

ALPS SECTOR DIVIDEND DOGS ETF (SDOG) MONTHLY INSIGHTS

April 2018

Key Takeaways

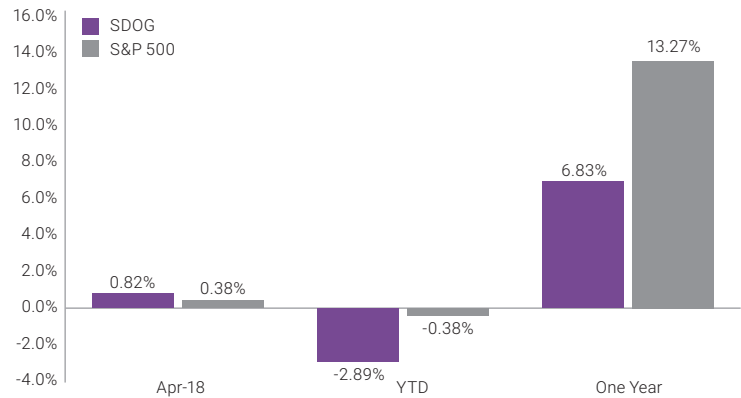
- The ALPS Sector Dividend Dogs ETF (SDOG) returned 0.82% last month, bringing its total return for the 12 months ended April 30, 2018 to 6.83%
- The energy sector was the best-performing sector in the S&P 500 in April, lifting SDOG in the process as the fund's five energy holdings exhibited positive performance on a monthly basis, helping SDOG top the U.S. equity benchmark for the month
- The average three year Price/Earnings Ratio for the fund currently sits at 14.74 versus the fund's current Price/Earnings Ratio of 13.94

Performance

SDOG, a fund that exhibits value characteristics, outperformed the S&P 500 Value Index in the month April as well as the S&P 500 Index.

April marked the second consecutive month that the S&P 500 Value Index has outperformed the S&P 500 Growth Index and the S&P 500 Index. Year to date, however, the S&P 500 Value Index has returned -3.09% while the S&P 500 Growth Index has returned 2.21%.

Trailing Performance (NAV) – April 2018



Source: ALPS. Performance as of 04/30/2018.

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 visit www.alpsfunds.com.

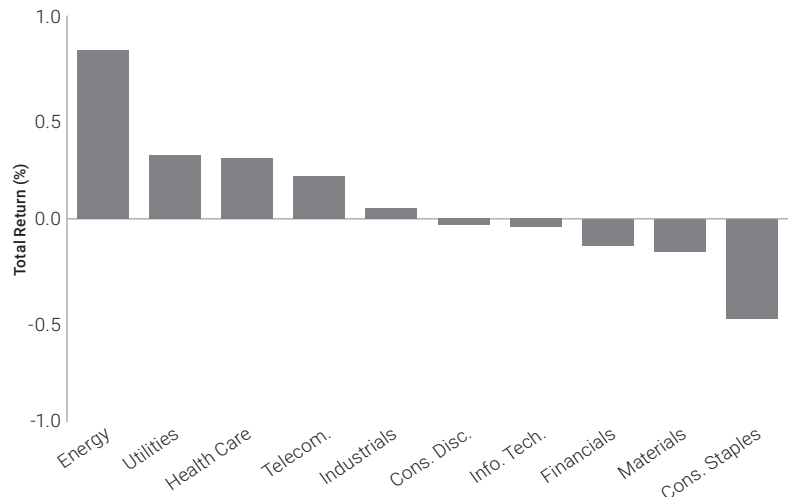
For standardized performance, please see Page 3.

Return Attribution

West Texas Intermediate (WTI) prices jumped 5.59% in April, propelling SDOG's energy holdings to the highest contribution return for the fund last month.

Occidental Petroleum (NYSE: OXY; 2.62% weight in SDOG) which we highlighted in March, returned 18.93% in April. The stock was positive as widening crude differentials in the Permian basin in Texas have provided the company with very favorable economics.

Contribution to Return by Sector – April 2018



Source: Bloomberg L.P., as of 04/30/2018.

Past performance is not indicative of future results.

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Valuations

The fund's price multiples currently sit at a discount relative the S&P 500 Index, which indicates the fund potentially exhibits value characteristics. SDOG often trades at a discount relative to the broader market.

When looking at the historical monthly Price/Earnings Ratio over the past three years for the fund, carries a historical average of 14.74X vs. 19.36X for the S&P 500 Index.

Price Multiples

	S-Network Sector Dividend Dogs Index		S&P 500 Index	
	Current	3 Year Average	Current	3 Year Average
Price/Earnings Ratio	13.94	14.74	20.33	19.36
Price/Book Ratio	2.13	2.17	3.08	2.85
Price/Cash Flow Ratio	7.87	7.48	12.66	11.75
Price/Sales Ratio	1.01	1.27	2.13	1.97
Trailing Twelve Month Yield	4.34	4.23	1.93	2.06

Source: Bloomberg L.P., as of 04/30/2018.

Past performance is not indicative of future results.

SDOG Top/Bottom Performers - March 2018

Leaders	1 Month Performance (%)	Sector
OCCIDENTAL PETROLEUM CORP	18.93	Energy
CENTURYLINK INC	13.09	Telecommunication Services
XEROX CORP	9.28	Information Technology

Laggards	1 Month Performance (%)	Sector
INVESCO LTD	-9.50	Financials
ALTRIA GROUP INC	-9.96	Consumer Staples
PHILIP MORRIS INTERNATIONAL	-17.51	Consumer Staples

Source: Bloomberg L.P., as of 04/30/2018. Holdings subject to change.

Past performance is not indicative of future results.

Company Snapshot

Company: CenturyLink (CTL)

Weight: 2.09%

Sector: Telecom.

Due to its bond-like characteristics, the telecom sector has been under pressure this year as Treasury yields have risen. However, CenturyLink Telecom returned 13.09% in April while the broader telecom sector shed 0.98%.

The Louisiana-based company offers broadband Internet and televisions services as well as local calling services; long-distance and toll-free services; information technology (IT) services, such as transporting and delivering enterprise data and applications; and managed services consisting of network, hosting, cloud, and IT services.

The company continues integrating its L3 Communications acquisition, which was finalized in November 2017. According to Bloomberg, the acquisition marks a renewed favorable outlook on CTL's ability to stabilize revenue in the medium term.

"After taking a fresh look at CenturyLink, we are raising our fair value estimate to \$22 from \$19. We are maintaining our no-moat rating and stable moat trend," said Morningstar. "Our \$22 fair value estimate implies a P/E multiple of 31 and an EV to EBITDA multiple of 7 on our 2018 estimates."

A price target of \$22 implies significant upside from where shares of CenturyLink finished April.

The company is also pushing the Federal Communications Commission (FCC) to allow more attachers to overlash fiber on existing utility poles, which could allow the company to deliver broadband Internet service to more customers.

"Consistent with that precedent and its goal of accelerating broadband deployment, the Commission should codify the principle that attachers are permitted, without a pole owner's prior approval, to overlash their own or third parties' pole attachments with telecommunications wires, including fiber-optic cable, fiber splice closures, and similar incidental equipment," according to CenturyLink letter to the FCC.

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SDOG Performance as of 03/31/2018

Total Returns	Cumulative				Annualized			
	3 Mo.	6 Mo.	YTD	S.I.	1 Yr.	3 Yr.	5 Yr.	S.I. ¹
ALPS Sector Dividend Dogs ETF (Net Asset Value)	-3.68%	0.84%	-3.68%	115.11%	5.31%	9.36%	11.71%	14.24%
ALPS Sector Dividend Dogs ETF (Market Price) ²	-3.63%	0.98%	-3.63%	115.36%	5.43%	9.39%	11.74%	14.26%
S&P 500® Total Return Index (Benchmark)	-0.76%	5.84%	-0.76%	118.85%	13.99%	10.78%	13.31%	14.58%
S-Network® Sector Dividend Dogs TR Index (Benchmark)	-3.58%	1.08%	-3.58%	121.12%	5.80%	9.88%	12.25%	14.79%

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 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.

¹ Fund inception date of 6/29/12.

² 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.

ETF Stats

Ticker:	SDOG
Underlying Index:	SDOGXTR
Listing Exchange:	NYSE Arca
CUSIP:	00162Q858
Fund Inception:	6/29/2012
Dividends Paid:	Quarterly
Most Recent Dividend*:	\$0.4262
Gross Expense Ratio:	0.40%
NAV**:	\$43.65

* Dividend Paid on March 28, 2018

** As of March 31, 2018

Daily holdings are available on the Alpsfunds.com website.

Top 10 Holdings (%)[^]

AES CORP	2.27
FIRSTENERGY CORP	2.26
KOHL'S CORP	2.26
FORD MOTOR CO	2.24
MACY'S INC	2.24
PPL CORP	2.23
SOUTHERN CO/THE	2.22
OCCIDENTAL PETROLEUM	2.21
ARCHER-DANIELS-MIDLAND	2.17
EXXON MOBIL CORP	2.17

[^] As of March 31, 2018. Holdings subject to change.

Important Disclosure & 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. 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.

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. S&P 500: an index of 500 stocks chosen for market size, liquidity and industry grouping among other factors.

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.

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

S&P 500 Value Index - The S&P 500 Value Index is a market capitalization weighted index. All the stocks in the underlying parent index are allocated into value or growth. Stocks that do not have pure value or pure growth characteristics have their market caps distributed between the value & growth indices.

S&P 500 Growth Index - The S&P 500 Growth Index is a market capitalization weighted index. All the stocks in the underlying parent index are allocated into value or growth. Stocks that do not have pure value or pure growth characteristics have their market caps distributed between the value & growth indices.

Price/Earnings Ratio - A valuation ratio of a company's current share price compared to its per-share earnings.

Price/Book Ratio - The weighted average of the price/book ratios of all the stocks in a portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value.

Price/Cash Flow Ratio - This 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.

Price/Sales Ratio - This represents the weighted average of the price/sales ratios of the stocks in a portfolio. Price/sales represent the amount an investor is willing to pay for a dollar generated from a particular company's operations.

Dividend Yield - 12 Month Yield is the sum of a fund's total trailing 12-month interest and dividend payments divided by the last month's ending share price (NAV) plus any capital gains distributed over the same period.

DOG000749 04/30/2019

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