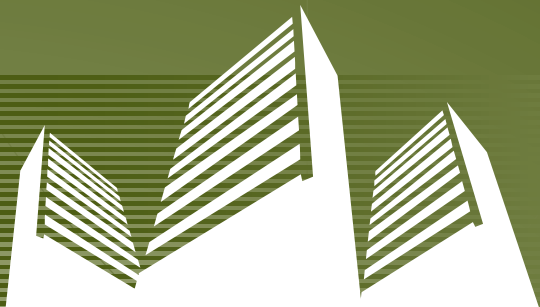




COHEN & STEERS
Global Realty Majors **ETF**

An ALPS Advisors, Inc. Solution

ALPS ETF Trust **ANNUAL REPORT**
December 31, 2010



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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. Our first portfolio – the Cohen & Steers Global Realty Majors ETF – 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 REITs in the global market continues to be strong as foreign countries seek to securitize their private real estate holdings. As a result, a 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⁽²⁾, 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. Ordinary brokerage commissions apply.

⁽¹⁾ Exchange Traded Fund (“ETF”).

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

FUND DESCRIPTION

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

Global real estate securities posted strong total returns for the 2nd year in a row, outpacing many broad-based domestic and foreign indices. Overall, real estate stocks posted very strong gains for the year as the Cohen & Steers Global Realty Majors Index advanced 20.81%. US real estate securities lead the way rising 30.5%, followed by Asia Pacific (21.2%) and Europe (9.2%).

There were several positive catalysts to overall performance for US real estate stocks in 2010, including a reduction in capitalization rates⁴, limited supply and accretive acquisitions. Every property sector showed positive gains, lead by the apartment REITs (47.0%). Reduced interest in home buying, short leases and job growth in urban centers helped fuel the rally in these stocks. The hotel sector (42.8%) benefited from increased demand and tight supply, causing revenue per available room (RevPAR) to increase substantially. Office REITs (18.4%) were some of the worst performers on a relative basis due to lower occupancies and rents in suburban office complexes.

Share prices in the Asia Pacific region rebounded nicely in the 2nd half of the year after an early decline. Despite the yen rising to a 15-year high against the dollar, Japanese real estate stocks rose sharply (26.9%) after the Bank of Japan announced that they would buy J-REITs in an effort to spur consolidation and drive down capital costs. The office sector propelled real estate securities in Hong Kong to a total return of 14.4% and was aided by improving economic conditions and continued expectations of low interest rates. Australia was the worst performing region in the sector rising only 11.6%. The central bank’s decision to raise rates amid a strong Australia dollar put pressure on borrowing costs and lowered expected GDP growth.

December 31, 2010 (Unaudited)

The European real estate market was plagued by volatility in the aftermath of the sovereign debt crisis. Despite these concerns, property markets were still able to show positive price appreciation across the region, rising 9.2%. Sweden (40.8%) led the way, fueled by its sound banking system and strong export-oriented economy. Real estate stocks in France were up 6.9% and were aided substantially by the announcement of a 15% special dividend by its largest property stock, Unibail-Rodamco.

For the year ended December 31, 2010 the Fund's market price increased 19.20% and the Fund's net asset value ("NAV") increased 19.95%. Over the same time period the Fund's benchmark was up 20.81%.

Annualized	One Year	Since Inception [†]
Fund Performance		
NAV	19.95%	-7.55%
Market Price ^{**}	19.20%	-7.41%
Index Performance		
Cohen & Steers Global Realty Majors Index	20.81%	-6.68%
FTSE EPRA/NAREIT Developed Real Estate Index	20.40%	-6.01%

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.alpsetfs.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. 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.

[†] Capitalization rate is a rate of return on a real estate investment property based on the expected income that the property will generate.

^{*} Fund Inception 5/7/08.

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

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.

An investor cannot invest directly in an index.

(Unaudited)

TOP 10 HOLDINGS* as of December 31, 2010

Mitsubishi Estate Co., Ltd.	4.09%	Public Storage	2.89%
Simon Property Group, Inc.	3.83	Vornado Realty Trust	2.76
Unibail-Rodamco	3.69	HCP, Inc.	2.73
Sun Hung Kai Properties, Ltd.	3.58	Percent of Net Assets	
Mitsui Fudosan Co., Ltd.	3.37	in Top Ten Holdings:	33.04%
Westfield Group	3.10		
Equity Residential	3.00		

* Future holdings are subject to change.

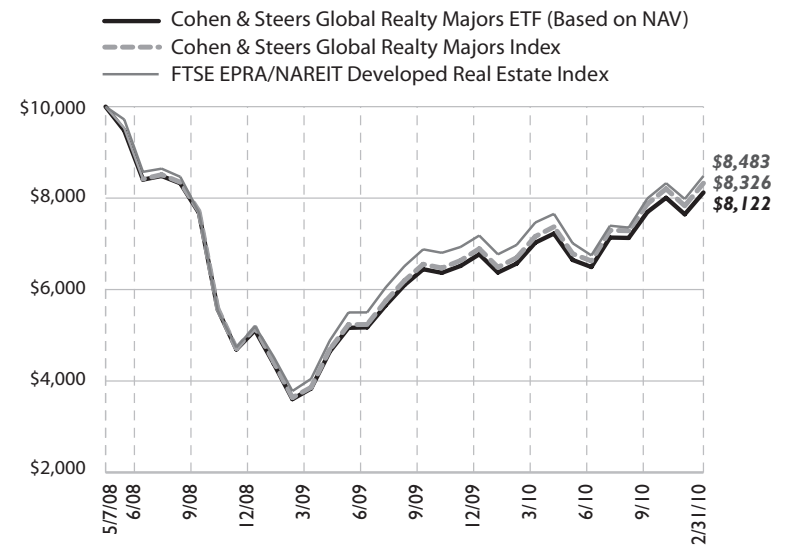
GEOGRAPHIC BREAKDOWN**

United States	41.94%	Netherlands	1.97
Hong Kong	15.05	Canada	0.77%
Japan	12.26	Brazil	0.62
Australia	9.58	Switzerland	0.57
United Kingdom	6.21	Sweden	0.48
France	5.51	Belgium	0.36
Singapore	4.68		

** % of Total Investments

GROWTH OF \$10K as of December 31, 2010

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.

December 31, 2010 (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 July 1, 2010, and held through the period ended December 31, 2010.

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 7/01/10	Ending Account Value 12/31/10	Expense Ratio	Expenses Paid During the Period ^(a) 7/01/10-12/31/10
Actual	\$ 1,000.00	\$ 1,250.70	0.55%	\$ 3.12
Hypothetical	\$ 1,000.00	\$ 1,022.43	0.55%	\$ 2.80

^(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 (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 the Cohen & Steers Global Realty Majors ETF, one of the funds constituting the ALPS ETF Trust (the “Trust”), as of December 31, 2010, and the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the two years in the period then ended 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 December 31, 2010, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. 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 the Cohen & Steers Global Realty Majors ETF of the ALPS ETF Trust as of December 31, 2010, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the two years in the period then ended, and the period from 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
February 28, 2011

December 31, 2010

Security Description	Shares	Value
COMMON STOCKS (99.54%)		
Australia (9.54%)		
CFS Retail Property Trust	198,719	\$ 358,507
Dexus Property Group	407,880	332,387
GPT Group	148,570	447,738
Mirvac Group	296,389	372,172
Stockland Trust Group	207,143	764,395
Westfield Group	134,583	1,321,602
Westfield Retail Trust*	178,847	471,151
		<u>4,067,952</u>
Belgium (0.36%)		
Confinimmo	1,169	<u>152,766</u>
Brazil (0.59%)		
BR Malls Participacoes SA	24,400	<u>251,349</u>
Canada (0.77%)		
Boardwalk Real Estate Investment Trust	2,214	91,911
RioCan Real Estate Investment Trust	10,638	<u>235,532</u>
		<u>327,443</u>
France (5.49%)		
Fonciere des Regions	2,789	270,891
ICADE	1,965	201,270
Klepierre	8,145	294,972
Unibail-Rodamco	7,914	<u>1,571,321</u>
		<u>2,338,454</u>
Hong Kong (14.99%)		
China Overseas Land & Investment, Ltd.	332,000	614,146
China Resources Land, Ltd.	172,500	315,103
Hang Lung Properties, Ltd.	181,000	846,366
Henderson Land Development Co., Ltd.	84,000	572,704
Hongkong Land Holdings, Ltd.	97,000	700,340
Kerry Properties, Ltd.	57,500	299,570
The Link Real Estate Investment Trust	193,000	599,583
Sun Hung Kai Properties, Ltd.	92,000	<u>1,527,879</u>
The Wharf Holdings, Ltd.	119,000	915,426
		<u>6,391,117</u>

Security Description	Shares	Value
Japan (12.19%)		
Japan Real Estate Investment Corp.	43	\$ 446,409
Japan Retail Fund Investment Corp.	133	255,325
Mitsubishi Estate Co., Ltd.	94,000	1,745,441
Mitsui Fudosan Co., Ltd.	72,000	1,437,248
Nippon Building Fund, Inc.	44	451,908
Sumitomo Realty & Development Co., Ltd.	36,000	<u>860,662</u>
		<u>5,196,993</u>
Netherlands (1.96%)		
Corio N.V.	7,904	509,133
Eurocommercial Properties N.V.	3,090	142,788
Wereldhave N.V.	1,859	<u>182,207</u>
		<u>834,128</u>
Singapore (4.66%)		
Ascendas Real Estate Investment Trust	132,066	213,400
CapitaLand, Ltd.	288,000	834,066
CapitaMall Trust	203,347	309,533
CapitaMalls Asia, Ltd.	71,725	108,619
City Developments, Ltd.	53,000	<u>519,636</u>
		<u>1,985,254</u>
Sweden (0.47%)		
Castellum AB	14,854	<u>202,278</u>
Switzerland (0.57%)		
PSP Swiss Property AG*	3,031	<u>243,885</u>
United Kingdom (6.18%)		
British Land Co., Plc	76,411	627,475
Capital Shopping Centres Group Plc	44,886	293,472
Derwent London Plc	7,030	171,812
Great Portland Estates Plc	26,966	152,327
Hammerson Plc	61,427	401,235
Land Securities Group Plc	66,381	700,484
Segro Plc	64,323	<u>288,426</u>
		<u>2,635,231</u>
United States (41.77%)		
Alexandria Real Estate Equities, Inc.	4,731	346,593
AMB Property Corp.	14,616	463,473

December 31, 2010

<u>Security Description</u>	<u>Shares</u>	<u>Value</u>
United States (continued)		
Apartment Investment and Management Co., Class A	10,148	\$ 262,224
AvalonBay Communities, Inc.	7,404	833,320
Boston Properties, Inc.	12,117	1,043,274
BRE Properties, Inc.	5,533	240,686
Brookfield Properties Corp.	21,312	373,599
Camden Property Trust	5,812	313,732
Digital Realty Trust, Inc.	7,576	390,467
Douglas Emmett, Inc.	10,621	176,309
Duke Realty Corp.	21,807	271,715
Equity Residential	24,649	1,280,516
Essex Property Trust, Inc.	2,632	300,627
Federal Realty Investment Trust	5,334	415,679
HCP, Inc.	31,655	1,164,587
Health Care REIT, Inc.	12,392	590,355
Host Hotels & Resorts, Inc.	57,238	1,022,843
Kimco Realty Corp.	35,261	636,108
Liberty Property Trust	9,871	315,082
The Macerich Co.	11,302	535,376
ProLogis	48,389	698,737
Public Storage	12,131	1,230,326
Regency Centers Corp.	7,102	299,989
Simon Property Group, Inc.	16,410	1,632,631
SL Green Realty Corp.	6,793	458,595
UDR, Inc.	15,572	366,253
Ventas, Inc.	13,652	716,457
Vornado Realty Trust	14,108	1,175,620
Weingarten Realty Investors	10,437	247,983
		<u>17,803,156</u>
TOTAL COMMON STOCKS		
(Cost \$36,972,739)		<u>42,430,006</u>
TOTAL INVESTMENTS (99.54%)		
(Cost \$36,972,739)		42,430,006
NET OTHER ASSETS AND LIABILITIES (0.46%)		<u>196,329</u>
NET ASSETS (100.00%)		<u>\$ 42,626,335</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.

December 31, 2010

ASSETS:

Investments, at value	\$	42,430,006
Cash		46,781
Foreign currency, at value (Cost \$8,512)		8,730
Receivable for shares sold		1,776,097
Foreign tax reclaims		5,616
Interest and dividends receivable		134,353
Total Assets		44,401,583

LIABILITIES:

Payable for investments purchased		1,757,037
Payable to advisor		18,211
Total Liabilities		1,775,248
NET ASSETS	\$	42,626,335

NET ASSETS CONSIST OF:

Paid-in capital	\$	40,593,558
Overdistributed net investment income		(1,044,296)
Accumulated net realized loss on investments and foreign currency transactions		(2,381,704)
Net unrealized appreciation on investments and translation of assets and liabilities denominated in foreign currencies		5,458,777
NET ASSETS	\$	42,626,335

INVESTMENTS, AT COST \$ 36,972,739

PRICING OF SHARES

Net Assets	\$	42,626,335
Shares of beneficial interest outstanding (Unlimited number of shares authorized, par value \$0.01 per share)		1,200,000
Net Asset Value, offering and redemption price per share	\$	35.52

For the Year Ended December 31, 2010

INVESTMENT INCOME:

Dividends ^(a)	\$	1,244,995
Total Investment Income		1,244,995

EXPENSES:

Investment advisory fee		140,275
Total Net Expenses		140,275

NET INVESTMENT INCOME 1,104,720

Net realized loss on investments	(962,358)
Net realized gain on foreign currency transactions	729
Net change in unrealized appreciation on investments	5,068,972
Net change in unrealized appreciation on translation of assets and liabilities in foreign currencies	1,768

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS 4,109,111

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS \$ 5,213,831

^(a) Net of foreign withholding tax of \$33,498.

	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
OPERATIONS:		
Net investment income	\$ 1,104,720	\$ 212,230
Net realized loss on investments and foreign currency transactions	(961,629)	(1,175,772)
Net change in unrealized appreciation on investments and foreign currency	5,070,740	2,832,094
Net increase in net assets resulting from operations	5,213,831	1,868,552

DISTRIBUTIONS TO SHAREHOLDERS:

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

SHARE TRANSACTIONS:

Proceeds from sale of shares	26,743,914	6,176,164
Cost of shares redeemed	(68,866)	—
Net increase from share transactions	26,675,048	6,176,164
Net increase in net assets	30,023,084	7,540,542

NET ASSETS:

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

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

Other Information:**SHARE TRANSACTIONS:**

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

For a Share Outstanding Throughout the Period Presented

	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
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 31.35	\$ 25.06	\$ 50.00
INCOME/(LOSS) FROM OPERATIONS:			
Net investment income	1.43 ^(a)	0.98	0.47
Net realized and unrealized gain/(loss) on investments	4.68	7.00	(24.92)
Total from Investment Operations	6.11	7.98	(24.45)
LESS DISTRIBUTIONS:			
From net investment income	(1.94)	(1.69)	(0.49)
Total Distributions	(1.94)	(1.69)	(0.49)
NET INCREASE/ (DECREASE) IN NET ASSET VALUE	4.17	6.29	(24.94)
NET ASSET VALUE, END OF YEAR	\$ 35.52	\$ 31.35	\$ 25.06
TOTAL RETURN^(b)	19.91%	32.51%	(48.90)%

**RATIOS/SUPPLEMENTAL
DATA:**

Net assets, end of year (in 000s)	\$ 42,626	\$ 12,603	\$ 5,063
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**RATIOS TO AVERAGE NET
ASSETS:**

Net investment income including reimbursement/waiver	4.33%	3.24%	3.49% ^(c)
Operating expenses including reimbursement/waiver	0.55%	0.55%	0.55% ^(c)
Operating expenses excluding reimbursement/waiver	0.55%	0.55%	0.55% ^(c)

**PORTFOLIO TURNOVER
RATE^(d)**

	14%	18%	18%
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^(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 and assuming all distributions are reinvested at actual reinvestment prices. 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.

I. 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 December 31, 2010, the Trust consists of ten 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

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.

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.

December 31, 2010

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 year ended December 31, 2010, permanent book and tax differences resulting primarily from differing treatment of foreign currency 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
\$11,730	\$(9,863)	\$(1,867)

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

Capital losses incurred after October 31 ("post-October losses") within the taxable year are deemed to arise on the first business day of the Fund's next taxable year.

At December 31, 2010, the Fund had available for tax purposes unused capital loss carryforwards as follows:

<i>Year of Expiration</i>			
2016	2017	2018	Total
\$176,692	\$809,982	\$187,843	\$1,174,517

The Fund intends to defer to its fiscal year ending December 31, 2011 approximately \$2,183 of capital and \$74,812 of foreign currency and passive foreign investment company losses recognized during the period from November 1, 2010 to December 31, 2010.

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 Year Ended December 31, 2010	For the Year Ended December 31, 2009
Distributions paid from:		
Ordinary income	\$ 1,865,795	\$ 504,174
Total	\$ 1,865,795	\$ 504,174

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

Undistributed net investment income	\$ 351,629
Accumulated net realized loss on investments and foreign currency transactions	(1,176,700)
Net unrealized appreciation on investments and translation of assets and liabilities denominated in foreign currencies	2,932,660
Other Cumulative Effect of Timing Differences	(74,812)
Total	\$ 2,032,777

The differences between book-basis and tax-basis are primarily due to the deferral of post-October losses 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 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, 2008 through December 31, 2010, 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 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
Common Stocks	\$ 42,430,006	\$ -	\$ -	\$ 42,430,006
TOTAL	\$ 42,430,006	\$ -	\$ -	\$ 42,430,006

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

For the year ended December 31, 2010, 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.

Mellon Capital Management Corporation acts as the Fund's sub-adviser (the "Sub-Adviser") pursuant to a sub-advisory agreement with the Investment Adviser (the "Sub-Advisory Agreement"). According to this agreement, the Investment Adviser pays the Sub-Adviser on a monthly basis, an annual rate of 0.10% of the Fund's average daily net assets. The Investment Adviser will pay the Sub-Adviser a minimum of \$125,000 per year.

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 year ended December 31, 2010, the cost of purchases and proceeds from sales of investment securities, excluding in-kind transactions and short-term investments, were as follows:

Purchases	Sales
\$3,582,526	\$4,592,522

For the year ended December 31, 2010, the cost of in-kind purchases and proceeds from in-kind sales were as follows:

Purchases	Sales
\$26,337,883	\$0

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

As of December 31, 2010, 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)	\$ 3,763,847
Gross Depreciation (excess of tax cost over value)	(832,697)
Gross Appreciation of foreign currency and other derivatives	1,510
Net unrealized appreciation	\$ 2,932,660
Cost of investment for income tax purposes	\$ 39,498,856

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 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.

December 31, 2010 (Unaudited)

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.

TAX INFORMATION**Tax Designations**

The Fund designates the following amounts for the fiscal year ended December 31, 2010:

Qualified Dividend Income	5.92%
Corporate Dividends Received Deduction	0.00%

(Unaudited)

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 70	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.	24	Ms. Anstine is a Trustee of Financial Investors Variable Insurance Trust (5 funds); Financial Investors Trust (11 funds); Reaves Utility Income Fund; and Westcore Trust (12 funds).
Jeremy W. Deems, age 34	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.	24	Mr. Deems is a Trustee of Financial Investors Trust (11 funds); Financial Investors Variable Insurance Trust (5 funds); and Reaves Utility Income Fund.

December 31, 2010 (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 58	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.	10	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.

(Unaudited)

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 44	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.	15	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.

December 31, 2010 (Unaudited)

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 34	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 38	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 58	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 45	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, Liberty All-Star Equity Fund and Liberty All-Star Growth Fund from December 2006-2008; 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.

(Unaudited)

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 39	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 September 13, 2010, 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 1940 Act, as amended (the “Independent Trustees”), evaluated a proposal to approve the renewal of the Advisory Agreement between the Trust and the Investment Adviser with respect to the Funds. The Independent Trustees also met separately with their independent legal counsel to consider the renewal of the Advisory Agreement.

In evaluating the Advisory Agreement, the Board considered various factors, including (i) the nature, extent and quality of the services expected to be provided by the Investment Adviser with respect to the Fund under the Advisory Agreement, (ii) costs to the Investment Adviser of its services; and (iii) the extent to which economies of scale would be realized if and as the Fund grows and whether the fee level in the Advisory Agreement reflects these economies of scale.

In evaluating the nature, extent and quality of the Investment Adviser’s services, the Trustees reviewed information concerning the functions performed by the Investment Adviser for the Funds, information describing the Investment Adviser’s organization and the background and experience of the persons responsible for the day-to-day management of the Funds. The Trustees reviewed financial information regarding the Investment Adviser and its parent company. The Trustees reviewed information on the performance of the Fund and the performance of its benchmark index. The Committee also evaluated the correlation and tracking error between the underlying index and the Fund’s performance. The Trustees noted that the Investment Adviser had delegated to the Sub-Adviser responsibility for the investment of the Fund’s assets. The Trustees considered the Investment Adviser’s responsibility to oversee the Sub-Adviser. Based on its review, the Trustees found that the nature and extent of services provided to the Fund under the Advisory Agreement was appropriate and that the quality was satisfactory.

The Trustees noted that the advisory fee was a unitary fee pursuant to which the Investment Adviser assumes all expenses of the Fund (including the cost of transfer agency, custody, 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 Trustees noted that the advisory fees were generally within the range of the ETF peer funds. The Trustees concluded that the advisory fee for the Fund was reasonable under the circumstances and in light of the quality of services provided.

The Trustees noted the small size of the Fund and concluded that the Investment Adviser was not experiencing any economies of scale. The Trustees considered other benefits available to the Investment Adviser because of its relationship with the Fund and concluded that the advisory fee was reasonable taking into account any such benefits.

Sub-Advisory Agreement

At the same in person meeting, the Board also evaluated the proposal to approve the renewal of the Sub-Advisory Agreement among the Investment Adviser, the Trust and the Sub-Adviser with respect to the Fund. In deciding whether to approve the renewal of the Sub-Advisory Agreement, the Board considered various factors, including (i) the nature, extent and quality of the services expected to be provided by the Sub-Adviser with respect to the Fund under the Sub-Advisory Agreement, (ii) the fees charged by the Sub-Adviser and any additional benefits received by the Sub-Adviser due to its relationship with the Investment Adviser and the Trust; and (iii) the extent to which economies of scale would be realized if and as the Fund grows and whether the fee levels in the Sub-Advisory Agreement reflect these economies of scale.

With respect to the nature, extent and quality of services provided by the Sub-Adviser, the Trustees considered the qualifications, experience, reputation and skills of the Sub-Adviser’s portfolio management and other key personnel. The Trustees concluded that the Sub-Adviser had personnel qualified to provide the services under the Sub-Advisory Agreement. In evaluating the Sub-Adviser’s performance, the Trustees focused primarily on the Sub-Adviser’s success in tracking the Fund’s underlying Index. The Trustees concluded that the Sub-Adviser’s performance was satisfactory in this regard.

The Trustees considered the sub-advisory fees paid to the Sub-Adviser and considered they were negotiated at arm’s length between the Investment Adviser and the Sub-Adviser and that the Investment Adviser compensates the Sub-Adviser from its fees. On the basis of the information provided, the Trustees concluded that the sub-advisory fee was reasonable.

The Trustees considered the Sub-Adviser’s profitability and noted that the Investment Adviser compensates the Sub-Adviser from its own advisory fees and the Investment Adviser negotiated the Sub-Advisory Agreement with the Sub-Adviser at arm’s length. The Trustees also noted the Sub-Adviser’s statement that it does not perform a profitability analysis specific to the Fund.

Overall Conclusions

Based upon all of the information considered and the conclusions reached, the Trustees determined that the terms of the Advisory Agreement and the Sub-Advisory Agreement, respectively, continue to be fair and reasonable and that the continuation of each Agreement is in the best interests of the Fund.



This report has been prepared for Cohen & Steers Global Realty Majors ETF shareholders and may be distributed to others only if preceded or accompanied by a prospectus.

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