



ADVISORSHARES TRUST

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Consolidated

Financial

Statements

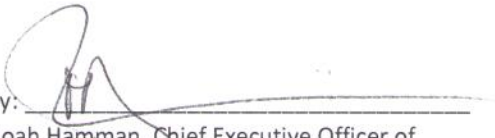
October 20, 2017

Commodity Pool Operator Oath of Affirmation

To the Shareholder of AdvisorShares Gartman Gold/Euro ETF
And AdvisorShares Gartman Gold/Yen ETF,

To the best knowledge and belief of the undersigned, the information contained in the accompanying financial statements as of and for the period ended October 20, 2017, and the related notes thereto is accurate and complete.

I affirm that, to the best of my knowledge and belief, all information contained herein is true, correct and complete.

By: 
Noah Hamman, Chief Executive Officer of
AdvisorShares

By: 
Dan Ahrens, Secretary and Treasurer of
AdvisorShares

February 9, 2018

ADVISORSHARES TRUST

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ADVISORSHARES TRUST
Consolidated Statements of Operations
For the Period Ended October 20, 2017

	AdvisorShares Gartman Gold/Euro ETF	AdvisorShares Gartman Gold/Yen ETF
Investment Income:		
Dividend Income from Affiliates	\$ 17,056	\$ 17,056
Interest Income	9,637	11,584
Total investment income	26,693	28,640
Expenses:		
Advisory fees	22,325	24,781
Accounting & Administration Fees	23,156	23,156
Professional Fees	9,166	8,012
Exchange Listing Fees	1,953	1,953
Custody Fees	1,075	945
Report to Shareholders	1,469	1,660
Trustee Fees	1,469	1,469
CCO Fees	776	746
Pricing Fees	3,405	2,780
Transfer Agent Fees	201	320
Insurance Fees	259	260
Miscellaneous Fees	539	1,362
Total expenses	65,793	67,444
Advisory fees waived	(22,325)	(24,781)
Expense Reimbursement	(17,083)	(13,378)
Net expenses	26,385	29,285
Net investment Income/(Loss)	308	(645)
Realized and Unrealized Gain (Loss) on Investments and Futures Contracts:		
Net realized gain (loss) on:		
Investments and foreign currency	(19,429)	2,220
Investments in Affiliates	(615)	(615)
Futures contracts	(330,872)	689,624
Net realized gain/(loss)	(350,916)	691,229
Net change in unrealized appreciation/depreciation on:		
Investments	(2,500)	(2,500)
Futures contracts	499,629	(58,476)
Net change in unrealized appreciation/depreciation	497,129	(60,976)
Net realized and unrealized gain on investments and futures contracts	146,213	630,253
Net Increase/(Decrease) in Net Assets from Operations	\$ 146,521	\$ 629,608

See accompanying Notes to Consolidated Financial Statements.

These statements have not been subjected to an audit, review or compilation engagement, and no assurance is provided on these Financial Statements

ADVISORSHARES TRUST
Consolidated Statements of Changes in Net Assets
For the Period Ended October 20, 2017

	AdvisorShares Gartman Gold/Euro ETF		AdvisorShares Gartman Gold/Yen	
	For the Period Ended October 20, 2017	For the Year Ended June 30, 2017	For the Period Ended October 20, 2017	For the Year Ended June 30, 2017
Increase (Decrease) in Net Assets from:				
Operations:				
Net investment Income/(Loss)	\$ 308	\$ (89,121)	\$ (645)	\$ (81,347)
Net realized gain/(loss) on investments and futures contracts	(350,916)	(236,242)	691,229	1,185,556
Net change in unrealized appreciation/depreciation on investments and futures contracts	497,129	(2,342,814)	(60,976)	(1,114,320)
Net decrease in net assets resulting from operations	<u>146,521</u>	<u>(2,668,177)</u>	<u>629,608</u>	<u>(10,111)</u>
Distributions to Shareholders:				
From net investment income:	-	(1,243,425)	-	(1,403,577)
From net realized gain:	-	(47,955)	-	-
Total distributions to shareholders	<u>-</u>	<u>(1,291,380)</u>	<u>-</u>	<u>(1,403,577)</u>
Capital Transactions:				
Proceeds from shares Issued:		13,543,686		2,404,697
Value of shares redeemed:	(15,210,087)	(16,953,392)	(16,057,096)	(9,812,402)
Net increase/(decrease) in net assets from capital transactions	<u>(15,210,087)</u>	<u>(3,409,706)</u>	<u>(16,057,096)</u>	<u>(7,407,705)</u>
Total decrease in net assets	<u>(15,063,566)</u>	<u>(7,369,263)</u>	<u>(15,427,488)</u>	<u>(8,821,393)</u>
Net Assets:				
Beginning of period	15,063,566	22,432,829	15,427,488	24,248,881
End of period	<u>\$ -</u>	<u>\$ 15,063,566</u>	<u>\$ -</u>	<u>\$ 15,427,488</u>
Accumulated net investment loss	\$ -	\$ (22,020)	\$ -	\$ (18,167)
Capital Share Transactions:				
Shares Outstanding, Beginning of Year/Period	1,300,000	1,625,000	1,375,000	2,025,000
Shares Sold		1,000,000		200,000
Shares Repurchased	(1,300,000)	(1,325,000)	(1,375,000)	(850,000)
Shares Outstanding, End of Year/Period	<u>-</u>	<u>1,300,000</u>	<u>-</u>	<u>1,375,000</u>

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ADVISORSHARES TRUST
CONSOLIDATED FINANCIAL HIGHLIGHTS

Per share operating performance.
For a capital share outstanding throughout each period.

	Gartman Gold/Euro ETF				
	For the Period July 1, 2017 through October 20, 2017^A	For the Year Ended June 30, 2017	For the Year Ended June 30, 2016	For the Year Ended June 30, 2015	For the Period February 11, 2014* through June 30, 2014
Net asset value, beginning of period	\$ 11.59	\$ 13.80	\$ 13.14	\$ 13.02	\$ 12.80
Investment Operations					
Net investment loss ¹	-	(0.05)	(0.08)	(0.08)	(0.03)
Net realized and unrealized gain (loss) on investments	0.16	(1.30)	1.63	0.97	0.25
Total from investment operations ³	0.16	(1.35)	1.55	0.89	0.22
Less Distributions:					
From net investment income		(0.83) ²	-	(0.14)	-
From net realized gain		(0.03)	(0.89)	(0.63) ²	-
Total distributions		(0.86)	(0.89)	(0.77)	-
Liquidation Distribution:	(11.75)	-	-	-	-
Net asset value, end of period	<u>-</u>	<u>\$ 11.59</u>	<u>\$ 13.80</u>	<u>\$ 13.14</u>	<u>\$ 13.02</u>
Market value, end of period	<u>-</u>	<u>\$ 11.57</u>	<u>\$ 13.98</u>	<u>\$ 13.11</u>	<u>\$ 13.07</u>
Total return⁴					
Total Investment Return Based on Net Asset Value	1.40%	(9.80)%	13.29%	7.33%	1.72%
Total Investment Return Based on Market Value	1.56%	(11.11)%	15.11%	6.56%	2.11%
Ratios and Supplemental Data:					
Net assets, end of period (in thousands)	\$ -	\$ 15,064	\$ 22,433	\$ 16,758	\$ 1,302
Ratios excluding the expenses and income of the Subsidiary:⁵					
Ratio of expenses after fees waived to average net assets	0.65%	0.65%	0.65%	0.65%	0.65%
Ratio of expenses before fees waived to average net assets	1.63%	1.25%	1.43%	2.21%	10.72%
Ratio of net investment income / (loss) after fees waived to average net assets	0.01%	(0.42)%	(0.64)%	(0.63)%	(0.63)%
Portfolio turnover rate⁶	0%	0%	0%	0%	0%

* Commencement of operations

^A Liquidation date.

¹ Based on average shares outstanding for the period.

² Amount represents less than \$0.01 per share.

³ The amount shown for a share distribution throughout the period may not correlate with the Consolidated Statements of Operations for the period due to the timing of sales and repurchases of Fund Shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

⁴ Net asset value total investment return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions on ex-date, if any, at net asset value during the period, and redemption on the last day of the period. Periods less than one year are not annualized. Market value total return is calculated assuming an initial investment made at the market value at the beginning of the period, reinvestment of all dividends and distributions at market value during the period on pay date, and sale at the market value on the last day of the period.

⁵ Ratios of periods of less than one year have been annualized. Excludes expenses incurred by the underlying investments in other funds

⁶ Portfolio turnover rate is not annualized and excludes the value of portfolio securities received or delivered as in-kind creations or redemptions of the Fund's capital shares

See accompanying Notes to Consolidated Financial Statements.

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ADVISORSHARES TRUST
CONSOLIDATED FINANCIAL HIGHLIGHTS

Per share operating performance.
For a capital share outstanding throughout each period.

	Gartman Gold/Yen ETF				
	For the Period July 1, 2017 through October 20, 2017[^]	For the Year Ended June 30, 2017	For the Year Ended June 30, 2016	For the Year Ended June 30, 2015	For the Period February 11, 2014* through June 30, 2014
Net asset value, beginning of period	\$ 11.22	\$ 11.97	\$ 13.16	\$ 12.94	\$ 12.80
Investment Operations					
Net investment loss ¹	-	(0.05)	(0.08)	(0.08)	(0.03)
Net realized and unrealized gain (loss) on investments	-	0.19	(0.70)	0.86	0.17
Total from investment operations ³	-	0.14	(0.78)	0.78	0.14
Less Distributions:					
From net investment income	-	(0.89)	-	(0.04)	-
From net realized gain	-	-	(0.41)	(0.52)	-
Total distributions	-	(0.89)	(0.41)	(0.56)	-
Liquidation Distribution:	(11.71)	-	-	-	-
Net asset value, end of period	-	\$ 11.22	\$ 11.97	\$ 13.16	\$ 12.94
Market value, end of period	-	\$ 11.20	\$ 12.04	\$ 13.19	\$ 13.04
Total return⁴					
Total Investment Return Based on Net Asset Value	4.37%	1.54%	(5.73)%	6.06%	1.09%
Total Investment Return Based on Market Value	4.55%	0.73%	(5.36)%	5.45%	1.88%
Ratios and Supplemental Data:					
Net assets, end of period (in thousands)	\$ -	\$ 15,427	\$ 24,249	\$ 23,022	\$ 3,881
Ratios excluding the expenses and income of the Subsidiary:⁵					
Ratio of expenses after fees waived to average net assets	0.65%	0.65%	0.65%	0.65%	0.65%
Ratio of expenses before fees waived to average net assets	1.50%	1.30%	1.23%	1.99%	4.74%
Ratio of net investment loss after fees waived to average net assets	(0.01)%	(0.41)%	(0.64)%	(0.62)%	(0.63)%
Portfolio turnover rate ⁶	0%	0%	0%	0%	0%

* Commencement of operations

[^] Liquidation date.

¹ Based on average shares outstanding for the period.

² Amount represents less than \$0.01 per share.

³ The amount shown for a share distribution throughout the period may not correlate with the Consolidated Statements of Operations for the period due to the timing of sales and repurchases of Fund Shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

⁴ Net asset value total investment return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions on ex-date, if any, at net asset value during the period, and redemption on the last day of the period. Periods less than one year are not annualized. Market value total return is calculated assuming an initial investment made at the market value at the beginning of the period, reinvestment of all dividends and distributions at market value during the period on pay date, and sale at the market value on the last day of the period.

⁵ Ratios of periods of less than one year have been annualized. Excludes expenses incurred by the underlying investments in other funds

⁶ Portfolio turnover rate is not annualized and excludes the value of portfolio securities received or delivered as in-kind creations or redemptions of the Fund's capital shares

ADVISORSHARES TRUST

Consolidated Notes to Financial Statements

October 20, 2017

1. Organization

AdvisorShares Trust (the “Trust”) was organized as a Delaware statutory trust on July 30, 2007 and has authorized capital of unlimited shares. The Funds are investment companies and accordingly follow the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standard Codification Topic 946 “Financial Services — Investment Companies”. The Trust is an open-end management investment company, registered under the Investment Company Act of 1940, as amended (the “Act”). The Trust is comprised of 17 active funds (the “Funds” or “ETFs” and individually, the “Fund” or “ETF”):

<u>Fund</u>	<u>Ticker</u>	<u>Commencement Of Operations</u>
AdvisorShares Gartman Gold/Euro ETF	GEUR	February 11, 2014
AdvisorShares Gartman Gold/Yen ETF.	GYEN	February 11, 2014

The Advisor has decided to cease trading and to enact an orderly liquidation of AdvisorShares Gartman Gold/EURO ETF and AdvisorShares Gartman Gold/Yen ETF. The Advisor expects no additional costs to be incurred related to the liquidation of those Funds.

AdvisorShares Gartman Gold/Euro ETF (“Gartman Gold/Euro ETF”) seeks to provide positive returns by utilizing the European Union’s Euro to invest its assets in the gold market. GEUR offers investors an alternative method to invest in gold by financing gold purchases in liquid currencies other than the U.S. dollar. Euros are obtained through the sale of either exchange-traded currency futures or “over-the-counter” foreign exchange forward contracts.

AdvisorShares Gartman Gold/Yen ETF (“Gartman Gold/Yen ETF”) seeks to provide positive returns by utilizing the Japanese yen to invest its assets in the gold market. GYEN offers investors an alternative method to invest in gold by financing gold purchases in liquid currencies other than the U.S. dollar.

The Japanese yen is obtained through the sale of either exchange-traded currency futures or “over-the-counter” foreign exchange forward contracts.

Some of the Funds are considered “fund of funds” and seek to achieve their investment objectives by investing primarily in other affiliated and unaffiliated exchange-traded funds (“ETFs”), as well as other exchange-traded products, including, but not limited to, exchange-traded notes (“ETNs”) and closed-end funds (collectively with ETFs and ETNs, “ETPs”), that offer diversified exposure to various global regions, credit qualities, durations and maturity dates.

ADVISORSHARES TRUST

Consolidated Notes to Financial Statements – (Continued)

October 20, 2017

2. Consolidation of Subsidiaries

The Consolidated Schedules of Investments; Consolidated Statements of Assets and Liabilities, of Operations and of Changes in Net Assets; and the Consolidated Financial Highlights of the ETFs listed below include the accounts of wholly owned subsidiaries. All inter-company accounts and transactions have been eliminated in consolidation.

<u>Funds</u>	<u>Wholly Owned Subsidiary</u>
Gartman Gold/Euro ETF	AdvisorShares Gartman Gold/Euro CFC
Gartman Gold/Yen ETF	AdvisorShares Gartman Gold/Yen CFC

A summary of each ETF's investment in its corresponding subsidiary is as follows:

<u>Funds</u>	<u>Inception Date of Subsidiary</u>	<u>Subsidiary Net Assets At October 20, 2017</u>	<u>% of ETF's Total Net Assets At October 20, 2017</u>
Gartman Gold/Euro ETF	February 11, 2014	\$ —	0%
Gartman Gold/Yen ETF	February 11, 2014	—	0%

3. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP") which require management to make 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 increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Investment Valuation

In computing each Fund's NAV, the Fund's securities holdings are valued based on their last readily available market price. Price information on listed securities, including Underlying ETFs, is taken from the exchange where the security is primarily traded. Securities regularly traded in an OTC market are valued at the latest quoted sales price on the primary exchange or national securities market on which such securities are traded. Securities not listed on an exchange or national securities market, or securities in which there was no last reported sales price, are valued at the most recent bid price. Other portfolio securities and assets for which market quotations are not readily available are valued based on fair value as determined in good faith by the Board of Trustees of the Trust.

Investment Transactions

Investment transactions are accounted for on the trade date. Realized gains and losses on sales of investment securities are calculated using the identified cost method. Dividend income and distributions to shareholders are recognized on the ex-dividend date and interest income and expenses are recognized on the accrual basis. Premiums and discounts are amortized over the life of the bond using the effective interest method.

Distributions received from investments in Real Estate Investment Trusts ("REITs") are recorded as dividend income on ex-dividend date, subject to reclassification upon notice of the character of such distributions by the issuer. The portion of dividend attributable to the return of capital is recorded against the cost basis of the security,

ADVISORSHARES TRUST

Consolidated Notes to Financial Statements – (Continued)

October 20, 2017

Expenses

Expenses of the Trust, which are directly identifiable to a specific Fund, are applied to that Fund. Expenses which are not readily identifiable to a specific Fund are allocated in such a manner as deemed equitable, taking into consideration the nature and type of expense and the relative net assets of each Fund.

Futures Contracts

Certain Funds may invest in futures contracts (“futures”), may invest in futures in order to hedge its investments against fluctuations in value caused by changes in prevailing interest rates or market conditions. Such Funds may invest in futures as a primary investment strategy. Investments in futures may increase or leverage exposure to a particular market risk, thereby increasing price volatility of derivative instruments a Fund holds. No monies are paid or received by a Fund upon the purchase or sale of a futures contract. Initially, a Fund will be required to deposit with the broker an amount of cash or cash equivalents, known as initial margin, based on the value of the contract. Subsequent payments, called variation margin, to and from the broker, will be made on a daily basis as the price of the underlying instruments fluctuates, making the long and short positions in the futures contract more or less valuable, a process known as ‘marking-to-the-market.’ Once a final determination of variation margin is made, additional cash is required to be paid by or released to a Fund, and a Fund will realize a loss or gain. The Funds may be subject to the risk that the change in the value of the futures contract may not correlate perfectly with the underlying index. Use of long futures contracts subjects the Funds to risk of loss in excess of the amounts shown on the Statements of Assets and Liabilities, up to the notional value of the futures contracts. Use of short futures contracts subjects the Funds to unlimited risk of loss. The Funds may enter into futures contracts only on exchanges or boards of trade. The exchange or board of trade acts as the counterparty to each futures contract; therefore, the Funds’ credit risk is limited to failure of the exchange or board of trade. Under some circumstances, futures exchanges may establish daily limits on the amount that the price of a futures contract can vary from the previous day’s settlement price, which could effectively prevent liquidation of unfavorable positions.

Options

Certain Funds are authorized to write and purchase put and call options. When a Fund writes an option, an amount equal to the premium received by the Fund is reflected as an asset and an equivalent liability. The amount of the liability is subsequently marked to market to reflect the current market value of the option written. When a security is purchased or sold through an exercise of an option, the related premium paid (or received) is added to (or deducted from) the basis of the security acquired or deducted from (or added to) the proceeds of the security sold. When an option expires (or the Fund enters into a closing transaction), the Fund realizes a gain or loss on the option to the extent of the premiums received or paid (or gain or loss to the extent the cost of the closing transaction exceeds the premium paid or received). The Fund, as writer of an option, bears the market risk of an unfavorable change in the price of the security underlying the written option. Written and purchased options are non-income producing investments.

Short-Term Investments

Each Fund may invest in high-quality short-term debt securities and money market instruments on an ongoing basis to maintain liquidity or pending selection of investments in accordance with its policies. These short-term debt securities and money market instruments include shares of other mutual funds, commercial paper, certificates of deposit, bankers’ acceptances, U.S. Government securities and repurchase agreements.

Dividends and Distributions

Each Fund will generally pay out dividends to shareholders at least annually. Each Fund will distribute its net capital gains, if any, to shareholders annually. Income and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. generally accepted accounting principles. Distributions are recorded on ex-dividend date.

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ADVISORSHARES TRUST

Consolidated Notes to Financial Statements – (Continued)

October 20, 2017

Indemnifications

In the normal course of business, each Fund enters into contracts that contain a variety of representations which provide general indemnifications. The Trust's maximum exposure under these arrangements cannot be known; however, the Trust expects any risk of loss to be remote.

4. Investment Advisory Agreement and Other Agreements

Investment Advisory Agreement

Each Fund has entered into an investment advisory agreement with AdvisorShares Investments, LLC (the "Advisor") pursuant to which the Advisor acts as the Fund's investment adviser. Pursuant to the agreement, the Advisor has overall supervisory responsibility for the general management and investment of each Fund's securities portfolio, and has ultimate responsibility (subject to oversight by the Trust's Board of Trustees) for oversight of the Trust's sub-advisers. For its services, each Fund pays the Advisor an annual management fee and which is calculated daily and paid monthly based on average daily net assets. From time to time, the Advisor may waive all or a portion of its fee.

The Advisor's annual management fee for each Fund is as follows:

Fund:	Rate:
Gartman Gold/Euro ETF	0.55%
Gartman Gold/Yen ETF	0.55%

Sub-Advisory Agreements

Each Fund's investment sub-advisor provides investment advice and management services to the Fund. AdvisorShares supervises the day-to-day investment and reinvestment of the assets in the Fund and is responsible for monitoring the Fund's adherence to its investment mandate. Pursuant to an investment sub-advisory agreement between each sub-advisor and the Advisor, the sub-advisor receives an annual fee.

From time to time, each sub-advisor may waive all or a portion of its fee.

Expense Limitation Agreement

The Advisor has contractually agreed to reduce their fees and reimburse expenses in order to keep net expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses) from exceeding a specified amount for each Fund's average daily net assets (with the exception of Global Echo ETF). The expense limitation agreement will be terminated upon termination of the investment advisory agreement between the Advisor and the Fund. The investment advisory agreement may only be terminated with the approval of the Fund's Board. The expense caps in effect for each Fund during the period ended October 20, 2017 were as follows:

Fund:	Rate:
Gartman Gold/Euro ETF	0.65%
Gartman Gold/Yen ETF	0.65%

Administrator, Custodian, Fund Accountant and Transfer Agent

The Bank of New York Mellon ("BNYM") (in each capacity, the "Administrator", "Custodian", "Fund Accountant" or "Transfer Agent"), serves as the Fund's Administrator, Custodian, Fund Accountant and Transfer Agent pursuant to a certain Fund Administration and Accounting Agreement, a Custody Agreement or a Transfer Agency and Service Agreement, as the case may be.

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ADVISORSHARES TRUST

Consolidated Notes to Financial Statements – (Continued)

October 20, 2017

Distribution and Service (12b-1) Plan

Foreside Fund Services, LLC (the “Distributor”) serves as the Fund’s distributor of Creation Units for the Fund pursuant to the distribution agreement. The Distributor does not maintain any secondary market shares. The Funds have adopted a Distribution and Service Plan (“Plan”) pursuant to Rule 12b-1 under the 1940 Act. In accordance with its Plan, each Fund is authorized to pay an amount up to 0.25% of its average daily net assets each year for certain distribution-related activities. No fees are currently paid by each Fund under the Plan, and there are no current plans to impose these fees. However, in the event Rule 12b-1 fees were charged, over time they would increase the cost of an investment in each Fund.

5. Creation and Redemption Transactions

The Funds issue and redeem shares on a continuous basis at NAV in groups of 25,000 shares, at minimum, called “Creation Units.” Except when aggregated in Creation Units, shares are not redeemable securities of a Fund. Only “Authorized Participants” may purchase or redeem shares directly from each Fund. An Authorized Participant is either (i) a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the National Securities Clearing Corporation or (ii) a DTC participant and, in each case, must have executed a Participant Agreement with the Distributor. Most retail investors will not qualify as Authorized Participants or have the resources to buy and sell whole Creation Units. Therefore, they will be unable to purchase or redeem the shares directly from the Fund. Rather, most retail investors will purchase shares in the secondary market with the assistance of a broker and will be subject to customary brokerage commissions or fees.

6. Derivative Instruments

The Funds have adopted authoritative standards of accounting for derivative instruments which establish disclosure requirement for derivative instruments. These standards improve financial reporting for derivative instruments by requiring enhanced disclosures that enables investors to understand how and why a fund uses derivatives instruments, how derivatives instruments are accounted for and how derivative instruments affect a fund’s financial position and results of operations. The Funds use derivative instruments as part of their principal investment strategy to achieve their investment objective.

7. Derivative Instruments

At October 20, 2017, the fair values of derivative instruments were as follows:

Statements of Assets and Liabilities

<u>Fund</u>	<u>Asset Derivatives</u>	<u>Equity Risk</u>	<u>Foreign Exchange Risk</u>	<u>Commodity Risk</u>	<u>Credit Risk</u>
Gartment Gold/Yen ETF	Unrealized Depreciation on Futures Contracts	\$ —	\$ —	\$ —	\$ —

<u>Fund</u>	<u>Liability Derivatives</u>	<u>Equity Risk</u>	<u>Foreign Exchange Risk</u>	<u>Commodity Risk</u>	<u>Credit Risk</u>
Gartment Gold/Euro ETF	Unrealized Depreciation on Futures Contracts	\$ —	\$ —	\$ —	\$ —
Gartment Gold/Yen ETF	Unrealized Depreciation on Futures Contracts	\$ —	\$ —	\$ —	\$ —

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ADVISORSHARES TRUST

Consolidated Notes to Financial Statements – (Continued)

October 20, 2017

Transactions in derivative instruments during the period ended October 20, 2017, were as follows:

<u>Statements of Operations</u>					
<u>Fund</u>	<u>Realized Gain (Loss)</u>	<u>Equity Risk</u>	<u>Foreign Exchange Risk</u>	<u>Commodity Risk</u>	<u>Credit Risk</u>
Gartment Gold/Euro ETF	Futures	\$ —	\$(703,778)	\$(372,906)	\$ —
Gartment Gold/Yen ETF	Futures	\$ —	\$ 233,162	\$ 456,462	\$ —

<u>Fund</u>	<u>Change In Unrealized Gain (Loss)</u>	<u>Equity Risk</u>	<u>Foreign Exchange Risk</u>	<u>Commodity Risk</u>	<u>Credit Risk</u>
Gartment Gold/Euro ETF	Futures	\$ —	\$(292,361)	\$(207,268)	\$ —
Gartment Gold/Yen ETF	Futures	\$ —	\$(261,396)	\$(202,920)	\$ —

8. Federal Income Tax

Each Fund intends to qualify as a “regulated investment company” under Sub-chapter M of the Internal Revenue Code of 1986, as amended. If so qualified, the Funds will not be subject to Federal income tax to the extent it distributes substantially all of its net investment income and net capital gains to its shareholders. Accounting for Uncertainty in Income Taxes provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements, and requires the evaluation of tax positions taken or expected to be taken in the course of preparing a Fund’s tax returns to determine whether the tax positions are “more-likely-than-not” of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-than-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. Interest and penalty related to income taxes would be recorded as income tax expense. Management of the Funds is required to analyze all open tax years (2014 – 2017), as defined by IRS statute of limitations, for all major jurisdictions, including federal tax authorities and certain state tax authorities. As of October 20, 2017, the Funds did not have a liability for any unrecognized tax benefits. The Funds have no examination in progress and is not aware of any tax positions for which it is reasonably possible that the amounts of unrecognized tax benefits will significantly change in the next twelve months.

9. Other Affiliated Parties and Transactions

Affiliated holdings are funds which are managed by the Trust or an affiliate of the Trust. Transactions with affiliated companies during the period ended October 20, 2017 were as follows:

<u>Affiliated Fund Name</u>	<u>Value At 6/30/2017</u>	<u>Purchases/ Additions</u>	<u>Sales/ Reductions</u>	<u>Value At 10/20/17</u>	<u>Dividend Income</u>	<u>Realized Gain (Loss)</u>
Gartman Gold/Euro ETF						
Sage Core Reserves ETF *.	\$ —	\$ —	\$4,976,500	\$ —	\$17,056	\$(615)
Gartman Gold/Yen ETF						
Sage Core Reserves ETF *.	—	—	4,976,500	—	—	—

* Not an affiliate at the end of the period

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October 20, 2017

10. Investment Transactions

Purchases and sales of investments for the period ended October 20, 2017 were as follows:

<u>Fund</u>	<u>Purchases</u>			<u>Sales</u>		
	<u>Long Term</u>	<u>U.S. Government</u>	<u>In-Kind</u>	<u>Long Term</u>	<u>U.S. Government</u>	<u>In-Kind</u>
Gartman Gold/Euro ETF		—	—	4,973,385	—	—
Gartman Gold/Yen ETF		—	—	—	—	—

11. Risk Involved with Investing in the Funds

The Funds are subject to the principal risks described below, some or all of these risks may adversely affect the Funds' NAV, trading price, yield, total return and ability to meet its investment objective. As with any investment, an investment in each Fund could result in a loss or the performance of each Fund could be inferior to that of other investments.

Credit Risk

Credit risk is the risk that an issuer or guarantor of debt instruments or the counterparty to a financial transaction, including derivatives contracts, repurchase agreements or loans of portfolio securities, is unable or unwilling to make timely interest and/or principal payments or to otherwise honor its obligations. The Fund's, and its affiliates, manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of each Fund's exposure to credit and counterparty risks with respect to those financial assets is approximated by their value recorded in its Statements of Assets and Liabilities. High yield securities may also be subject to greater levels of credit or default risk than higher-rated securities and high yield securities may be less liquid and more difficult to sell at an advantageous time or price or to value than higher-rated securities. In particular, high yield securities are often issued by smaller, less creditworthy companies or by highly leveraged (indebted) companies, which are generally less able than more financially stable companies to make scheduled payments of interest and principal.

Fund of Funds Risk

Some of the Funds' investment performance, because they are fund of funds, depends on the investment performance of the Underlying ETFs in which they invest. An investment in these Funds is subject to the risk associated with the Underlying ETFs that comprise their Underlying Index. The Funds will indirectly pay a proportional share of the asset-based fees, if any, of the Underlying ETFs in which they invest.

Liquidity Risk

In certain circumstances, it may be difficult for the Fund to purchase and sell particular investments within a reasonable time at a fair price. To the extent that there is not an established retail market for instruments in which the Fund may invest, trading in such instruments may be relatively inactive. Trading in shares may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in shares inadvisable. In addition, trading in shares is subject to trading halts caused by extraordinary market volatility pursuant to "circuit breaker" rules. There can be no assurance that the requirements necessary to maintain the listing of the shares of the Fund will continue to be met or will remain unchanged.

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Market Risk

Investments in securities, in general, are subject to market risks that may cause their prices to fluctuate over time. The Fund's investments may decline in value due to factors affecting securities markets generally, or particular countries, segments, economic sectors, industries or companies within those markets. The value of a security held in a short position may increase due to general economic and market conditions which are not specifically related to a particular issuer, such as real or perceived positive economic conditions or changes in interest or currency rates. Because the market value of ETF shares may differ from their net asset value, the shares may trade at a premium or discount. An investment in the Fund may lose money.

12. Liquidation

At the end of business day on October 20, 2017, each Fund made a liquidating distribution to its remaining shareholders equal to the shareholder's proportionate interest in the net assets of each Fund, in complete redemption and cancellation of the Fund's shares held by the shareholders. The Funds were dissolved on October 20, 2017.

13. Subsequent Events

The Funds have adopted authoritative standards of accounting for disclosure of events that occur after the Statements of Assets and Liabilities date but before financial statements are issued or are available to be issued. These standards require the Fund to recognize in the financial statements the effects of all recognized subsequent events that provide additional evidence about conditions that existed at October 20, 2017.