

# ALPS SECTOR DIVIDEND DOGS ETF QUARTERLY SCORECARD

# SDOG

September 30, 2017

## ETF Stats

Ticker:	SDOG
Underlying Index:	SDOGXTR
Listing Exchange:	NYSE Arca
CUSIP:	00162Q 858
Fund Inception:	6/29/12
Dividends Paid:	Quarterly
Most Recent Dividend*:	\$0.3675
Gross Expense Ratio:	0.40%
NAV**:	\$44.07
Shares Outstanding:	51,309,140

\* Dividend Paid on 9/27/17

\*\* As of 9/30/17

## Investment Objective

The Fund seeks investment results that replicate as closely as possible, before fees and expenses, the performance of the S-Network® Sector Dividend Dogs Index (the "Underlying Index").

## What's Inside

### Performance, Characteristics and Allocations

At the conclusion of Q3 2017, the ALPS Sector Dividend Dogs ETF (SDOG) closed at \$44.07, up 4.12% for the quarter. This trailed the S&P 500's (SPX) gain of 4.48%. The fund maintained its deep value profile, as it closed the quarter with a forward P/E ratio of 16.54 vs. 21.13 for the S&P 500.

### Sector Analysis

The top performing sector in SDOG for Q3 2017 was Materials (+10.57%), followed by Energy (+9.08%). For the quarter, the worst performing sector was Consumer Staples (-3.96%), followed by Telecom (-0.41%).

### Constituent Analysis

For the quarter, total return was positive for 35 underlying names and negative for 14. The top performing security was CF Industries Inc. (CF), with a return of +26.99%, while the worst performer was Mattel Inc. (MAT), which posted a return of -27.44%.

### Distribution Analysis

As of September 30, 2017 the S-Network Sector Dividend Dogs Index had a TTM dividend yield of 3.99% relative to 3.96% on June 30, 2017.

### Performance as of 9/30/17

Total Returns	Cumulative				Annualized			
	3 Mo.	6 Mo.	YTD	S.I.	1 Yr.	3 Yr.	5 Yr.	S.I. <sup>1</sup>
ALPS Sector Dividend Dogs ETF (Net Asset Value)	4.12%	4.43%	7.61%	113.31%	9.71%	9.55%	14.56%	15.51%
ALPS Sector Dividend Dogs ETF (Market Price) <sup>2</sup>	4.07%	4.41%	7.51%	113.26%	9.69%	9.52%	14.54%	15.50%
S&P 500® Total Return Index (Benchmark)	4.48%	7.71%	14.24%	106.79%	18.61%	10.81%	14.22%	14.83%
S-Network® Sector Dividend Dogs TR Index (Benchmark)	4.23%	4.67%	7.96%	118.75%	10.20%	10.07%	15.12%	16.06%

**Performance data quoted represents past performance. Past performance does not guarantee future results. Current performance may be higher or lower than actual data quoted. Call 1.866.675.2639 or visit [www.alpssectordividenddogs.com](http://www.alpssectordividenddogs.com) for current month end performance.** The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

<sup>1</sup> Fund inception date of 6/29/12.

<sup>2</sup> 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.



## Contact Info

[www.alpssectordividenddogs.com](http://www.alpssectordividenddogs.com)  
[sdog@alpsinc.com](mailto:sdog@alpsinc.com)

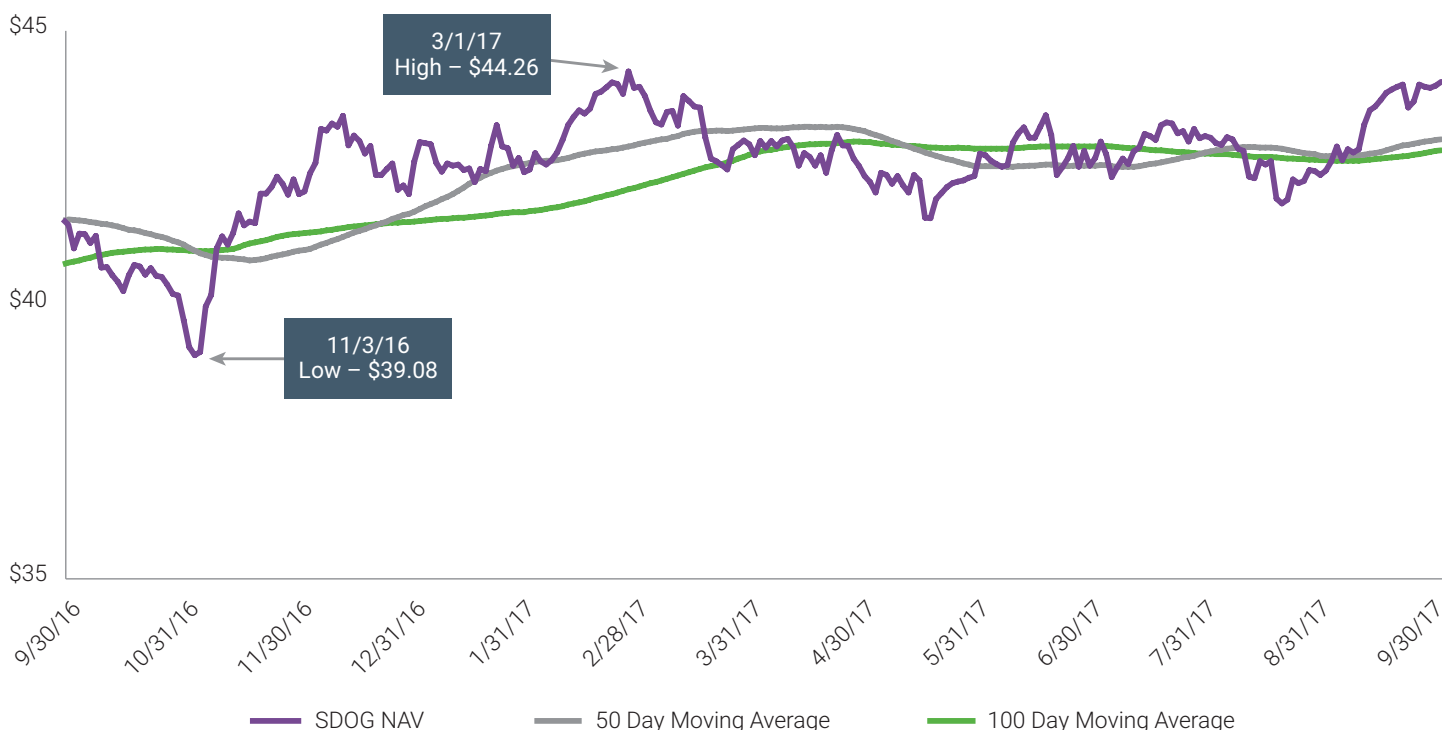
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# Performance

## SDOG 1 Year Performance (NAV)



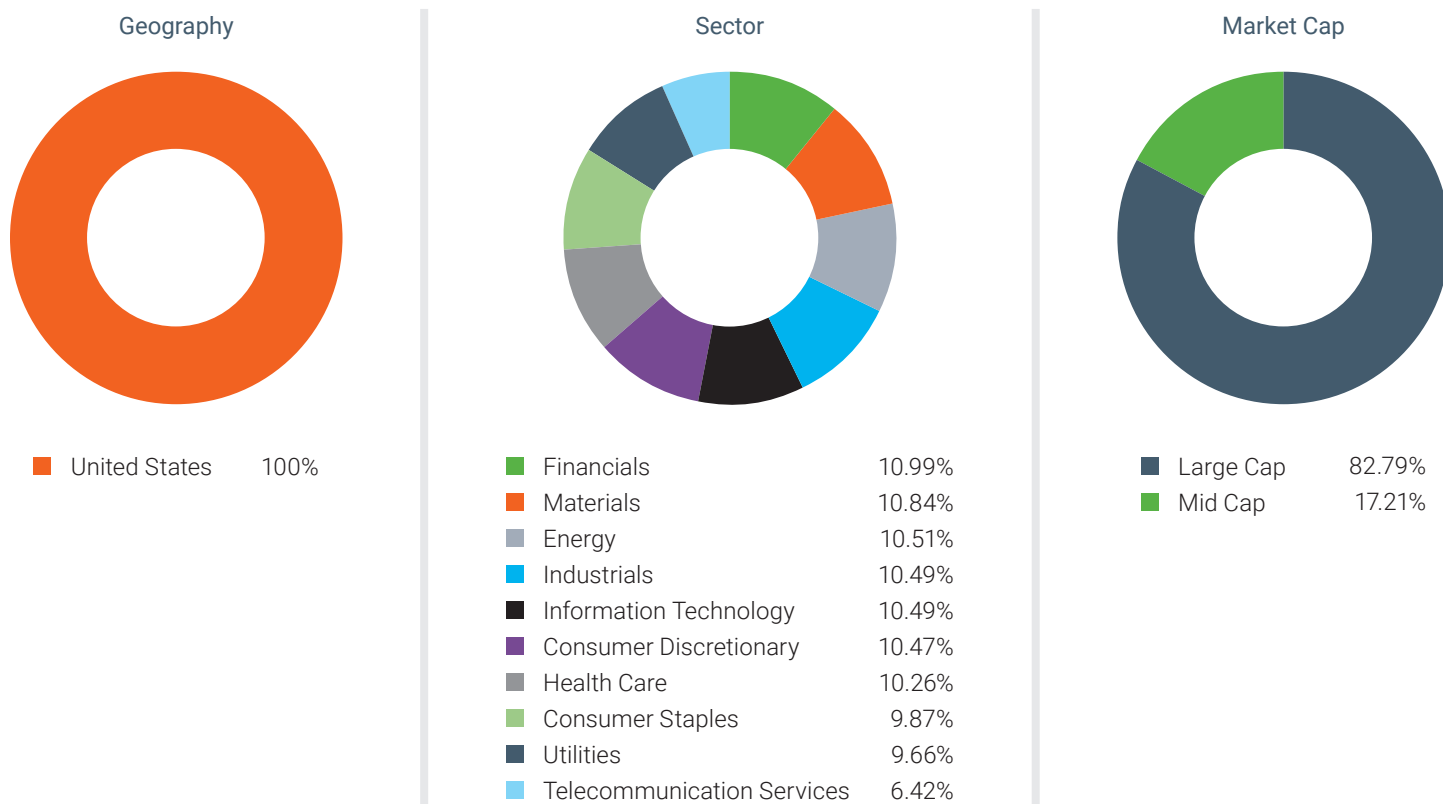
Source: Bloomberg NAV returns as of 9/30/17. Past performance is not indicative of future results.

## Index Characteristics

Fundamentals & Risk	SDOGX	SPX	Profile	SDOGX	SPX
Price to Earnings Ratio	16.54	21.13	Dividend Yield	3.99%	1.97%
Price to Earnings Ratio using FY1 Est	14.36	17.76	Max Market Cap (Million \$)	\$348,947	\$796,065
Price to Earnings Ratio using FY2 Est	13.78	16.17	Min Market Cap (Million \$)	\$4,117	\$3,699
Price to Book Ratio	2.42	3.06	Total Market Cap (Agg, Million \$)	\$3,937,491	\$23,700,333
Price to Sales Ratio	1.27	2.14	Weighted Avg. Market Cap ( Agg, Million \$)	\$81,408	178,608
Price to Cash Flow Ratio	8.54	13.31	<b>Market Cap Breakdown</b>	<b>SDOGX</b>	<b>SPX</b>
Beta	0.97		Large Cap	82.79%	97.66%
Volatility	11.48%	10.06%	Mid Cap	17.21%	2.34%
			Small Cap	0.00%	0.00%

Bloomberg Data as of 9/30/17. Beta is to the S&P 500 Index.

## Allocations



## Sector Attribution - Q3 2017

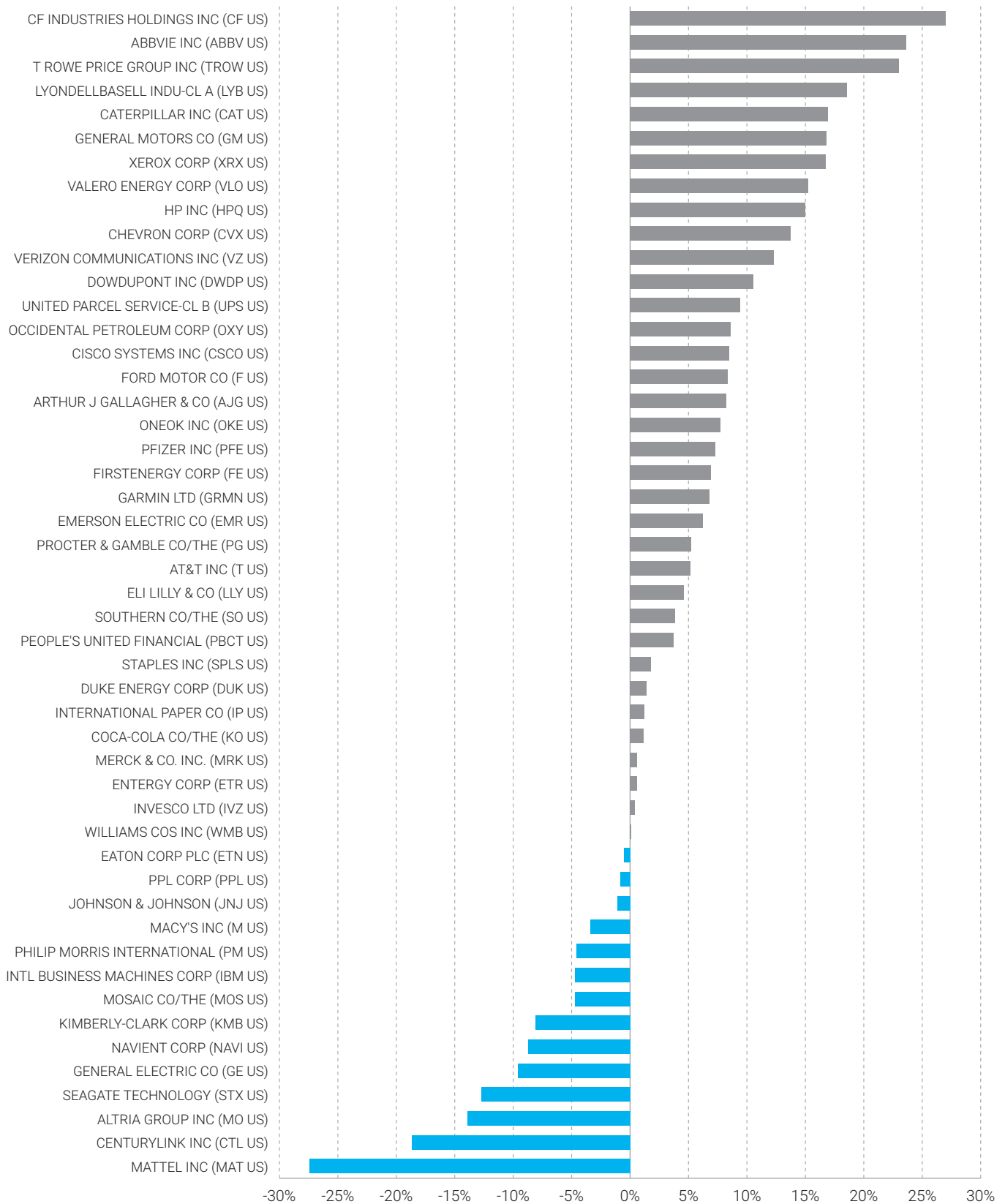
Overall, sector allocation was negative in Q3 2017, as the fund's relative under-weight to Info Tech and over-weight to Utilities detracted from the fund's performance vs. the benchmark. Selection effect also adversely impacted the fund's relative return, as the fund's names in Info Tech and the large relative overweight to CenturyLink in the Telecom sector underperformed. The fund's Materials and Healthcare constituents provided positive performance to help buffer performance at the fund level.

	Avg % Wgt			Contribution to Return			Total Return			Total Attribution	Allocation Effect	Selection Effect
	SDOG	SPX	+/-	SDOG	SPX	+/-	SDOG	SPX	+/-			
Consumer Discretionary	10.27%	12.12%	-1.85%	0.05%	0.10%	-0.05%	0.85%	0.84%	0.01%	0.03%	0.07%	-0.04%
Consumer Staples	10.12%	8.66%	1.46%	-0.42%	-0.12%	-0.30%	-3.96%	-1.35%	-2.62%	-0.37%	-0.09%	-0.27%
Energy	10.72%	5.89%	4.83%	0.95%	0.40%	0.55%	9.08%	6.86%	2.22%	0.35%	0.12%	0.22%
Financials	10.57%	14.43%	-3.86%	0.55%	0.75%	-0.20%	5.16%	5.24%	-0.08%	-0.03%	-0.02%	-0.01%
Health Care	10.56%	14.48%	-3.92%	0.76%	0.54%	0.22%	7.02%	3.65%	3.36%	0.40%	0.04%	0.37%
Industrials	10.47%	10.18%	0.29%	0.48%	0.43%	0.05%	4.53%	4.22%	0.31%	0.04%	0.00%	0.03%
Information Technology	10.34%	23.04%	-12.70%	0.49%	1.94%	-1.45%	4.77%	8.65%	-3.88%	-0.90%	-0.51%	-0.40%
Materials	10.70%	2.90%	7.80%	1.11%	0.17%	0.93%	10.57%	6.05%	4.53%	0.59%	0.12%	0.48%
Real Estate	0.00%	2.97%	-2.97%	0.00%	0.03%	-0.03%	0.00%	0.93%	-0.93%	0.11%	0.11%	0.00%
Telecommunication Services	5.91%	2.13%	3.77%	-0.01%	0.14%	-0.15%	-0.41%	6.78%	-7.19%	-0.32%	0.11%	-0.43%
Utilities	10.34%	3.21%	7.13%	0.27%	0.09%	0.18%	2.39%	2.87%	-0.48%	-0.14%	-0.09%	-0.05%
<b>Totals</b>										<b>-0.24%</b>	<b>-0.14%</b>	<b>-0.10%</b>

Past performance is not indicative of future results. Subject to change.

# Constituent Analysis

Total Return Dispersion - Q3 2017



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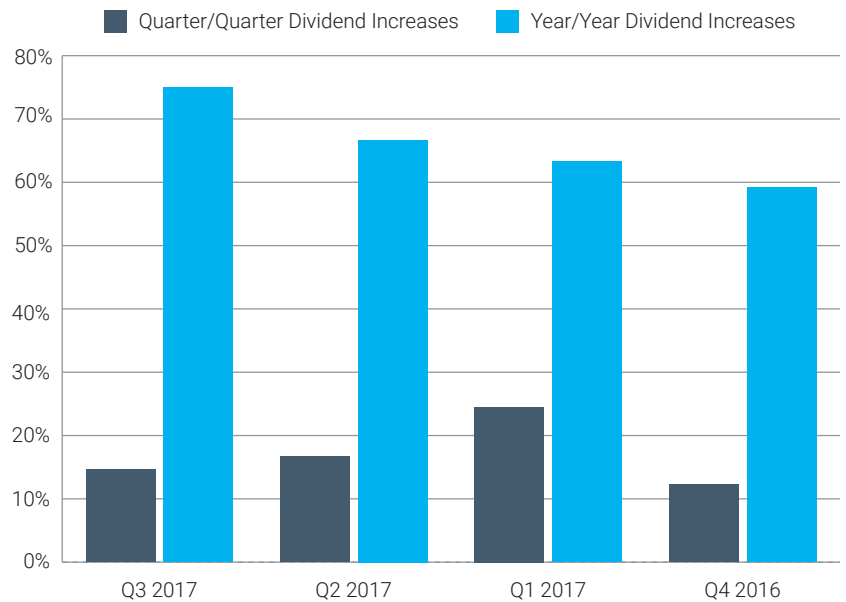
## Dividend Update

Of the 48 current SDOG constituents, 7 companies, or roughly 15% of the fund holdings, increased their dividends from Q2 2017 to Q3 2017, and only 1 holding decreased its dividend on a quarter-over-quarter basis. 36 companies, or roughly 75% of the fund holdings, increased their dividends year-over-year from Q3 2016, while only 3 companies decreased their dividends. At the fund level, SDOG's 3rd quarter distribution was \$0.36749 per share.

Quarter/Quarter	Increases	Decreases
Q3 2017	7	1
Q2 2017	8	2
Q1 2017	12	1
Q4 2016	6	0
Year/Year		
Q3 2017	36	3
Q2 2017	32	3
Q1 2017	31	2
Q4 2016	29	4

Past performance is not indicative of future results.

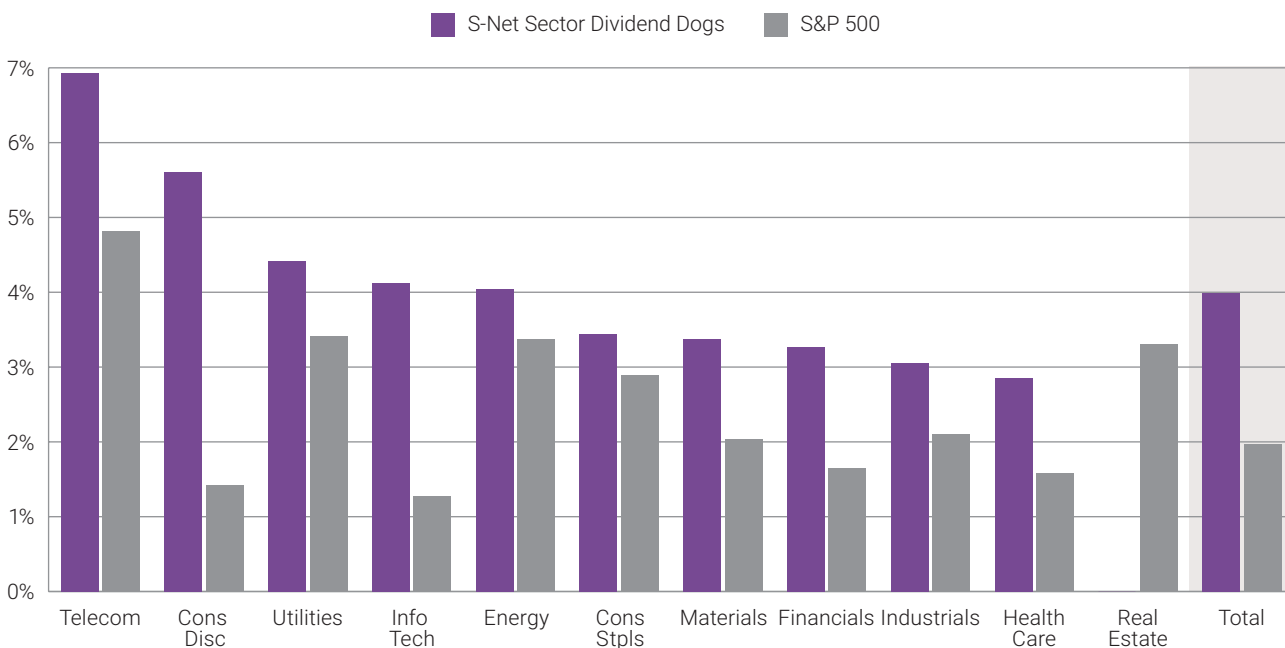
### % of Portfolio Names Increasing Dividend



## Sector Yield Breakdown

The S-Networks Sector Dividend Dogs Index usage of yield analysis on a sector-by-sector basis as its primary screen continues to provide meaningfully higher yields compared to the broad based benchmark across the 10 GICS Sectors, ex Real Estate.

### TTM Yield\*



\* Excluding special dividends. Past performance is not indicative of future results.

## Important Disclosures & Definitions

**An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus which contain this and other information call 866.675.2639 or visit [www.alpsfunds.com](http://www.alpsfunds.com). Read the prospectus carefully before investing.**

**ALPS Sector Dividend Dogs ETF Shares are not individually redeemable. Investors buy and sell shares of the ALPS Sector Dividend Dogs ETF on a secondary market. Only market makers or "authorized participants" may trade directly with the Fund, typically in blocks of 50,000 shares.**

*There are risks involved with investing in ETFs including the loss of money. Additional information regarding the risks of this investment is available in the prospectus.*

*The Fund is subject to the additional risks associated with concentrating its investments in companies in the market sector.*

*Diversification does not eliminate the risk of experiencing investment losses.*

*The Fund's investments in non-U.S. issuers may involve unique risks compared to investing in securities of U.S. issuers, including, among others, greater market volatility than U.S. securities and less complete financial information than for U.S. issuers. In addition, adverse political, economic or social developments could undermine the value of the Fund's investments or prevent the Fund from realizing the full value of its investments. Financial reporting standards for companies based in foreign markets differ from those in the United States. Finally, the value of the currency of the country in which the Fund has invested could decline relative to the value of the U.S. dollar, which may affect the value of the investment to U.S. investors. An investor cannot invest directly in an index.*

*The S-Network Sector Dividend Dogs Index (Ticker: SDOGX) is designed to serve as a fair, impartial and transparent measure of the performance of US large cap equities with above average dividend yields.*

*The S&P 500® (Ticker: SPX) is an index of 500 stocks chosen for market size, liquidity and industry grouping among other factors.*

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*Dogs of the Dow Theory: an investment strategy which proposes that an investor annually select for investment the ten Dow Jones Industrial Average stocks whose dividend is the highest fraction of their price.*

*Downside risk: the probability that an asset will fall in price. It is also the measure of the possible loss from that decline.*

*Tracking error: a measure of how closely a portfolio follows the index to which it is benchmarked.*

*Sharpe ratio: a measure that indicates the average return minus the risk-free return divided by the standard deviation of return on an investment.*

*Information ratio: A ratio of portfolio returns above the returns of a benchmark (usually an index) to the volatility of those returns.*

*Price to earnings ratio: an equity valuation multiple. It is defined as market price per share divided by annual earnings per share.*

*Price to book ratio: a financial ratio used to compare a company's current market price to its book value.*

*Beta: A measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.*

*Dividend yield: a dividend expressed as a percentage of a current share price.*

*Basis point: A unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument.*

*ALPS Portfolio Solutions Distributor, Inc. is the distributor for the ALPS Sector Dividend Dogs ETF.*

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