

Ticker: ENFR

Alerian Energy Infrastructure ETF

Monthly Insights | July 2025

Key Takeaways

- The Alerian Energy Infrastructure ETF (ENFR) was largely flat in July, down 0.40% on a total-return basis.
- The outlook for North American natural gas demand growth remains robust, and just over 70% of ENFR by weighting is primarily focused on natural gas infrastructure.
- At the end of July, ENFR's underlying index, the Alerian Midstream Energy Select Index (AMEI), was yielding 5.40% and was trading above its three-year average forward EV/EBITDA multiple.

Performance Notes

ENFR was largely flat in July, down 0.40% on a total-return basis. Oil prices gained 6.37% during the month, helping push the broad Energy Select Sector Index (IXE) to a total return of 2.81%. However, US natural gas prices fell 10.13% to end July at \$3.10 per million British thermal units (MMBtu). A milder summer has weighed on natural gas prices. Companies focused on natural gas infrastructure generally lagged in July. Year-to-date through the end of July, ENFR is up 5.69% on a total-return basis, which is handily outpacing the 3.49% total return for the IXE.

Digging into portfolio performance for July, Storage, which only includes Gibson Energy (GEI CN, 2.02% Weight*), was the best-performing subsector for the second month in a row. Natural Gas Transportation was the worst-performing subsector, while Gathering & Processing also ended July lower.

July 2025 Performance

	Jul-25	QTD	YTD	1 Y
Alerian Energy Infrastructure ETF (ENFR) (NAV)	-0.40%	-0.40%	5.69%	23.06%
Alerian Midstream Energy Select Index (AMEI)	-0.38%	-0.38%	6.08%	23.98%
Subsector Total Return:				
Gathering & Processing	-0.66%	-0.66%	9.41%	25.92%
Liquefaction	0.75%	0.75%	14.84%	34.97%
Natural Gas Transportation	-1.40%	-1.40%	-1.02%	23.28%
Petroleum Transportation	0.86%	0.86%	11.71%	20.50%
Storage	2.72%	2.72%	9.84%	18.57%
Energy Select Sector Index (IXE)	2.81%	2.81%	3.49%	-3.29%
Crude Oil (WTI)	6.37%	6.37%	-3.43%	-11.10%
Crude Oil (WCS - Western Canadian Select)	5.26%	5.26%	-3.40%	-8.39%

Source: Bloomberg L.P., as of 7/31/2025

Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

For standardized performance please see page 3.

Index returns are total returns.

Outlook

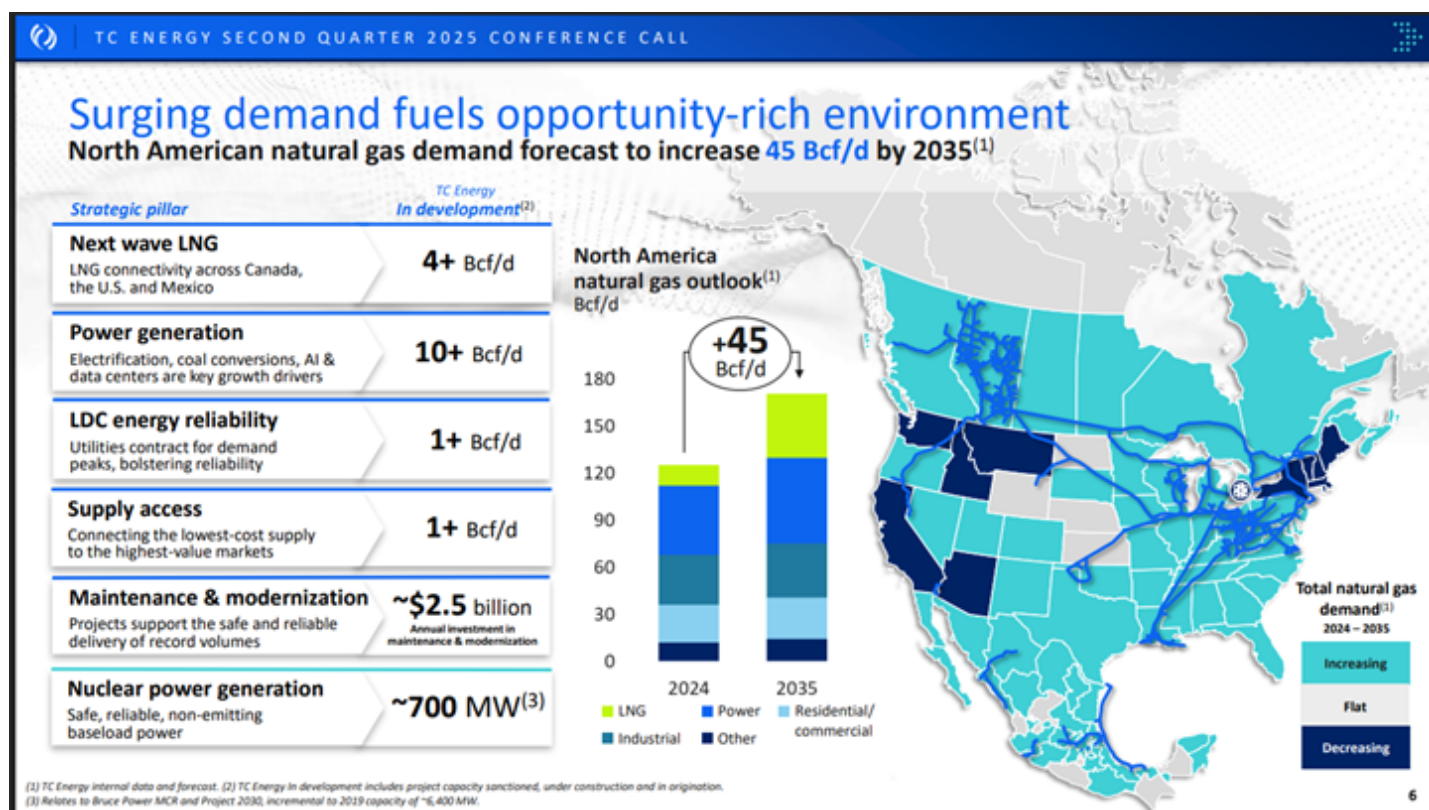
After a really strong 2024 (ENFR was up 23.06% last year), the positive momentum has continued in 2025, but gains have not been as easy. The bar was raised for natural gas pipeline companies in particular, and even with largely solid execution, performance so far this year has been muted. That said, the outlook for natural gas demand in North America remains robust, and companies continue to announce new growth projects. Three major US liquefied natural gas export projects have decided to proceed with construction in recent months, adding to long-term demand and requiring natural gas infrastructure from the wellhead to the coast. As shown below, TC Energy (TRP CN, 4.80% Weight*) raised its forecast for North American natural gas demand growth to 45 billion cubic feet per day (Bcf/d), compared to 40 Bcf/d previously. Just over 70% of ENFR by weighting is primarily focused on natural gas infrastructure.

More near-term, ENFR holdings will finish reporting 2Q25 results in early August. Companies that reported results in July generally came in ahead of or in line with consensus. Earnings will provide an opportunity to highlight continued execution on growth projects and shareholder-friendly returns. As of July 31, four names in ENFR increased their payouts sequentially, while the rest maintained, with three names yet to announce.

* Weight in ENFR as of 7/31/2025



alpsfunds.com
1-866-759-5679



Source: TC Energy, Second Quarter 2025 Conference Call, as of 7/31/2025

Constituent News

- Enbridge (ENB CN, **7.89% Weight***) announced a 600-megawatt solar project in Texas to support Meta's (META, not in ENFR) data center operations. The \$900 million project is expected to start up in 2027. Meta has signed a long-term contract for all the energy produced.
- TC Energy (TRP CN, **4.80% Weight***) announced 2Q25 results ahead of consensus expectations and raised their 2025 adjusted EBITDA guidance range by \$100 million.
- Enterprise Products Partners (EPD, **7.16% Weight***) raised its quarterly distribution by 1.9% to \$0.545 per unit. EPD repurchased \$110 million of its common units in 2Q25, up from \$60 million in 1Q25 buybacks. EPD reported 2Q25 results in line with consensus and continues to expect growth capital spending to decline by \$2 billion in 2026, supporting strong free cash flow generation.
- DT Midstream (DTM, **4.85% Weight***) was upgraded by S&P to a BBB- credit rating and now has investment-grade ratings from all three major credit agencies. Alongside 2Q25 results, which were in-line with consensus, DTM announced an expansion of its Guardian natural gas pipeline.

Valuation Update

- At the end of July, ENFR's underlying index, AMEI, was trading at a forward EV/EBITDA multiple of 10.22x based on 2026 consensus estimates – above its three-year average ratio of 9.67x.
- The current yield for AMEI is 5.40%, which is below its three-year average of 5.93%.

* Weight in ENFR as of 7/31/2025

	AMEI Current Valuations		
	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	7.63x	6.05x	26.01%
Enterprise Value/EBITDA [^]	10.22x	9.67x	5.64%
Yield	5.40%	5.93%	-8.94%
ENFR 30-Day SEC Yield	5.13%		

Source: Bloomberg L.P. and VettaFi, as of 7/31/2025

Past performance is no guarantee of future results.

[^] NEXT and TELL were excluded from the current EV/EBITDA calculation as outliers.

Alerian Energy Infrastructure ETF (ENFR) Performance

Total Returns	Cumulative as of 7/31/2025				Annualized as of 6/30/2025				
	1 M	3 M	YTD	SI ¹	1 Y	3 Y	5 Y	10 Y	SI ¹
NAV (Net Asset Value)	-0.40%	5.19%	5.69%	121.86%	27.19%	23.25%	25.61%	7.77%	7.11%
Market Price	-0.31%	5.39%	5.69%	122.06%	27.19%	23.29%	25.61%	7.76%	7.11%
Alerian Midstream Energy Select Index - TR	-0.38%	5.38%	6.08%	144.28%	28.17%	24.12%	26.65%	8.63%	7.99%
Alerian MLP Index - TR	3.17%	7.62%	10.45%	70.12%	13.16%	26.11%	27.96%	5.60%	4.38%

Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

¹ Fund inception date: 10/31/2013

Total Operating Expenses: **0.35%**

Top 10 Holdings

Energy Transfer LP	8.84%
Enbridge Inc	7.89%
Enterprise Products Partners LP	7.16%
The Williams Companies Inc	5.82%
Plains GP Holdings LP	5.18%
Kinder Morgan Inc	5.09%
MPLX LP	5.08%
Cheniere Energy Inc	5.03%
ONEOK Inc	4.98%
Targa Resources Corp	4.93%

As of 7/31/2025, subject to change

Daily holdings are available at www.alpsfunds.com.

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. This material must be preceded or accompanied by the [prospectus](#). Read the prospectus carefully before investing.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.

Performance data quoted represents past performance. Past performance is no guarantee of future results; current performance may be higher or lower than performance quoted.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

Investments in securities of Master Limited Partnerships (MLPs) involve risks that differ from an investment in common stock. MLPs are controlled by their general partners, which generally have conflicts of interest and limited fiduciary duties to the MLP, which may permit the general partner to favor its own interests over the MLPs.

A portion of the benefits you are expected to derive from the Fund's investment in MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect the Fund's ability to meet its investment objective and would reduce the amount of cash available to pay or distribute to you. Legislative, judicial, or administrative changes and differing interpretations, possibly on a retroactive basis, could negatively impact the value of an investment in MLPs and therefore the value of your investment in the Fund.

The Fund invests primarily in a particular sector and could experience greater volatility than a fund investing in a broader range of industries.

The Fund may be subject to risks relating to its investment in Canadian securities. Because the Fund will invest in securities denominated in foreign currencies and the income received by the Fund will generally be in foreign currency, changes in currency exchange rates may negatively impact the Fund's return.

Investments in the energy infrastructure sector are subject to: reduced volumes of natural gas or other energy commodities available for transporting, processing or storing; changes in the regulatory environment; extreme weather and; rising interest rates which could result in a higher cost of capital and drive investors into other investment opportunities.

The Fund employs a "passive management" - or indexing - investment approach and seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index. Unlike many investment companies, the Fund is not "actively" managed. Therefore, it would not necessarily sell or buy a security unless that security is removed from or added to the underlying index, respectively.

30-Day SEC Yield: reflects the dividends and interest earned during the period, after the deduction of the Fund's expenses.

Alerian Midstream Energy Select Index (AMEI): a composite of North American energy infrastructure companies. The capped, float-adjusted, capitalization-weighted index constituents are engaged in midstream activities involving energy commodities.

Alerian MLP Index (AMZ): the leading gauge of energy infrastructure MLPs. The capped, float-adjusted, capitalization-weighted index constituents earn the majority of their cash flow from midstream activities involving energy commodities.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): a measure of a company's overall financial performance.

Enterprise Multiple (EV/EBITDA): a ratio used to determine the value of a company by considering the company's debt. The enterprise multiple is the enterprise value (EV) (market capitalization + total debt – cash and cash equivalents) divided by EBITDA (earnings before interest, taxes, depreciation and amortization).

Price/Cash Flow (P/CF) Trailing Twelve Month (TTM) Ratio: represents the weighted average of the price/cash flow ratios (generated over the trailing twelve months) of the stocks in a portfolio. Price/cash flow represents the amount an investor is willing to pay for a dollar generated from a particular company's operations.

S&P 500 Index: widely regarded as the best single gauge of large-cap US equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

One may not invest directly in an index.

ALPS Advisors, Inc., registered investment adviser with the SEC, is the investment adviser to the Fund. ALPS Advisors, Inc. and ALPS Portfolio Solutions Distributor, Inc., affiliated entities, are unaffiliated with VettaFi and the Alerian Index Series.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

Not FDIC Insured • No Bank Guarantee • May Lose Value

ALR001971 12/31/2025