

Alerian MLP ETF

Monthly Insights | October 2023

Key Takeaways

- As broad equities and oil prices fell in October, the Alerian MLP ETF (AMLP) was roughly flat, down -0.38% for the month. AMLP outperformed broader energy and the S&P 500 in October.
- Repeating the outperformance seen in 2022, AMLP's underlying index is up 19.79% on a total return basis year-to-date through October, ahead of the broader market and other income investments.
- At the end of October, AMLP's underlying index, the Alerian MLP Infrastructure Index (AMZI), was yielding 7.96% and trading slightly below its three-year average forward EV/EBITDA multiple.

Performance Notes

AMLP was roughly flat for October, down just -0.38% on a total-return basis, as portfolio companies announced distributions and earnings season began. AMLP outperformed the -2.10% loss for the S&P 500 and a decline of -5.74% for the broader energy sector in October. Energy commodities were mixed for the month as WTI oil retreated by more than 10%, and US natural gas prices gained 22.06% to reach levels not seen since January 2023. Year-to-date through the end of October, AMLP has gained 17.32% on a total-return basis, handily outperforming the 10.69% gain for the S&P 500 and flat performance for the Energy Select Sector Index (IXE).

Digging into portfolio performance for the month, Liquefaction, which only includes Cheniere Energy Partners (CQP, 5.30% Weight*) led all subgroups up 2.90% in October on a total-return basis, followed by Petroleum Transportation.

Outlook

The tailwinds seen for MLPs for much of this year remain intact, including free cash flow generation and positive distribution trends. After a strong 2022, MLPs have performed well year-to-date relative to other income investments, which have been negatively impacted by rising interest rates. As shown below, MLPs have handily outperformed the broader market, the corporate bond benchmark and other equity income investments this year, while also providing more generous yields. All AMLP holdings have announced their distributions to be paid in the fourth quarter, with five constituents growing their payouts sequentially and the rest maintaining. Third quarter earnings season for MLPs started well, with results from a handful of AMLP holdings exceeding consensus forecasts. The balance of the portfolio will report results in early November. As the focus increasingly shifts to 2024, AMLP components are expected to continue prioritizing free cash flow and returns to shareholders. Though the outlook for the macro environment in 2024 remains cloudy, MLPs' healthy yields and defensive fee-based business models can be beneficial if markets prove to be volatile.

* Weight in AMLP as of 10/31/2023

October 2023 Performance

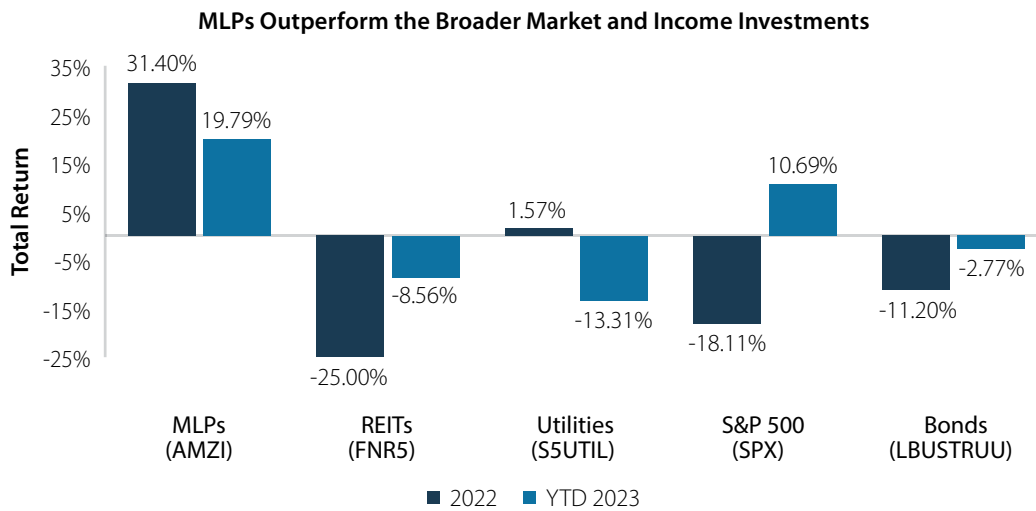
	Oct-23	QTD	YTD	1 Y
Alerian MLP ETF (AMLP) (NAV)	-0.38%	-0.38%	17.32%	8.69%
Alerian MLP Infrastructure Index (AMZI)	-0.30%	-0.30%	19.79%	15.67%
Gathering & Processing	0.18%	0.18%	11.78%	8.26%
Natural Gas Transportation	-3.55%	-3.55%	19.06%	13.36%
Liquefaction	2.90%	2.90%	4.43%	0.55%
Petroleum Transportation	1.00%	1.00%	30.29%	27.25%
Energy Select Sector Index (IXE)	-5.74%	-5.74%	0.06%	-1.63%
Crude Oil (WTI)	-10.76%	-10.76%	0.95%	-6.37%

Source: Bloomberg L.P., as of 10/31/2023

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 2.

Index returns are total returns.



MLPs are represented by the Alerian MLP Infrastructure Index (AMZI). Bonds are represented by the Bloomberg USAgg Index (LBSTRUU). REITs are represented by the FTSE NAREIT Real Estate 50 Index (FNR5). Utilities are represented by the S&P 500 Utilities Index (S5UTIL).
Source: VettaFi, Bloomberg, as of 10/31/2023

Constituent News

- **MPLX (MPLX, 14.08% Weight*)** increased its quarterly cash distribution by 9.7% to \$0.85 per unit, marking the second year in a row of approximately 10% distribution growth.
- **Enterprise Products Partners (EPD, 13.25% Weight*)** announced four new projects to support growing natural gas and natural gas liquids (NGL) production from the Permian Basin, including construction of a new NGL pipeline. EPD will convert the Seminole Pipeline from crude to NGL service in December 2023 while the new pipeline is constructed.
- **Hess Midstream (HESM, 4.75% Weight*)** reported third quarter earnings ahead of consensus expectations and raised 2023 adjusted EBITDA guidance to a midpoint of \$1.03 billion from \$1.015 billion.

Valuation Update

- AMLP's underlying index, AMZI, finished October with a forward EV/EBITDA multiple of 8.65x – below its three-year average of 8.81x.
- AMZI is currently yielding 7.96%, which is just slightly above its three-year average of 7.89%.

* Weight in AMLP as of 10/31/2023

	AMZI Current Valuations		
	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	5.51x	5.30x	4.05%
Enterprise Value/EBITDA	8.65x	8.81x	-1.85%
Yield	7.96%	7.89%	0.89%
AMLPL 30-Day SEC Yield	5.62%		

Source: Bloomberg L.P. and VettaFi, as of 10/31/2023
Past performance is no guarantee of future results.

Alerian MLP ETF (AMLPL) Performance

Total Returns	Cumulative as of 10/31/2023				Annualized as of 9/30/2023				
	1 M	3 M	YTD	SI ¹	1 Y	3 Y	5 Y	10 Y	SI ¹
NAV (Net Asset Value)	-0.38%	2.75%	17.32%	52.25%	24.73%	39.45%	4.19%	0.80%	3.29%
Market Price	-0.45%	2.68%	17.24%	52.10%	24.73%	39.44%	4.18%	0.80%	3.29%
Alerian MLP Infrastructure Index - TR	-0.30%	2.80%	19.79%	104.76%	32.73%	43.51%	6.37%	1.68%	5.65%
Alerian MLP Index - TR	0.42%	4.15%	21.06%	102.51%	32.74%	43.10%	6.81%	1.93%	5.50%

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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: 8/24/2010

Total Operating Expenses: **0.85%**

Top 10 Holdings

MPLX LP	14.08%	ENLINK MIDSTREAM LLC	7.02%
PLAINS ALL AMER PIPELINE LP	13.88%	CRESTWOOD EQUITY PARTNERS LP	5.63%
ENTERPRISE PRODUCTS PARTNERS	13.25%	CHENIERE ENERGY PARTNERS LP	5.30%
ENERGY TRANSFER LP	12.98%	HESS MIDSTREAM LP - CLASS A	4.75%
WESTERN MIDSTREAM PARTNERS L	12.26%	NUSTAR ENERGY LP	4.63%

As of 10/31/2023, 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.

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, including current or deferred income tax expense (if any).

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) Ratio: represents the weighted average of the price/cash flow ratios 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.

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.

Alerian MLP Infrastructure Index (AMZI): a composite 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.

One may not invest directly in an index.

MLPs represented by the Alerian MLP Infrastructure Index (AMZI).

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

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