

Ticker: AMLP

Alerian MLP ETF

Monthly Insights | May 2025

Key Takeaways

- The Alerian MLP ETF (AMLP) gained 1.12% on a total-return basis in May, in line with the broader energy sector, as equities rebounded. Year-to-date through May, AMLP has outperformed both the S&P 500 Index and broader energy.
- AMLP's underlying index had a trailing twelve month free cash flow yield above 7% at the end of May, well above that of the S&P 500, which was under 3%.
- At the end of May, AMLP's underlying index, the Alerian MLP Infrastructure Index (AMZI), was yielding 7.61%, which is above its three-year average. AMZI was trading roughly a turn below its three-year average forward EV/EBITDA multiple.

Performance Notes

AMLP rebounded along with most sectors after a challenging April. AMLP gained 1.12% on a total-return basis for the month, which was in line with the 1.47% total return for the Energy Select Sector Index (IXE). US oil and natural gas price benchmarks saw gains of less than 5% for the month. AMLP and energy lagged the S&P 500, which rose 6.29% for the month, as the technology sector jumped nearly 10%. Year-to-date through May, AMLP has gained 3.16% on a total-return basis, ahead of the 1.06% total return for the S&P 500 and a loss of 3.90% for the IXE.

On May 14, AMLP declared its second quarter 2025 distribution of \$0.98 per share, which represented an increase of 4.26% compared to the May 2024 payout. Digging into portfolio performance for the month, subsector returns were mixed. Natural Gas Transportation led the way, followed by Compression. Marketing and Distribution saw the worst performance for the month after being the best-performing subsector in April.

May 2025 Performance				
	May-25	QTD	YTD	1 Y
Alerian MLP ETF (AMLP) (NAV)	1.12%	-6.00%	3.16%	12.85%
Alerian MLP Infrastructure Index (AMZI)	1.47%	-7.10%	4.27%	16.03%
Subsector Total Return:				
Gathering & Processing	2.28%	-7.83%	-0.26%	9.97%
Natural Gas Transportation	5.38%	-6.15%	-3.02%	18.30%
Liquefaction	-1.01%	-11.89%	9.62%	22.45%
Marketing and Distribution	-4.02%	-5.23%	10.09%	10.88%
Compression	3.28%	-4.65%	11.55%	12.31%
Petroleum Transportation	1.37%	-7.87%	10.44%	21.47%
Energy Select Sector Index (IXE)	1.40%	-12.62%	-3.90%	-9.41%
Crude Oil (WTI)	4.43%	-14.96%	-15.24%	-21.04%

Source: Bloomberg L.P., as of 5/31/2025

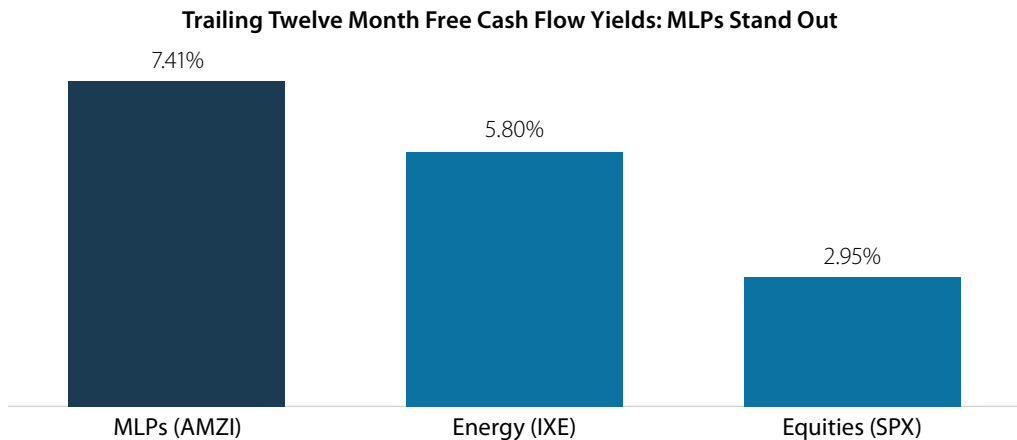
Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance 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

First quarter earnings showcased continued execution by midstream MLPs, including ongoing free cash flow generation and steady outlooks. MLPs are executing well on distribution growth, with six AMLP holdings increasing their payouts sequentially for 1Q25. Two AMLP holdings bought back a combined \$160 million in units in 1Q25. MLPs are expected to continue prioritizing returns to shareholders, primarily through growing distributions. Buybacks tend to be more opportunistic. Free cash flow generation enhances financial flexibility and helps support both distribution growth and buybacks. As shown below, AMLP's underlying index has a higher free cash flow yield than both broader energy and the S&P 500.

Looking forward, energy and equity markets may remain volatile, but midstream MLPs remain defensive. Fee-based business models provide relative insulation from commodity prices and support stable cash flows. MLP yields, which are now slightly above their three-year average, enhance total return and add to the defensiveness of this space. Valuations remain compelling, as estimates have held steady but the equities have weakened since the end of March.



Source: Bloomberg, as of 5/31/2025

Constituent News

- Sunoco (**SUN, 11.94% Weight***) announced the acquisition of Parkland Corporation (PKI CN, not in AMLP) in a \$9.1 billion cash and equity transaction. SUN expects the transaction to be immediately accretive with closing anticipated in 2H25. SUN expects \$250 million in run rate synergies by year three.
- MPLX (**MPLX, 12.37% Weight***) reported first quarter results in line with expectations and repurchased \$100 million in common units during the first quarter. MPLX also announced the acquisition of the remaining 55% of the BANGL pipeline, which transports natural gas liquids out of the Permian.
- Energy Transfer (**ET, 12.21% Weight***) reported first quarter results above market expectations and reaffirmed 2025 financial guidance, which reflects a 5% year-over-year increase in adjusted EBITDA at the midpoint. ET highlighted requests from about 200 data centers in 14 states and over 60 power plants for its natural gas pipeline business.

Valuation Update

- AMLP’s underlying index, AMZI, finished May with a forward EV/EBITDA multiple of 8.68x based on 2026 consensus EBITDA estimates – below its three-year average of 8.77x.
- AMZI is currently yielding 7.61%, which is above its three-year average of 7.45%.

AMZI Current Valuations			
	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	7.54x	6.20x	21.66%
Enterprise Value/EBITDA	8.68x	8.77x	-1.03%
Yield	7.61%	7.45%	2.15%
AMLP 30-Day SEC Yield	1.52%		

Source: Bloomberg L.P. and VettaFi, as of 5/31/2025
Past performance is no guarantee of future results.

* Weight in AMLP as of 5/31/2025

Alerian MLP ETF (AMLP) Performance

Total Returns	Cumulative as of 5/31/2025				Annualized as of 3/31/2025				
	1 M	3 M	YTD	SI ¹	1 Y	3 Y	5 Y	10 Y	SI ¹
NAV (Net Asset Value)	1.12%	-6.18%	3.16%	99.25%	18.38%	19.75%	35.75%	3.81%	5.28%
Market Price	1.18%	-6.20%	3.14%	99.12%	18.42%	19.82%	36.01%	3.82%	5.29%
Alerian MLP Infrastructure Index - TR	1.47%	-7.22%	4.27%	179.45%	23.93%	24.69%	39.74%	5.04%	7.84%
Alerian MLP Index - TR	1.71%	-7.24%	4.38%	174.93%	22.99%	25.00%	40.21%	5.47%	7.73%

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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	12.37%
ENERGY TRANSFER LP	12.21%
WESTERN MIDSTREAM PARTNERS L	12.01%
SUNOCO LP	11.94%
ENTERPRISE PRODUCTS PARTNERS	11.87%
PLAINS ALL AMER PIPELINE LP	10.91%
HESS MIDSTREAM LP - CLASS A	9.20%
CHENIERE ENERGY PARTNERS LP	4.95%
USA COMPRESSION PARTNERS LP	3.86%
GENESIS ENERGY L.P.	3.61%

As of 5/31/2025, 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.

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).

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.

Debt-to-EBITDA Ratio: compares a company's total obligations to the actual cash the company brings in from its operations. It reveals how capable the firm is of paying its debt and other liabilities if taxes and the expenses from depreciation and amortization are deferred.

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) 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.

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.

Trailing Twelve Month Yield: refers to the percentage of income a portfolio has returned to investors over the last 12 months.

One may not invest directly in an index.

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

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

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