; Director, Guaranty Bank and Trust (a community bank), 1999 - 2007; Winter Park Recreational Association (an entity that operates, maintains and develops Winter Park Resort), 2002 - 2008; Neenan Co. (an integrated real estate development, architecture and construction company), 2002 - present; NexCore Properties LLC (a real estate investment company), 2004 - present; Urban Land Conservancy (a not-for-profit organization), 2004 - present.	7	Mr. Pederson is Trustee of Westcore Trust (12 funds)

\* The business address of the Trustee is c/o ALPS Advisors, Inc., 1290 Broadway, Suite 1100, Denver, Colorado 80203.

\*\* This is the period for which the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

\*\*\* The Fund Complex includes all series of the Trust and any other investment companies for which ALPS Advisors, Inc. provides investment advisory services.

**INTERESTED TRUSTEE\*\*\***

Name, Address and Age of Management Trustee*	Position(s) Held with Trust	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustees****	Other Directorships Held by Trustees
Thomas A. Carter, age 45	Trustee and President	Since March 2008	Mr. Carter joined ALPS Fund Services, Inc. ("ALPS") in 1994 and is currently President and Director of ALPS Advisors, Inc. ("AAI"), ALPS Distributors, Inc. ("ADI") and FTAM Funds Distributor, Inc. ("FDI") and Executive Vice President and Director of ALPS and ALPS Holdings, Inc. ("AHI"). Because of his position with AHI, ALPS, ADI, FDI and AAI, Mr. Carter is deemed an affiliate of the Fund as defined under the 1940 Act. Before joining ALPS, Mr. Carter was with Deloitte & Touche LLP, where he worked with a diverse group of clients, primarily within the financial services industry. Mr. Carter is a Certified Public Accountant and received his Bachelor of Science in Accounting from the University of Colorado at Boulder.	12	Mr. Carter is a Trustee of Financial Investors Variable Insurance Trust (5 funds)

\* The business address of the Trustee is c/o ALPS Advisors, Inc., 1290 Broadway, Suite 1100, Denver, Colorado 80203.

\*\* This is the period for which the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

\*\*\* Mr. Carter is an interested person of the Trust because of his affiliation with ALPS.

\*\*\*\* The Fund Complex includes all series of the Trust and any other investment companies for which ALPS Advisors, Inc. provides investment advisory services.

**OFFICERS**

Name, Address and Age of Executive Officer*	Position(s) Held with Trust	Length of Time Served**	Principal Occupation(s) During Past 5 Years
Melanie Zimdars, age 35	Chief Compliance Officer ("CCO")	Since December 2009	Ms. Zimdars currently serves as a Deputy Chief Compliance Officer with ALPS. Prior to joining ALPS in September 2009, Ms. Zimdars served as Principal Financial Officer, Treasurer and Secretary for the Wasatch Funds from February 2007 to December 2008. From November 2006 to February 2007, she served as Assistant Treasurer for the Wasatch Funds and served as a Senior Compliance Officer for Wasatch Advisors, Inc. since 2005. From 2001 until joining Wasatch in 2005, she was a Compliance Officer for U.S. Bancorp Fund Services, LLC. Because of her position with ALPS, Ms. Zimdars is deemed an affiliate of the Trust as defined under the 1940 Act. Ms. Zimdars is also the CCO of Financial Investors Variable Insurance Trust, Liberty All-Star Growth Fund, Inc. and Liberty All-Star Equity Fund.
Kimberly R. Storms, age 39	Treasurer	Since March 2008	Ms. Storms is Director of Fund Administration and Senior Vice President of ALPS. Ms. Storms joined ALPS in 1998 as Assistant Controller. Because of her position with ALPS, Ms. Storms is deemed an affiliate of the Trust as defined under the 1940 Act. Ms. Storms is also Assistant Treasurer of the Liberty All-Star Equity Fund, Liberty All-Star Growth Fund and Financial Investors Trust; and Assistant Secretary of Ameristock Mutual Fund, Inc.
William Parmentier, age 59	Vice President	Since March 2008	Mr. Parmentier is Chief Investment Officer, ALPS Advisors, Inc. (since 2006); President of the Liberty All-Star Funds (since April 1999); Senior Vice President (2005-2006), Banc of America Investment Advisors, Inc.
Tané T. Tyler, age 47	Secretary	Since December 2008	Ms. Tyler is Senior Vice President, General Counsel and Secretary of ALPS. Ms. Tyler joined ALPS in 2004. She served as Secretary, Reaves Utility Income Fund from December 2004–2007; Secretary, Westcore Funds from February 2005–2007; Secretary, First Funds from November 2004 to January 2007; Secretary, Financial Investors Variable Insurance Trust from December 2004–December 2006; Vice President and Associate Counsel, Oppenheimer Funds from January 2004 to August 2004; Vice President and Assistant General Counsel, INVESCO Funds from September 1991 to December 2003. Ms. Tyler also serves as Secretary, Liberty All-Star Equity Fund and Liberty All-Star Growth Fund.

**OFFICERS** *Continued*

Name, Address and Age of Executive Officer*	Position(s) Held with Trust	Length of Time Served**	Principal Occupation(s) During Past 5 Years
Monette R. Nickels, age 40	Tax Officer	Since December 2009	Ms. Nickels is Senior Vice President and Director of Tax Administration of ALPS. Ms. Nickels joined ALPS in 2004 as Director of Tax Administration. Because of her position with ALPS, Ms. Nickels is deemed an affiliate of the Trust as defined under the 1940 Act. Ms. Nickels is also Tax Officer of Financial Investors Trust, Liberty All-Star Equity Fund, Liberty All-Star Growth Fund, Inc., and Financial Investors Variable Insurance Trust.

\* The business address of each Officer is c/o ALPS Advisors, Inc., 1290 Broadway, Suite 1100, Denver, Colorado 80203.

\*\* This is the period for which the Officer began serving the Trust. Each Officer serves an indefinite term, until his successor is elected.

## Investment Advisory Agreement

At an in-person meeting held on July 26, 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 "1940 Act"), evaluated a proposal to approve a new Investment Advisory Agreement (the "Advisory Agreement") between the Trust and ALPS Advisors, Inc. (the "Investment Adviser") with respect to Cohen & Steers Global Realty Majors ETF (the "Fund").

Consideration by the Board of this new Advisory Agreement was necessary because ALPS Holdings, Inc. ("ALPS Holdings"), parent company to the Investment Adviser, had agreed to be acquired by DST Systems, Inc. ("DST") (the "Transaction"). Because ALPS Holdings would be acquired by DST, the Investment Adviser would thereby undergo a change in control, which would be deemed to be an "assignment" of the existing investment advisory agreement under the 1940 Act. As required by the 1940 Act, the existing investment advisory agreement provided for its automatic termination in the event of an assignment, and would therefore terminate upon the closing of the Transaction. In order for the Investment Adviser to continue as the Fund's investment adviser, the Board and the Fund's shareholders would have to approve a new Advisory Agreement with the Investment Adviser, which would take effect upon the closing of the Transaction.

In evaluating the new 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 the new 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 portfolio management services to be provided, in light of the investment objective of the Fund. The Board considered that, following the Transaction, 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 considered the background and capabilities of such personnel in connection with the advisory services that they would provide to the Fund following

the Transaction. The Board also considered the compliance records of the Investment Adviser. The Board considered representations from DST that it intended to retain all key management and personnel of ALPS Holdings and the Investment Adviser, and that DST did not anticipate that the Investment Adviser would undergo any changes to its structure, business strategy or services as a result of the Transaction. The Board also considered the Investment Adviser's representation that the manner in which the Fund's assets would be managed would not change as a result of the Transaction. Finally, the Board also considered its and the Fund's association with the current personnel employed by the Investment Adviser.

The Board concluded that the nature, extent and quality of the services to be provided by the Investment Adviser to the Fund were appropriate and consistent with the terms of the new Advisory Agreement, and that the Fund was likely to benefit from services provided under its new Advisory Agreement. The Board also concluded that the quality of the services to be provided by the senior advisory personnel employed by the Investment Adviser was expected to be consistent with or superior to quality norms in the industry, and 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 (and noted the Investment Adviser's representations that no changes were anticipated with respect to the Investment Adviser's compensation and incentive programs), and that the structure of the Investment Adviser's operations was sufficient to retain and properly motivate the Fund's current senior advisory personnel. Finally, the Board concluded that the financial condition of DST, ALPS Holdings and the Investment Adviser was sound.

### **Investment Performance**

The Board also reviewed investment performance information of the Fund and its benchmark index. The Board evaluated the correlation and tracking error between the underlying index and the Fund.

### **Costs of the Services to be Provided to the Fund**

The Board reviewed the fees to be paid by the Fund to the Investment Adviser, noting that the rate of fees to be paid under the new Advisory Agreement was the same fee rate the Fund currently paid. 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 new Advisory Agreement, brokerage expenses, taxes, interest, litigation expenses and other extraordinary expenses. The Board considered the Investment Adviser's representation that it did not intend to raise any of its advisory or administration fees paid by the Fund for at least two years following the Transaction. The Board reviewed comparative fee information of the Fund's advisory contracts, 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 management fees payable by the Fund to the Investment Adviser were 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 and Potential "Fall-Out" Benefits**

The Board reviewed reports of the financial position of the Investment Adviser. The Board considered the projected profitability of ALPS Holdings' overall relationship with the Fund, which included fees payable to the Investment Adviser for advisory services. The Board noted that since the Fund was subject to a unitary fee arrangement with the Investment Adviser pursuant to the new Advisory Agreement, there were no other fees payable to other ALPS Holdings affiliates for non-advisory services, and concluded that the projected profitability of ALPS Holdings was reasonable in relation to the services to be provided and to the costs of providing services to the Fund.

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 the advisory fees were reasonable taking into account any such benefits. The Board acknowledged the Investment Adviser's well-established stand-alone management relationships independent of the Fund and the regulatory and entrepreneurial risks each assumed in connection with the management of the Fund.

### **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 new Advisory Agreement were reasonable, fair and in the best interests of the Fund and its shareholders. The Board believed that the new Advisory Agreement would enable the Fund to continue to enjoy the high-quality investment management services it had received in the past from the Investment Adviser, at a fee rate identical to the present rate, which the Board deemed appropriate, reasonable and in the best interests of the Fund and its shareholders.







# ALPS

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