

ALPS Global Travel Beneficiaries ETF

Monthly Insights | October 2021

Key Takeaways

- The ALPS Global Travel Beneficiaries ETF (JRNY) gained 2.39% in October 2021 as the global reopening trade continued to pick up pace.
- Ancillary Beneficiaries was JRNY's best performing segment, with a multitude of positive names that are geared to global travel growth.
- AVIS Budget Group Inc, (**CAR; 0.47% weight***), a Booking & Rental Agencies name, was JRNY's top performer, +48.75%, amidst a strong domestic pricing backdrop and a forthcoming transition to EV (electric vehicles).

Performance

- The ALPS Global Travel Beneficiaries ETF (JRNY) gained 2.39% last month, trailing the Morningstar Global Markets Index (MSGMUSDN) due to underperformance of Airline & Airport Services segments. Despite underperformance in October, airlines are seeing an uptick in international bookings. Delta Airlines (**DAL; 2.09% weight***) recently announced it observed a 450% increase in international bookings following the U.S reopening announcement.
- JRNY's overweight to the industrials sector led to most of the underperformance vs MSGMUSDN this month. Consumer discretionary was the largest contributing sector to positive performance, with several luxury retailers gaining on stronger travel trends that should boost near-term earnings.

	Oct-21	Year to Date	1 Year
JRNY (NAV)	2.39%	1.45%	–
S-Network Global Travel NTR Index	2.51%	1.53%	–
Morningstar Global Markets Index - NR	4.80%	16.39%	37.43%

As of 10/31/2021

Performance data quoted represent 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 the most current month-end performance data please call 844.234.5852. Performance includes reinvested distributions and capital gains. For standard performance, please see page 3

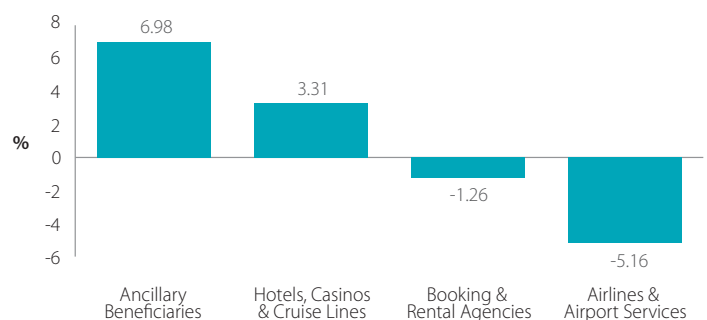
Strategy

- Diversification: Access to a broad global travel ecosystem, with holistic exposure to the secular tailwinds in global travel.
- Long-term Capital Appreciation: Thematic Alpha
- Exposure: Global All-cap Equity Exposure

Attribution

- Ancillary Beneficiaries was the leader among JRNY's global travel ecosystem segments, gaining nearly 7%* for the month. Airlines and Airport Services was the laggard as US airlines were led lower by business volumes remaining ~25% lower than 2019 highs amid higher jet fuel prices.
- Ancillary Beneficiaries top contributors within the segment were CIE Financiere Richemo (**CFR SW; 2.48% weight***) and Moncler SpA (**MONC IM; 0.64% weight***). Moncler SpA, a European luxury goods producer, gained on optimism of higher Q3 revenue ahead of earnings, as well as several price target upgrades from analysts.
- The Hotels, Casinos and Cruise Lines segment was the second best performing in JRNY, with seasonal leisure travel expected to continue its uptick towards pre-pandemic bookings. Choice Hotels (**CHH; 0.68% weight***) saw the largest increase over the month, rising over 11%. Another outperformer within the segment, Wyndham Hotels (**WH; 1.08% weight***), gained 9.4% after revising FY 2021 EPS higher.

JRNY Thematic Segment Performance - October 2021



Source: Bloomberg, as of 10/31/21.

Past performance does not guarantee future results

* Weight in JRNY as of 10/31/2021

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Valuation

- As of the end of October 2021, JRNY exhibited a price-to-earnings ratio (P/E ratio) 32.65x and a price-to-cash-flow ratio of 18.67x. While valuations are elevated relative to the broader markets, global travel companies are expected to see a vast improvement in earnings over the next year.

JRNY Top/Bottom Performers October 2021

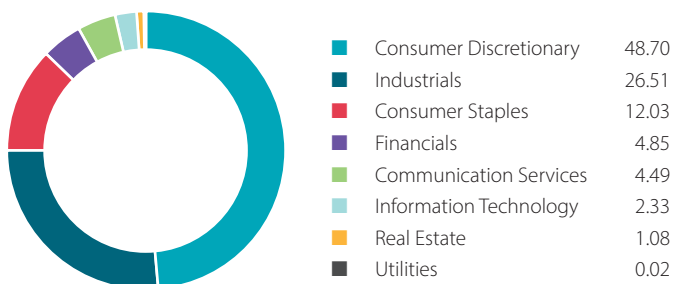
Leaders	Performance	Sub Segment
AVIS BUDGET GROUP INC	48.75%	Booking & Rental Agencies
CIE FINANCIERE RICHEMO-A REG	18.50%	Ancillary Beneficiaries
MONCLER SPA	17.00%	Ancillary Beneficiaries

Laggards	Performance	Theme
HYRECAR INC	-20.12%	Booking & Rental Agencies
LOCALIZA RENT A CAR	-19.52%	Booking & Rental Agencies
LYFT INC-A	-14.41%	Booking & Rental Agencies

ALPS as of 10/31/2021.

Past performance is not indicative of future results

Sector Allocations



Price Multiples

	JRNY	Morningstar Global Markets Index
Price/Earnings Ratio	32.65	20.37
Price/Cash Flow Ratio	18.67	13.23
Price/Sales Ratio	5.67	4.12
Average Market Capitalization (in Mil, \$)	33,903	13,940

Source: Bloomberg, as of 10/31/2021

October 2021 Company Snapshot

Company: **AVIS Budget Group (CAR; 0.47% weight*)**



Segment:
Booking & Rental Agencies

- AVIS Budget Group, Inc. operates as a vehicle rental and mobility solution service.
- Booking and Rental Agency companies continued to benefit from elevated pricing and leisure travel volumes which may increase into year-end.
- Broad expectations suggest that the strong pricing environment to continue into 2022, and that US car inventories trending towards a normal supply over the course of the year.
- AVIS Budget Group, Inc. has been the top performer in JRNY and is up over 90% since strategy inception on 9/08/21. The stock recently rallied on CEO, Joe Ferraro's, comments post-earnings regarding EV (electric vehicle) adoption by the rental car industry, "You'll see us going forward be much more active in the electric scenarios as the situation develops over time."

* As of 10/31/2021 in JRNY

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ACES Performance as of 10/31/2021

Total Returns	Cumulative as of 10/31/2021				Annualized as of 9/30/2021		
	1 Mo.	3 Mo.	YTD	S.I.	1 Yr.	3 Yr.	S.I. ¹
ALPS Global Travel Beneficiaries ETF (Net Asset Value)	2.39%	–	1.45%	1.45%	–	–	–
ALPS Global Travel Beneficiaries ETF (Market Price)	2.63%	–	1.73%	1.73%	–	–	–
S-Network Global Travel Net Total Return Index	2.51%	–	1.53%	1.53%	–	–	–
Morningstar Global Markets Index - NR	4.80%	3.17%	16.39%	53.68%	37.43%	17.15%	11.84%

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: **0.65%**

¹ Fund inception date of 9/08/2021

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.

Top 10 Holdings (%)[^]

MARRIOTT INTERNATIONAL -CL A	5.19
HILTON WORLDWIDE HOLDINGS IN	4.93
AMERICAN EXPRESS CO	4.85
BOOKING HOLDINGS INC	4.63
LVMH MOET HENNESSY LOUIS VUI	4.47
L'OREAL	4.28
ESTEE LAUDER COMPANIES-CL A	4.28
WALT DISNEY CO/THE	4.05
CINTAS CORP	3.93
AIRBNB INC-CLASS A	3.69

[^] Source: Bloomberg as of 10/31/21,

Holdings subject to change.

Daily holdings are available on the alpsfunds.com website.

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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 866.759.5679 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 5,000, 25,000 or 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.

An investment in the Fund is subject to investment risk including the possible loss of the entire principal amount that you invest.

Travel Industry Risk. The Fund is subject to investment and operational risks associated with the travel industry. Companies engaged in the travel industry may be adversely affected by a downturn in economic conditions that can result in decreased demand for travel. These companies may be significantly impacted by the performance of the overall economy, changing consumer tastes and demands, consumer discretionary income levels, intense competition, technological developments, and government regulation. Additionally, uncertainty regarding international travel and other events such as political or social violence, terrorist attacks, and biological outbreaks may significantly impact the travel and vacation industry.

Please note that the Fund is new and has limited operating history.

Diversification does not eliminate the risk of experiencing investment losses.

The S-Network Global Travel Index utilizes a rules-based methodology which is designed to identify exchange-traded stocks of companies that are materially engaged in the global travel industry, including four segments: Airlines & Airport Services; Hotels, Casinos, Cruise Lines; Booking & Rental Agencies; and Ancillary Beneficiaries. One cannot invest directly in an index.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

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