

An ALPS Advisors Solution

Your **DOORWAY** to one of the **LARGEST** economies in the **WORLD**

“A rising consumer base is creating new opportunities in China” – Chuck Clough

Fund PERFORMANCE as of 12/31/11

	Annualized					
	3 Month	YTD	1 Year	3 Year	5 Year	Since Inception ¹
Class A (NAV)	-1.96%	-18.36%	-18.36%	14.57%	3.53%	13.37%
Class A (MOP)	-7.34%	-22.85%	-22.85%	12.41%	2.36%	12.31%
Class C	-2.01%	-18.96%	-18.96%	13.64%	2.77%	12.54%
Class C (CDSC)	-2.99%	-19.77%	-19.77%	13.64%	2.77%	12.54%
Class I	-1.93%	-18.19%	-18.19%	14.99%	4.02%	13.92%
MSCI China Index	2.48%	-18.41%	-18.41%	11.48%	2.52%	12.90%

	Class A	Class C	Class I
Total Expense Ratios	2.16%	2.89%	2.05%
What You Pay**	1.98%	2.73%	1.73%

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. The Fund imposes a 2.00% redemption fee on shares held for less than 30 days. Performance shown does not include the redemption fee, which if reflected would reduce the performance quoted. For the most current month-end performance data please call 1.866.759.5679. Performance includes reinvested distributions and capital gains.

Maximum Offering Price (MOP) for Class A shares includes the Fund's maximum sales charge of 5.50%. CDSC performance for Class C shares includes a 1% contingent deferred sales charge (CDSC) on C shares redeemed within 12 months of purchase. Performance shown at NAV does not include these sales charges and would have been lower had it been taken into account.

Performance prior to January 15, 2010 reflects the historical performance of the Old Mutual China Fund (as a result of a prior reorganization of the Old Mutual Fund China Fund into the Fund).

* Fund Inception date of 12/30/2005.

** What You Pay reflects the Adviser's decision to contractually limit expenses through August 31, 2012. Please see the prospectus for additional information.

Economic Background for China

During the three month period ending 12/31/2011, the Clough China Fund declined by 1.96% while the MSCI China Index rose by 2.48%.

Although still volatile and characterized by low daily trading volume, the market started to recover from its previous lows under the influence of such macro factors as a significant slow down in inflation – to 4.2% in November from the 6.5% peak in July - and some modest signals of government support for small firms, bank shares, specific industries related to environment protection for instance and finally a cut in banks required reserve ratio (RRR) effective December 5th. The annual economic work conference in December clearly confirmed a shift of government concern from inflation to growth although investors were disappointed by the lack of major stimulus announcement. But with GDP growth reaching 9.4% for the first 3 quarters of 2011, retail sales up 17% Year over year (Yoy) and fixed asset investments rising 24.5% in the first 11 months, it is understandable that the government did not feel any urgent need to boost economic growth. December M2 (M2 - A category within the money supply that includes M1 in addition to all time-related deposits, savings deposits, and non-institutional money-market funds) growth was up 13.6% from 12.7% in November. Commercial banks' new loans just released for December show the highest monthly figures since last April. Even if industrial production is decelerating and December imports, up 11.8%, were lower than expected, we think none of these data is indicating that the Chinese economy is falling off a cliff. We believe they are in line with our scenario of a “soft landing” for China's economic growth.

Portfolio Composition

Contrary to the previous quarter, the Fund's underweight in financial sector was the major drag on performance. The overweight in consumer stocks contributed positively. In terms of individual stocks, Industrial & Commercial Bank of China (ICBC) – China's largest commercial bank, China Everbright International – a leader in water treatment and waste-to-energy industries and Great Wall Motor Co., one of the leading Chinese car makers, were the major contributors to the performance. China Telecom, fixed line incumbent and leading integrated telecom operator in China's Southern Provinces, Lianhua Supermarket, a food retailer in the Shanghai area and China Zhengtong Auto, a major dealer of luxury car brands such as Audi, Porsche and BMW. were the main detractors. China Zhengtong shares were weak on the heels of an acquisition of a competitor, though we still see upside in the shares. We have exited the Lianhua position due to concerns over the earnings outlook.

Outlook

Our views on China's economic prospects in 2012 have not changed. We expect GDP growth to slow down to around 8% and inflation to stabilize around 4% or lower this year. To counter external headwinds and maintain a steady economic growth rate, the government is likely to adopt a series of measures to loosen the liquidity and to support several domestic industries. It is our view that China has already entered a phase of gradual easing where more (RRR) cuts will be implemented in coming months along with increased fiscal spending. Expansion of infrastructure programs in nuclear power and railways should be revived at the end of the first quarter. The tightening policy on residential property is expected to be gradually lifted in the second half when prices come back to affordable levels. Property prices are likely to decline, yet we don't see a significant risk to banks or the economy from much needed a down cycle in housing.

Meanwhile, the Central government has started to make supportive comments and policy towards the equity markets. On January 7th, Premier Wen Jia Bao pledged to boost confidence in the nation's stock market. Then, the parent companies of several publicly-listed State-owned Enterprises (SOEs) entered the markets, both in Shanghai and in Hong Kong, to buy back shares of their listed subsidiaries – in oil, telecom and coal sectors – hence giving a clear signal of an upside potential to current valuations. This signal comes after the Central Huijin Investment Co., the investment arm of the central government, already increased its stake in the country's largest commercial banks on the secondary market. Trading volumes have begun to lift as interest has revived in the equity markets in early 2012. The China Securities Regulatory Commission (CSRC), the market supervisory body, has just announced a range of stock market reforms to improve market mechanism and operations' efficiency. Market sentiment is beginning to improve.

In our view, Chinese equities remain extraordinarily cheap. After falling 19% last year, the MSCI China Index is currently valued at a multiple of around 8x expected 2012 earnings as we enter the new year. This is a very low market valuation, considering consensus expectations of 12 - 13% earnings growth which we find reasonable. In our view the time has come to accumulate Chinese stocks and we have begun to reduce the cash position in the portfolio.

Sources: NBS/UBS/ CLSA/CITI/BLOOMBERG/SHANGHAI SECURITIES NEWS.

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An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contains this and other information, call 1.866.759.5679 or visit www.alpsfunds.com. Read the prospectus carefully before investing.

Investing in China, Hong Kong, and Taiwan involves risk and considerations not present when investing in more established securities markets. The Clough China Fund may be more susceptible to the economic, market, political, and local risks of these regions than a fund that is more geographically diversified.

The statements and opinions expressed here are those of the author. Any discussion of investments and investment strategies represents the Funds' investments and portfolio managers' views as of the date of the articles, and are subject to change without notice.

Not FDIC Insured • No Bank Guarantee • May Lose Value

The Clough China Fund is a series of Financial Investors Trust.

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MSCI China Index - The MSCI China Index is constructed according to the MSCI Global Investable Market Index (GIMI) family. The MSCI China Index is part of the MSCI Emerging Markets Index. An investor may not invest directly in an index.

RRR - The portion of depositors' balances banks must have on hand as cash.

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Top 10 HOLDINGS** as of 12/31/11

Industrial & Commercial Bank of China, Class H	6.02%
China Construction Bank Corp., Class H	5.32%
Bank of China, Ltd., Class H	4.34%
Shenguan Holdings Group, Ltd.	4.28%
China Mobile, Ltd.	4.14%
Lenovo Group, Ltd.	3.95%
China Petroleum & Chemical Corp., Class H	3.50%

VTech Holdings, Ltd.	3.25%
Great Wall Motor Co. Ltd., Class H	3.22%
China Shenhua Energy Co., Ltd., Class H	3.18%
Top Ten Holdings	41.20%
Total Number of Holdings	47

** Holdings are subject to change.