ALPINE TOTAL DYNAMIC DIVIDEND FUND
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FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-21980

Alpine Total Dynamic Dividend Fund

(Exact name of registrant as specified in charter)

Alpine Woods Capital Investors, LLC
2500 Westchester Avenue, Suite 215
Purchase, New York, 10577

(Address of principal executive offices)(Zip code)

(Name and Address of Agent for Service)	Copy to:
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Date of fiscal year end: October 31

Date of reporting period: November 1, 2010 - April 30, 2011

Item 1: Shareholder Report

TOTAL DYNAMIC DIVIDEND FUND

April 30,

2011

Semi-Annual Report

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April 30, 2011 (Unaudited)

Dear Investor:

Recovery in Transition: Turning Credit into Jobs?

It is easy to be overwhelmed when sifting through the myriad data points and analyses of economic activity and business trends. Much of the information is providing a mixed picture which is unusual at this stage of a typical economic recovery. Even though the global economy has yet to recouple with the longer term growth trend, we believe that the world is still in a cyclical transition phase. Perhaps the single most important measure of economic prosperity and cyclical strength is job creation. However, it is unclear as to when many of the world s developed economies will return to a sustainable higher level of full time employment. For the U.S., this would not only move unemployment from 9% to under 7%, but significantly reduce the debilitating number of long-term unemployed workers which has spiked to historic levels. How quickly we can achieve this goal of adding close to 3 million jobs to the U.S. economy will relate to the interplay of fiscal, demographic and political forces which all play roles in determining the probable rate of growth. Our economy is also subject to the influence of similar forces in other countries, many of whom are also encumbered by difficult economic circumstances. A higher proportion of countries are currently affected by a broad spectrum of maladies than I can recall over the past two decades. Many are suffering from isolated natural disasters or circumstances, while others reflect economic or societal imbalances. Thus, the duration of their impact will vary greatly. This may lead to a range of both opportunities or risks over the coming years.

An Extended Period of Transition

Globally, this recovery is both weaker and slower than the norm. Europe s debt crisis and their decision to risk compounding the recession s after effects with the potentially premature introduction of austerity measures has yet to be fully felt. Theoretically, austerity now will pave the way for future prosperity, but when will this be realized? The impact on the global supply chain from Japan s tragic earthquake and tsunami, as well as other relatively less destructive yet, nonetheless, horrific natural disasters around the world have all combined to slow economic growth. On top of this, civil protests, revolution and regional political change have impacted local economies and capital markets. Hopefully, the potential for multiple countries initiating major rebuilding efforts over the next few years may stimulate future growth. On top of these factors, China is leading other emerging market countries through a period of fiscal tightening. Such restraint is in response to an inflation scare, which in part relates to the emergence of growing middle class consumption trends in these countries. At the same time, China plans to further boost domestic consumption and is dramatically expanding the scale of its low cost social housing programs. Meanwhile, the U.S. economy has been further impacted by state and local government s budget tightening and program cutting. The wind down of the Federal Reserve s QE2 and other stimulus programs, as well as a shift in domestic consumer mentality towards saving for a rainy day and continued debt reduction is also dampening demand. For a better perspective of where this places us at this time in the cycle, please refer to Chart 1, below, which shows that the U.S. economy has been improving, but at a much slower rate than other recessions.

Chart 1:

A Constrained Recovery in Consumption

Chart 2 shows the pattern of real consumer spending compared with historical trends. Higher food and fuel prices have clearly constrained the purchasing power of many Americans, as has tighter credit, and the trend toward saving. However, the impact of fewer jobs and reduced job security are doubtless contributors. With an estimated 70% of U.S. GDP based on consumption, it is not surprising that the pace of recovery has been so slow. Since our imports have exceeded exports for many years, the global impact of our reduced spending has compelled other countries to expand their domestic consumption.

Chart 2:

Dysfunctional Home Financing Remains a Problem

Historically, housing and automobile sales have been major drivers of prior economic recoveries due to the multiplier effect of creating jobs in many industries which would contribute to the final product. While the auto sector has improved we are buying cars at an annual rate at approximately 30% below the 2005 level. Meanwhile, permits to build new single family homes are almost 80% below peak levels of 2005 and almost 60% below the 50 year average volume!

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Chart 3 illustrates the current trend of residential investment versus the patterns of prior housing recoveries. Today, a high proportion of home purchases are for cash, reflecting both the role of investors as well as the inability of banks to adjust their lending standards and clean up their poor performing loan portfolios.

Chart 3:

The creation of excessive capital beginning with Y2K fears, followed by efforts to offset potential negative wealth effects from the tech stock bubble bursting in 2001, combined with the poor regulatory and business decisions made over the last decade regarding the mortgage policies and the foreclosure process has led to devastating problems for many Americans. While the U.S. housing market remains under pressure almost six years past its peak, we do not believe that the current pattern of events reflects a structural shift in housing patterns, although we do think it will take at least another year of below trend housing growth before we see the light of recovery. Fundamental to creating a sustainable rebound will be a resurgence of strong job creation. The same will be true for other countries, including Ireland, Spain, and much of Eastern Europe and the Persian Gulf where capital for real estate exceeded growth in both income and populations. This is in sharp contrast with emerging markets which continue to grow in terms of their relative economic output, relative per capita incomes and, thus, relative level of prosperity.

Financial Markets and Politics in Transition

Alpine s top down/bottom up investment approach takes into account not only macro economic fundamentals and demographic drivers of demand, but also societal themes and political trends which could influence both market psychology and fiscal policy, as well as business and consumer confidence. Sometimes these themes coalesce into a collective public will, as manifested through shifts in political power or even transformation of the political process itself. Clearly such a transition is continuing to play out in countries of North Africa and the Middle East. Over the next 18 months, politics will be a major factor for a number of countries and markets with elections in Thailand, Turkey, Egypt, Japan, France, Germany, Russia and the U.S. Even China will reconstitute its ruling council next year. By their nature, politicians will promise changes or highlight concerns, which could impact markets. We are already seeing a domestic political theater play out in Congress, disguised

as an ideological debate over budget deficits and the country s debt ceiling , as a prelude to 2012 elections.

In light of these challenges, it is important to have perspective on the strong performance of global stocks since the Great Recession of 2008. Capital markets have transitioned towards recovery in advance of the economy, reflecting the return of significant liquidity to both debt and equity markets. However, there has been a bias towards both large and publicly traded companies at the expense of small businesses and private companies. Thus, the slower pace of overall economic recovery is not reflected in the stronger relative performance of larger publicly traded companies which have access to capital and in many cases are still sitting on cash.

Given the depth and breadth of the financial frailties revealed in 2008, most central banks and treasuries chose to shore up major banks, rather than close them down. Even though the U.S. banking sector has stabilized and its viability is no longer impaired, the prospects for rejuvenating a fully functional mortgage market and small business lending capacity is not yet visible. Abroad, French and German banks remain critically exposed to weak loans in the Greek, Irish and Portuguese economies and, thus, have to continue to build reserves, while government stewardship of banks in England, Belgium and Iceland will continue for a number of years. For much of the emerging world, the banks are being required to raise their level of reserves in order to slow their pace of loan growth. Since these banks had little exposure to the bad loans leading up to 2008, this action should be viewed as fundamentally positive for strengthening long term lending capacity. Clearly, the global banking sector is still in a period of transition which may include further recapitalization and require years for full recovery at some banks.

We also see a transition in government fiscal policies. Just as the U.S. consumer has shifted towards savings in response to the ongoing deleveraging process, state and local revenues continue to lag due to moderating local retail sales tax receipts and declining property valuations. Declining assistance from the federal government to state and local governments is leading to a form of government austerity irrespective of the political posturing in Washington. European governments have already put significant fiscal austerity packages in place ranging from -3% to -5%, and this will have a greater impact on their economies than ours since over half of GDP is dependent upon the government sector in some countries. Even Europe s extensive social safety nets may also become stretched by further contraction. However, the economic pressure on many politicians to produce for constituents will climb, just as the election season approaches. The natural tendency to throw the bums out and let another party take on the reins of government may be very strong, but this often leads to fallow periods both before and after the election where little leadership is exerted or enacted which might otherwise provide economic stimulus. Thus, political transitions over the next 18 months might further slow the near term prospects for recovery.

From Despotism to Democracy?

The collective concerns of a people are rarely voiced when economic prosperity is widespread and opportunities for employment are plentiful. However, when a minority benefit to the detriment of the broad populace, where their leadership s response to the distress of their people is to proverbially let them eat cake , then we see events unfold such as the Jasmine Revolution which unseated governments in Tunisia and Egypt, and spread with horrible effect so far to the people of Libya, Syria and Yemen. When 45% to 75% of disposable income is spent on food and the rest is split on shelter and clothes, a 10% to 20% hike in the price of food stuffs and cooking fuel could dramatically reprioritize one s daily existence. Thus, the proverbial straw which broke the camel s back may have been mainly economic even though the underlying impetus for these political transitions included domestic and religious concerns. In this light, it is not surprising that some of the stronger emerging market economies have been raising minimum wages by double digit percentages over recent years. It may be inflationary but probably contributes long term stability.

Smoothing A Bumpy Transition to Greater Prosperity

Alpine remains sanguine on the prospects for the continued evolution of this business cycle even though some pundits believe that the era of extended business cycles is over because the unique period of falling interest rates from 1981 to the present softened downturns and sustained growth. Instead, a prolonged period of slower growth and measures to limit excess debt finance could moderate cyclical demand and supply imbalances. As a result, we believe that the current benign inflation trend can be continued in developed economies for a number of years, where the domestic expansion of emerging nations could be countered by higher domestic borrowing costs. Such an extended business cycle potentially permits the global economy to compound its gains and, hence, create more jobs than can a more volatile shorter cycle. Such a cycle might also smooth the evolution of emerging markets managing local resources, growing political and corporate transparency, enhancing positive demographic characteristics and pro-market fiscal policies can still have a significant impact on relative growth in GDP, per capita incomes, middle class expansion and attract foreign investment flows.

We believe the potential for the greatest value creation and earnings growth shall continue in countries such as Brazil, China, India and Indonesia, Thailand and the Philippines. At the same time, strategically positioned nations, which include Australia, Norway and Singapore, could also be attractive. Naturally, companies with global operating platforms which can expand in growth focused economies, should also prosper. Many such companies are domiciled in Scandinavia, Germany, Canada and the U.S.

The prospect for an extended U.S. recovery is not bleak for those who can appreciate that the economic glass is now half full. The following, chart #4, shows that we have recovered half of the household wealth lost during the recession. The ongoing deleveraging of domestic balance sheets has reduced household credit market liabilities relative to household assets which fell from a peak of over 22% to about 18.5%, half way toward the 1990 s average level of 14.4%. If our economy can continue the restructuring of both bank and domestic balance sheets for another two years, it should be able to accelerate consumption and, hence, the job creation process.

Chart 4:

We remain fundamentally positive that if this period of economic transition can be sustained for at least another three or four years then a solid employment base can be renewed. It is noteworthy that vast majority of the world s central banks are still maintaining positive yield curves, which is fundamentally stimulative to economic activity by pushing investors to take on greater duration risk in return for significantly higher returns. As this long term capital is deployed, we believe it will also be focused in those regions or businesses with the greatest potential, irrespective of the country or sector in which it is deployed. As we all move further away from the financial tsunami of 2008, the market will transition to a more nuanced understanding of risk and return. However, this nuanced understanding typically comes from developing a balanced perspective of opportunity for both the upside and the downside of any investment. In that context, we hope you find the reports of our individual funds which follow to be informative.

We thank you for your interest in our funds.

Sincerely,

Samuel A. Lieber
President

Past performance is not a guarantee of future results. The specific market, sector or investment conditions that contribute to a Fund s performance may not be replicated in future periods.

Mutual fund investing involves risk. Principal loss is possible. Please refer to the individual fund letters for risks specific to each fund.

This letter and the letter that follows represent the opinion of Alpine Funds management and are subject to change, are not guaranteed, and should not be considered investment advice.

This being a Closed-end fund and does not continuously offer shares.

Manager Commentary

April 30, 2011 (Unaudited)

We are pleased to report that the Alpine Total Dynamic Dividend Fund (AOD) completed its fiscal first half 2011 with strong capital appreciation in addition to distributing a high level of dividend income. For the six months ended 4/30/11, AOD s market price appreciated by 18.82% and the Net Asset Value (NAV) grew 21.98% including dividend reinvestment. This compares favorably to a 16.36% increase in the S&P 500 Index and a 15.50% increase in the Dow Jones Euro STOXX 600 Index in U.S. dollar terms.

AOD provided an attractive dividend for our investors in fiscal first half 2011 in a still challenging equity income environment. The Fund distributed a monthly dividend payment of $0.055 per share or $0.660 per share annualized. In addition, AOD distributed a special year end dividend payment of $0.01 per share on 12/30/10. Since inception on January 28, 2007, AOD has paid a total of $7.348 per share in earned dividend income.

AOD seeks to take advantage of higher yields and attractive growth in many international markets

AOD s primary objective is to provide our investors with high current dividend income that is not restricted to tax-qualified dividend distributions, while also focusing on long-term growth of capital. In addition, the fund has no limitations on the percentage of holdings that can be in either international or domestic U.S. companies. AOD is different from many other closed-end funds in that it does not utilize covered calls or managed distribution to achieve its objectives, with all of its dividend income being earned income. The Fund also has the flexibility to leverage up to 33% of its value if management believes there are opportunities for either dividend capture or capital appreciation, and we generally employ leverage during our dividend capture periods. During the period ending April 30, 2011 the Fund has used its leverage line on several occasions.

We believe AOD is well positioned to provide our investors exposure to attractive capital appreciation opportunities in the U.S. as well as many international and emerging markets which are experiencing strong economic growth in addition to attractive dividend yield potential. The U.S. is one of the lowest yielding countries in the group of G20 nations with a 1.80% dividend yield on 4/29/11, so we can get much better yields overseas, for example, in Australia with a 3.98% current yield, Brazil at 3.38% and the UK at 3.12% on 4/29/11. Therefore, AOD has a significant portion of its assets invested overseas to help achieve our goal of high dividends and capital appreciation in comparison to the S&P 500 Index.

As of 4/30/11, the Fund had invested 62.8% of net assets in companies based in 18 different countries and 38.0% of its value in domestic U.S. companies, with the remaining (0.8%) difference representing short term leverage. As we were at the peak of our dividend capture program in Europe in April and May we took on a small percentage of leverage in the Fund. At the end of the fiscal first half 2011, the Fund had 12.8% of the portfolio invested in emerging market countries including Brazil, India, South Korea, and

Turkey. Following the United States, our current top five countries are Norway, Brazil, Sweden, Switzerland, and the UK.

We do not actively manage our country weightings - we pick our holdings on a stock-by-stock basis based on dividend potential and total return. We search for attractive value opportunities in the U.S., Europe, Latin America, and Asia. This bottoms-up approach had taken a large portion of our international holdings to the Euro region, as the dividend payout ratios remain higher than any other region. Given the continued uncertain outlook that still remains for the Euro region, we have strived to diversify our exposure in the region away from companies with Euro denominated currencies. On 4/30/11, approximately 44% of the Fund s assets were invested in Europe, but only 7.8% in Euro denominated currencies, with the rest being in Sweden, Norway, Switzerland, Denmark, and the UK. A portion of the gains of our equity positions in Europe, related to the appreciation of the Euro, were offset due to currency hedges entered into during the period.

We decided to hedge our currency exposure in Europe due to our concerns over the lingering sovereign debt crisis and we continue to diversify the portfolio globally with investments in Asia, South America, and Australia. These concerns did not materialize, and subsequent to the period ending 4/30/11, we have exited our position after the conclusion of our peak exposure during the dividend capture period. Our dividend capture strategy tends to be seasonally focused in Europe in the spring and that has begun to wind down and should be largely completed by June.

Our portfolio construction is illustrated by our top ten holdings

Throughout the fiscal first half 2011, we have continued to scan the globe searching for attractive dividend investment opportunities for our investors within these challenging global markets. The Fund combines four research-driven investment strategies Dividend Capture, Special Dividend, Value with a Catalyst, and Growth and Income to maximize the amount of distributed dividend income for our investors and to identify companies globally with the potential for dividend increases and capital appreciation. The following sections illustrate these investment strategies using our top ten holdings as examples. The top ten holdings in AOD constituted 23.44% of assets as of 4/30/11.

Our *Dividend Capture Strategy* and *Special Dividend Strategy* seeks to enhance the dividend income generated by the Fund

We run a portion of our portfolio with a *dividend capture strategy* and a *special dividend strategy,* where we invest in high dividend stocks or in special situations where large cash balances are being returned to shareholders as one-time special dividends. We seek to enhance the dividend return of this portfolio by electively rotating a portion of our high yielding holdings after receiving the dividend.

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In fiscal first half 2011, AOD participated in a total of 20 special dividends as companies distributed some of their record excess cash levels or cash was returned to shareholders due to corporate restructurings. This compares to 11 special dividends in AOD in fiscal first half 2010. Four of our current top 10 holdings are companies that have either recently announced large special dividends payments or there is a potential for a return of cash associated with a corporate action and we believe there is additional upside value to be realized following the dividend payment. These include Tele2, Atlas Copco, Carrefour, and Cairn Energy.

We search the globe looking for special dividend opportunities as is illustrated by one of our largest holding in AOD on 4/30/11, Tele2 AB (TEL2B SS). Based in Sweden, Tele2 is one of Europe s largest telecommunications providers offering services in 11 countries in Europe. With a strong record of delivering profitable growth, Tele2 declared a combined ordinary and special dividend payment of nearly 19% of its market cap to be paid in May 2011. Approximately 1/3 of the dividend related to a recent tax case victory and the remaining was aimed at distributing excess cash and re-leveraging the balance sheet, which is still below the companies target range. We began acquiring Tele2 in January 2011 in anticipation of the special dividend and the stock has provided a total return of 17.12% in fiscal first half 2011 for AOD.

Another top 10 holding by weight and a top performing stock in the industrial sector was Atlas Copco AB (ATCOA SS). Based in Sweden, Atlas is a global industrial conglomerate that manufactures air compressors and generators, construction and mining equipment, and industrial power tools to various industries including mining, construction, manufacturing, auto, and utilities. The company has benefitted from strong growth in global industrial production in the 150 countries that it serves. In addition, a high percentage of revenues were derived from aftermarket business which offered strong cash flows and greater earnings resilience than many of its peers. The company paid a combined ordinary and special dividend payment of over 5% of its market cap to investors in April and May 2011 based on its excess cash from strong operating results. The holding provided AOD with a total return of 44.67% in the six months ended 4/30/11.

Carrefour (CA FP), based in France, offers a potential special dividend opportunity in the consumer staples sector and was a top 10 holding in the portfolio as of 4/30/11. Carrefour is the 2nd largest retailer behind Wal-Mart in the world with more than 15,000 hypermarkets, supermarkets, convenience stores, and discount stores in about 35 countries in Europe, Latin America and Asia. In March 2011, under pressure from activists, Carrefour announced plans to spin off 100% of its Dia discount unit as a special dividend in July (to be voted on at the annual shareholder meeting in late June). We believe the unit is worth about EUR 3.5B. The stock provided a 11.38% total return for AOD in the fiscal first half 2011.

Cairn Energy (CNE LN), based in Edinburgh, is another potential special dividend situation and was a top 10 holding in the portfolio on 4/30/11. Cairn Energy is a pure exploration and production (E&P) company whose core asset is a 62% stake in Cairn India (CAIR IN), a high quality oil-heavy E&P company in India. Diversified miner Vedanta (VED LN) is contractually committed to purchase 40% of Cairn India from Cairn Energy at INR 405 per share, generating net proceeds of about $6.0B. Cairn Energy has publicly stated its intention to pay out a substantial portion of the gain to shareholders via a special dividend. The process has been held up by the government of India, which must approve the sale for the transaction to go through, but the deal is expected to be completed by the end of 2011. The stock provided a 22.38% total return for AOD in the fiscal first half of 2011.

Our *Value/Restructuring Strategy* looks for attractively valued or restructuring dividend payers

Our third major strategy is what we call *value with a catalyst or restructuring strategy* , where our research points to under-valued or mis-priced companies with, in our opinion, attractive dividend yields. We also look for turnaround situations or depressed earnings where we believe there is a catalyst for an earnings recovery or a restructuring or corporate action that is expected to add value. With many companies having responded to the global recession with significant corporate restructurings and are still trading at discounted valuations, it is not surprising to find several of our top 10 holdings in this strategy including Marine Harvest, Seadrill, and Hyundai.

A value holding in the consumer staples sector and top 10 holding in the portfolio on 4/30/11 was Marine Harvest ASA (MHG NO). Based in Norway, MHG is the largest salmon producer in the world, with major fish farmeries in Norway, Canada, Scotland and Chile. With 30% of the world s production, MHG is benefitting from strong global salmon sales in addition to the recent boost in pricing following the Japan earthquake disaster as a large amount of Japan s fishery infrastructure was severely damaged. However, pricing has begun to decline as more production in Chile is coming on line and we have started to take profits in the name. Management targets a return of about 75% of annual free cash flow to shareholders and distributed a 12% dividend in May 2011. MHG provided a 39.58% total return for AOD in fiscal first half 2011.

Our largest holding in the energy sector and a top 10 position by weight was Seadrill, which provided AOD with a total return of 23.21% for the six months ended 4/30/11. Seadrill Ltd. (SDRL NO), based in Bermuda, is Europe s largest offshore driller. Its aggressive newbuild program and acquisition strategy has given it one of the world s youngest fleets. Seadrill is a leader in the high-growth and technologically advanced deepwater and ultra-deepwater rig markets which are experiencing strong demand in regions like Brazil, West Africa, and the Gulf of Mexico as oil is getting harder to find and exploration is moving further out to sea. The company provided what we feel is a very attractive value with a current annual dividend yield of 8.8%.

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Lastly, a value holding in the consumer discretionary sector and top 10 holding in the portfolio on 4/30/11 was Hyundai Motor Company (005380 KS). Based in Seoul, Hyundai is the largest auto maker in Korea. It also owns 38% of KIA Motors, which combined have over 80% of the domestic Korean market and are the world s fifth-largest auto manufacturer. Hyundai has reaped the benefits of its global expansion strategy started in 2002 and quality improvements have helped it gain overall share, particularly from Toyota, in its key China, India and U.S. markets. In addition, the company saw a boost in demand following the Japan earthquake disaster as the large auto producers like Honda and Toyota were severely impacted. Hyundai continues to trade at a discounted valuation relative to its peers and provided AOD with a total return of 49.96% in the six months ended 4/30/11.

Our *Growth and Income Strategy* targets capital appreciation in addition to yield

Our fourth investment strategy identifies core *growth and income* stocks that may have slightly lower but still attractive current dividend yields plus an outlook for strong and/or predictable earnings streams that should support additional future dividend increases. Several of our top ten holdings are industry leaders with strong growth in their categories and the potential for attractive and rising dividend payouts. These include Nestle, Fortum, and Syngenta.

The Fund s largest holding by weight at fiscal year end was Nestle SA (NESN VX), based in Switzerland. Nestle is a global packaged food company that has grown revenues by focusing on emerging markets and health and wellness products. Their broad ranges of products including chocolates, coffees and pet food are often considered staples and were able to experience solid demand throughout the economic downturn. In addition, Nestle is improving margins through its cost reduction efforts which are supporting earnings and dividend growth. Nestle raised its annual dividend by almost 16% in 2011 and offered an attractive 3.45% yield as of 4/29/11. The holding produced a 16.82% total return for AOD in fiscal first half 2011.

Also based in Switzerland, Syngenta AG (SYNN VX) is a core holding in the basic materials sector and top 10 holding in the portfolio as of 4/30/11. Syngenta was created by the merger of Novartis crop protection and seeds businesses with AstraZeneca s agrochemical business in 2000, which was subsequently spun off. The company is in the midst of integrating its market leading crop protection business (herbicides, fungicides, pesticides) with its growing seed and biotech traits (pesticide-resistance, drought-resistance, etc) business. This transformation is already paying off with market share gains in both segments in addition to benefiting from improving demand with rising global agricultural commodity prices. Syngenta generates about $1B of free cash flow per year and is a steady dividend payer with a current 1.94% dividend yield as of 4/29/11. The stock provided a 30.27% total return for AOD in the fiscal first half of 2011.

Lastly, in the utility sector in the top 10 holdings is Finland-based Fortum OYJ (FUM1V FH). Fortum is the second largest utility in the Nordic region with additional operations in the Baltics, Poland and Russia. It is an integrated power producer producing electricity and heat generation in addition to distribution and marketing. Fortum is benefitting from rising power prices due to rising commodity costs as well as growing its returns from its Russian investments. Fortum provided a 4.30% current dividend yield as of 4/29/11 and provided a 28.86% total return for AOD in fiscal first half 2011.

Outlook for second half 2011: We remain cautiously optimistic but risks remain

We believe that a global economic recovery is still solidly in place heading into the second half of 2011 following the Great Recession of 2008/09 and the economic rebound and fiscal and monetary stimulus experienced in 2010. The U.S. is beginning to produce employment growth on the back of strong corporate profit growth and Europe is attempting to resolve its sovereign debt issues in the peripheral countries while the core countries of France, Germany, and the Scandinavians are experiencing strong economic growth. In addition, corporate balance sheet quality is at all time highs and companies are sitting on record amounts of cash which should support capital growth initiatives, mergers and acquisitions, and the return of cash to shareholders via share buybacks and dividend increases.

We remain particularly optimistic about tapping opportunities to invest in growth in emerging markets like Brazil and China where strong employment and wage growth is helping to propel millions of people each year from a subsistence existence to an emerging consumer of everything from durable goods to discretionary items to healthcare. Brazil is also benefiting from large infrastructure spending in its energy sector in addition to stimulus provided by hosting the soccer World Cup games in 2014 and the summer

Olympics in 2016.

However, risks and volatility remain across the globe with lingering under-employment, fiscal deficits, and austerity measures in many of the developed markets and with rising commodity and wage inflation in many of the emerging markets. These risks could combine to stifle the fragile global economic recovery in place. In addition, the S&P 500 Index has more than doubled from its March 2009 low through the recent highs achieved in May 2011 and many companies are approaching peak margins which may slow down the pace of earnings growth. So we may be entering a period of consolidation or more muted increases particularly through the low volume summer months, but we continue to see opportunities for our investors.

Over the long term, we remain optimistic that dividend stocks will attract increasing amounts of capital as investors around the world search for income. With many companies sitting on record amounts of cash, we are hopeful that dividend increases will continue to occur in 2011 and beyond. In addition, as global demographics point

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to an aging population in the industrialized world, these millions of savers are facing zero to low interest rates for quarters or potentially years to come. For example, the U.S. in the 1930 s and Japan in the past 20 years have shown that when interest rates go close to zero they can stay there for extended periods of time until structural economic issues are resolved. We see dividend income as an attractive investment opportunity for this increasingly large population of retirees, particularly if interest rates rise and bond valuations suffer.

In summary, we see both opportunities and risks for the remainder of 2011. Our approach during these uncertain times is to remain broadly diversified within the dividend-paying universe while actively scanning the globe for undervalued opportunities and high quality cash flow generators. We are confident that we should be able to continue to distribute attractive dividend payouts by capitalizing on our research driven approach to identifying value opportunities as well as through our active management of the portfolio.

Thank you for your support of the Alpine Total Dynamic Dividend Fund and we look forward to more prosperous years in 2011 and beyond.

Sincerely,

Jill K. Evans and Kevin Shacknofsky
Co-Portfolio Managers

Past performance is not a guarantee of future results.

Please refer to the schedule of investments for fund holding information. Fund holdings and sector allocations are subject to change and should not be considered a recommendation to buy or sell any security. Current and future portfolio holdings are subject to risk.

Current and future portfolio holdings are subject to risk.

Equity Securities Risk The stock or other security of a company may not perform as well as expected, and may decrease in value, because of factors related to the company (such as poorer than expected earnings or certain management decisions) or to the industry in which the company is engaged (such as a reduction in the demand for products or services in a particular industry).

Leverage Risk Leverage creates the likelihood of greater volatility of net asset value; the possibility either that share income will fall if the interest rate on any borrowings rises, or that share income and distributions will fluctuate because the interest rate on any borrowings varies; and if the Fund leverages through borrowings, the Fund may not be permitted to declare dividends or other distributions with respect to its common shares or purchase its capital stock, unless at the time thereof the Fund meets certain asset coverage requirements. The Adviser in its best judgment nevertheless may determine to maintain the Fund s leveraged position if it deems such action to be appropriate in the circumstances.

The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods.

The letter represents the opinions of Alpine Funds management and are subject to change, are not guaranteed and should not be considered recommendations to buy or sell any security. The information provided is not intended to be a forecast of future events. Views expressed may vary from those of the firm as a whole.

Stocks are subject to fluctuation. The stock or other security of a company may not perform as well as expected, and may decrease in value, because of a variety of factors including those related to the company (such as poorer than expected earnings or certain management decisions) or to the industry in which the company is engaged (such as a reduction in the demand for products or services in a particular industry) or due to other factors such as a rise in interest rates, for example.

Favorable tax treatment of Fund distributions may be adversely affected, changed or repealed by future changes in tax laws. Alpine may not be able to anticipate the level of dividends that companies will pay in any given timeframe.

The Fund may include equity-linked securities and various other derivative instruments, which can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance. Leverage may magnify gains or increase losses in the Fund s portfolio.

Diversification does not assure a profit or protect against loss in a declining market.

Investing in small and mid cap stocks involves additional risks such as limited liquidity and greater volatility as compared to large cap stocks.

Free Cash flow *is a measure of the financial performance calculated as operating cash flow minus capital expenditures. Free cash flow (FCF) represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base. Free cash flow is important because it allows a company to pursue opportunities that enhance shareholder value.*

Earnings Growth is a measure of a company s net income over a specific period, generally one year, is a key indicator for measuring a company s success, and the driving force behind stock price appreciation.

Dividend Yield: The yield a company pays out to its shareholders in the form of dividends. It is calculated by taking the amount of dividends paid per share over a specific period of time and dividing by the stock s price.

Manager Commentary

April 30, 2011 (Unaudited)

The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general.

The STOXX Europe 600 (Price) Index is a broad based capitalization-weighted index of European stocks designed to provide a broad yet liquid representation of companies in the European region. The equities use free float shares in the index calculation. The index was developed with a base value of 100 as of December 31, 1991. This index uses float shares.

All index performance reflects no deduction for direct fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

This being a Closed-end fund and does not continuously offer shares.

Manager Commentary

April 30, 2011 (Unaudited)

PERFORMANCE[1] *As of April 30, 2011*

	Ending Value as of 4/30/11	Six Months	1 Year	3 Years	Since Inception[2][3][4]
Alpine Total Dynamic Dividend Fund | NAV	$ 6.81	21.98%	21.04%	(8.33%)	(6.66%)
Alpine Total Dynamic Dividend Fund | Market Price	$ 6.33	18.82%	(18.55%)	(12.96%)	(9.27%)
S&P 500 Index		16.36%	17.22%	1.73%	1.14%
STOXX 600		15.50%	26.35%	(2.11%)	0.63%

(1) *Performance information calculated after consideration of dividend reinvestment. All returns for periods of less than one year are not annualized.*
(2) *Commenced operations on January 26, 2007.*
(3) *Annualized.*
(4) *IPO price of $20 used in calculating performance information.*
To the extent that the Fund s historical performance resulted from gains derived from participation in initial public offerings (IPOs), there is no guarantee that these results can be replicated in future periods or that the Fund will be able to participate to the same degree in IPO offerings in the future.

Performance data quoted represents past performance. Past performance is no guarantee of future results and investment returns and principle value of the Fund will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance quoted. Call 1(800)617.7616 or visit www.alpinecef.com for current month end performance.

The Standard & Poor s 500 Index (S&P 500) is an unmanaged index containing common stocks of 500 industrial, transportation, utility and financial companies, regarded as generally representative of the U.S. stock market. The index return reflects the reinvestment of income dividends and capital gain distributions, if any, but does not reflect fees, brokerage commissions, or other expenses of investing.

The STOXX Europe 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalisation companies across 18 countries of the European region: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain Sweden, Switzerland and the United Kingdom.

PORTFOLIO DISTRIBUTIONS*

TOP TEN HOLDINGS*

Nestle SA	2.9%	Switzerland

Tele2 AB-B Shares	2.7%	Sweden
Atlas Copco AB-A Shares	2.7%	Sweden
Marine Harvest ASA	2.3%	Norway
SeaDrill, Ltd.	2.2%	Norway
Carrefour SA	2.2%	France
Fortum OYJ	2.2%	Finland
Syngenta AG	2.1%	Switzerland
Cairn Energy PLC	2.1%	United Kingdom
Hyundai Motor Co.	2.0%	South Korea
Top 10 Holdings	**23.4%**	

TOP 5 COUNTRIES*

United States	38.0%
Norway	8.7%
Brazil	8.1%
Sweden	7.6%
Switzerland	6.7%

* *As a percentage of total investments, excluding any short-term investments.*
Portfolio holdings and distributions are subject to change and are not recommendations to buy and sell any security.

Manager Commentary

April 30, 2011 (Unaudited)

REGIONAL ALLOCATION* *As of April 30, 2011*

* *As a percentage of net assets, excluding any short-term investments.*

NAV, MARKET PRICE, AND TOTAL RETURN *As of April 30, 2011*

Schedule of Portfolio Investments

April 30, 2011 (Unaudited)

Description	Shares	Value (Note 1)
COMMON STOCKS (99.0%)		
Australia (3.1%)		
BHP Billiton, Ltd.-ADR	140,800	$14,254,592
QR National, Ltd.*	4,994,712	18,778,224
WorleyParsons, Ltd.	393,800	13,100,394
		46,133,210
Brazil (6.3%)		
Cia Brasileira de Distribuicao Grupo Pao de Acucar SA, Preference A Shares*	1,806	80,358
Cia Hering SA	470,900	10,192,058
Hypermarcas SA*	1,237,300	16,594,858
MRV Engenharia e Participacoes SA	2,570,300	22,219,730
Multiplus SA	1,191,793	24,469,180
PDG Realty SA Empreendimentos e Participacoes	3,640,952	21,384,691
		94,940,875
Canada (0.0%)[1]		
Bank of Nova Scotia	6,712	409,253
Dundee Capital Markets, Inc.*	26,881	41,196
		450,449
Denmark (1.3%)		
FLSmidth & Co. A/S*	160,100	14,435,741
GN Store Nord A/S	519,600	5,154,619
		19,590,360
Finland (5.1%)		
Fortum OYJ	950,800	32,756,536
Metso OYJ	263,900	16,182,247
Nokia OYJ-ADR	2,943,500	27,168,505
		76,107,288
France (6.2%)		
Carrefour SA	704,400	33,396,742
Cie Generale des Etablissements Michelin SA	163,800	16,417,581
Lagardere SCA	302,966	