

ALERIAN MLP ETF MONTHLY INSIGHTS (AMLPL)

November 2018

Key Takeaways

- MLPs moved lower in November 2018, finishing down -0.52% as represented by the Alerian MLP Infrastructure Index (AMZI).
- WTI continued to decline steeply in November 2018, falling -22.02% for the month.
- Fourteen constituents in the AMZI index increased their third quarter 2018 distributions year-over-year.

Performance Notes

- While the AMZI was down for the month of November 2018 (-0.52%), it outperformed the broader Energy Sector, as represented by the Energy Select Sector Index.
- The Gathering & Processing (G&P) segment in the AMZI was weak in November 2018, as tightness in NGL (natural gas liquids) fractionation capacity drove NGL prices lower, which hurt those MLPs that gather & process NGLs.
- High global output and demand concerns have combined to weigh on the prices of Brent and WTI crude. Saudi Arabia increased production in anticipation of Iran sanctions, but temporary waivers issued by the US helped ease Iran sanction-related supply concerns.

- Weekly U.S. exports of crude oil hit a record high at the end of November 2018 at 3.2 million barrels per day. Despite grumblings of trade wars potentially hitting crude exports, demand for WTI crude overseas has been strong.
- Colorado's Proposition 112 was not approved by voters on Election Day; however, further discussions on oil & gas "setbacks" from properties and/or schools continue to be an overhang on the DJ Niobrara midstream companies. About 25% of the AMZI has exposure to the DJ Niobrara.

November 2018 Performance

	Nov-18	YTD	1YR
AMZI (MLP Infrastructure Index)	-0.52%	-4.06%	0.24%
<i>Gathering & Processing</i>	-0.34%	1.18%	1.99%
<i>Natural Gas Transportation</i>	-0.06%	-0.99%	0.59%
<i>Petroleum Transportation</i>	-0.12%	-4.25%	-2.34%
Energy Select Sector Index	-1.60%	-6.38%	-1.64%
S&P Oil & Gas E&P Select Index	-9.25%	-11.36%	-7.34%
S&P Oil & Gas Equip Select Index	-12.66%	-30.37%	-24.51%
Crude Oil (WTI)	-22.02%	-15.71%	-11.27%
10 YR Treasury Yield (Return)	-4.95%	24.21%	24.00%

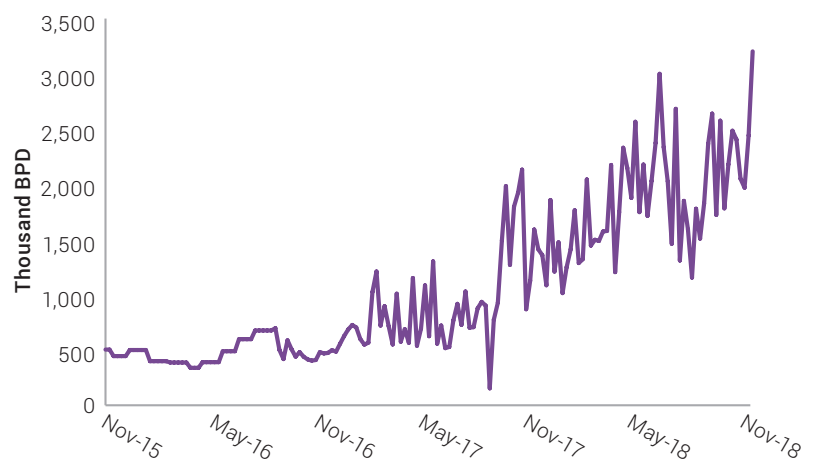
Index returns are total returns.

Source: Bloomberg, L.P., as of 11/30/2018.

Past performance does not indicate future returns.

Standardized performance on page 3.

Weekly U.S. Exports of Crude Oil



Source: Bloomberg, L.P., as of 11/30/2018

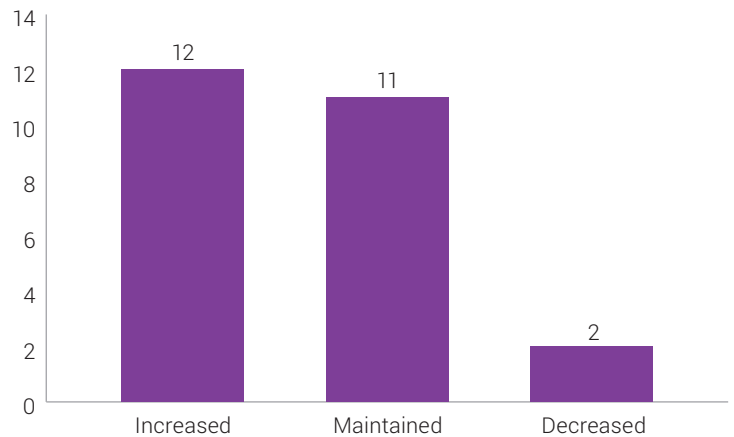
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Constituent News

- The weighted average coverage ratio for Q318 ended at 1.3X, up from 1.2X in Q218. For the third quarter 2018, 12 of the AMZI constituents increased distributions over the previous quarter; 11 maintained their distributions and two cut their distributions. The two distribution cuts in the AMZI were from Buckeye Partners (BPL; 4.34% in AMZI), who cut to shore up its balance sheet and Energy Transfer LP (ET; 9.64% in AMZI). Energy Transfer Partners (former ticker, ETP) was ET's predecessor in the index and ETP's merger with Energy Transfer Equity (former ticker, ETE), its general partner, resulted in a backdoor distribution cut.
- Western Gas Partners (WES; 4.48% in AMZI) was up 12.34% in November 2018 after it announced a simplification plan in which Western Gas Equity Partners (WGP) would acquire WES, eliminating the WES incentive distribution rights (IDRs) and general partner units.
- Plains All American LP (PAA; 9.86% in AMZI), reported strong 3Q18 EBITDA and provided 2019 EBITDA guidance that represents an increase of 10% over 2018 guidance.

3Q18 AMZI Constituent Distribution Actions vs. 2Q18



Source: Bloomberg, 11/30/2018.

Past performance does not indicate future returns.

Valuation Update

- MLPs continue to trade at depressed valuations to historic norms as prices remain weak.
- The AMZI trades much cheaper than the broader energy market (the Energy Select Sector Index) on a Price/Cash flow basis: **6.00X vs. 8.11x**

AMZI Current Valuations

	Current	3YR Avg	Delta
Price/Cash Flow (TTM)	6.00x	8.09x	-25.90%
Enterprise Value/EBITDA	10.16x	11.18x	-9.10%
Yield	8.14%	7.70%	5.70%

Source: Bloomberg, L.P., as of 11/30/2018

AMLPL Performance as of September 30, 2018

Total Returns	Cumulative				Annualized			
	1 Mo.	3 Mo.	YTD	S.I.	1 Yr.	3 Yr.	5 Yr.	S.I.
Alerian MLP ETF (Net Asset Value)	-1.57%	6.74%	4.49%	24.45%	2.42%	2.93%	-2.48%	2.74%
Alerian MLP ETF (Market Price)	-1.66%	6.64%	4.68%	24.45%	2.60%	2.91%	-2.47%	2.74%
Alerian MLP Infrastructure Index	-1.95%	6.99%	5.20%	49.91%	3.34%	3.86%	-2.80%	5.12%

Performance data quoted represents past performance, which is not a guarantee of future results. Current performance may be lower or higher than the performance quoted. You can obtain performance data current to the most recent month end by calling (866)759-5679 or www.alpsfunds.com. The investment return and principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost.

Gross Expense Ratio: 0.85%

Fund inception date of 8/25/2010

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.

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Top 10 Holdings[^]

MAGELLAN MIDSTREAM PARTNERS	10.41%
ENTERPRISE PRODUCTS PARTNERS	10.32%
PLAINS ALL AMER PIPELINE LP	9.86%
ENERGY TRANSFER LP	9.64%
MPLX LP	9.58%
WESTERN GAS PARTNERS LP	4.48%
BUCKEYE PARTNERS LP	4.34%
EQM MIDSTREAM PARTNERS LP	3.97%
ANDEAVOR LOGISTICS LP	3.33%
TALLGRASS ENERGY LP	3.17%

[^] As of November 30, 2018

Daily holdings are available on the alpsfunds.com website

Holdings are subject to change

Important Disclosure & Definitions

An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contains this and other information, call 1.877.398.8461 or visit www.alpsfunds.com. Read the prospectus carefully before investing.

Shares are not individually redeemable. Investors buy and sell shares on a secondary market. Only market makers or “authorized participants” may trade directly with the Fund, typically in blocks of 50,000 shares.

Performance data quoted represents past performance. Past performance is not a guarantee of future results; current performance may be higher or lower than performance quotes.

The AMZI Index is a composite of energy infrastructure Master Limited Partnerships. 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)

Investments in securities of 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.

The benefit 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 of 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.

Not FDIC Insured • No Bank Guarantee • May Lose Value

ALPS Portfolio Solutions, Inc. is the distributor for the Alerian MLP ETF

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