

ALPS Disruptive Technologies ETF

Monthly Insights | September 2021

Key Takeaways

- The ALPS Disruptive Technologies ETF (DTEC) fell -5.23% in September 2021 as supply chain and debt concerns gripped the markets.
- Robotics & Artificial Intelligence was DTEC's best performing theme, with several names in the green.
- China Longyuan Power Group-H (**916 HK; 1.20% weight***), a Clean Energy & Smart Grid name, was DTEC's top performer, +21.15%, as positive policy in China led the renewable energy provider higher in September.

Performance

- The ALPS Disruptive Technologies ETF (DTEC) fell -5.23% last month, trailing the Morningstar Global Markets Index (MSGMUSDN) as tech names fell amid supply chain and debt concerns.
- DTEC's relative overweight to the information technology sector led to most of the underperformance vs MSGMUSDN this month. However, one info tech name, Brooks Automation (**BRKS; 1.19% weight***), had a strong month, +20.61%. The Robotics & AI name gained in September in part due to the announcement that it is selling its Semiconductor Solutions Group to a private equity group with the remaining business trading under a new name.

	Sep-21	Year to Date	1 Year
DTEC (NAV)	-5.23%	4.87%	26.45%
IDTEC Index - NTR	-5.20%	5.16%	26.90%
Morningstar Global Markets Index - NR	-3.96%	11.06%	28.27%

As of 9/30/2021. **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

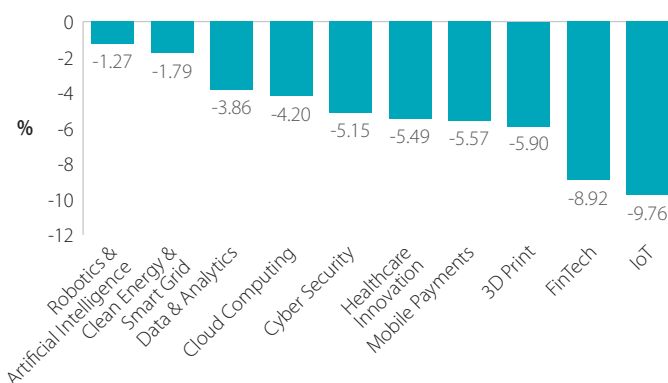
- **Diversification:** Access to 10 Equally Weighted Disruptive Technology Themes
- **Long-term Capital Appreciation:** Thematic Alpha
- **Exposure:** Global All-cap Equity Exposure



Attribution

- Robotics & Artificial Intelligence was the leader among DTEC's 10 disruptive technology themes, although still negative. Internet of Things (IoT) was the laggard once again as supply chain concerns continue to impact earnings.
- The Robotics & AI theme led this month with Brooks Automation (**BRKS; 1.19% weight***) leading the way (mentioned above) followed by Omron Corp (**6645 JP; 1.02% weight***). Omron gained after the company, which specializes in automation equipment, received several price target upgrades from analysts.
- The Clean Energy & Smart Grid theme was the second best performing in DTEC with two names providing the bulk of the returns, China Longyuan Power Group (**916 HK; 1.20% weight***) & Xinjiang Goldwind Science & Technology (**2208 HK; 1.06% weight***). China Longyuan Power is highlighted below in the company spotlight, and both benefitted from positive China policy news in the month of September.

DTEC Theme Performance - September 2021



Source: Bloomberg, as of 9/30/21.

Past performance does not guarantee future results

* Weight in DTEC as of 9/30/2021

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Valuation

- As of the end of September 2021, DTEC's underlying index (IDTEC) had a price-to-earnings ratio (P/E ratio) of 41.74x and a price-to-cashflow ratio of 25.26x.

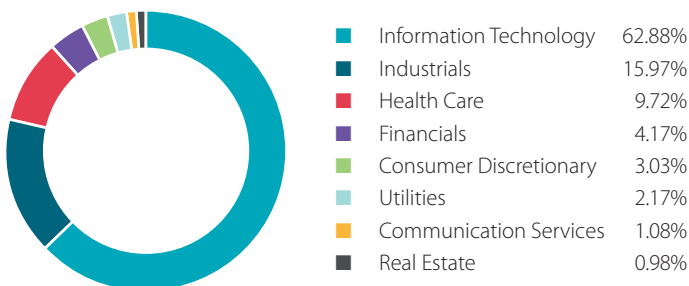
DTEC Top/Bottom Performers September 2021

Leaders	Performance	Theme
CHINA LONGYUAN POWER GROUP-H (916 HK)	21.15%	Clean Energy & Smart Grid
BROOKS AUTOMATION INC (BRKS US)	20.61%	Robotics & Artificial Intelligence
XINJIANG GOLDWIND SCI&TEC-H (2208 HK)	10.21%	Clean Energy & Smart Grid

Laggards	Performance	Theme
STONECO LTD-A (STNE US)	-25.40%	FinTech
AEROVIRONMENT INC (AVAV US)	-15.67%	Robotics & Artificial Intelligence
XINYI SOLAR HOLDINGS LTD (968 HK)	-15.22%	Clean Energy & Smart Grid

Past performance is not indicative of future returns

Sector Allocations



Price Multiples

	IDTEC Index	Morningstar Global Markets Index
Price/Earnings Ratio	41.74x	18.60x
Price/Cash Flow Ratio	25.26x	8.93x
Price/Sales Ratio	5.51x	2.03x
Average Market Capitalization (in Mil, \$)	63,151	310,933

Source: Morningstar, as of 9/30/2021

September 2021 Company Snapshot

Company: China Longyuan Power Group (916 HK; 1.19% weight*)



Theme:
Clean Energy & Smart Grid

- China Longyuan Power Group, headquartered in Beijing, operates wind farms among other clean energy services.
- Chinese clean energy firms benefitted this month after President Xi Jinping said Beijing would look to cut carbon emissions by ceasing to build coal power plants overseas. Positive policy continues to shape the landscape as China looks to transition to clean energy.
- China Longyuan Power Group is up just over 150% year to date, making it the top performer in DTEC in 2021 by a wide margin.

* As of 9/30/2021 in DTEC

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DTEC Performance as of 9/30/2021

Total Returns	Cumulative as of 9/30/2021				Annualized as of 9/30/2021			
	1 Mo.	3 Mo.	YTD	S.I.	1 Yr.	3 Yr.	5 Yr.	S.I. ¹
ALPS Disruptive Technologies ETF (Net Asset Value)	-5.23%	-0.29%	4.87%	95.28%	26.45%	18.29%	N/A	19.50%
ALPS Disruptive Technologies ETF (Market Price) ²	-5.22%	-0.29%	4.94%	95.32%	26.25%	18.03%	N/A	19.51%
Indxx Disruptive Technologies Index	-5.19%	-0.16%	5.23%	98.71%	27.01%	18.80%	N/A	20.06%
Indxx Disruptive Technologies Index - NTR (Benchmark)	-5.20%	-0.17%	5.16%	97.38%	26.90%	18.57%	N/A	19.84%
Morningstar Global Markets Index - NR	-3.96%	-1.07%	11.06%	46.64%	28.27%	12.29%	N/A	10.73%

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. 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: **0.50%**

¹ Fund inception date of 12/28/2017

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 (%)[^]

CHINA LONGYUAN POWER GROUP-H	1.20%
BROOKS AUTOMATION INC	1.19%
AMERICAN EXPRESS CO	1.11%
ALLEGRO MICROSYSTEMS INC	1.10%
SALESFORCE.COM INC	1.10%
NEMETSCHEK SE	1.09%
KASPI/KZ JSC	1.09%
TESLA INC	1.08%
PALO ALTO NETWORKS INC	1.08%
VMWARE INC-CLASS A	1.08%

[^] Source: Bloomberg as of 9/30/21, subject to change

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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 1.866.759.5679 or visit www.alpsfunds.com. Read the prospectus carefully before investing.

ALPS Disruptive Technologies ETF Shares are not individually redeemable. Investors buy and sell shares of the ALPS Disruptive Technologies ETF 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.

Companies that the Index Provider believes are developing disruptive technologies may not in fact do so or may not be able to capitalize on those technologies. Companies that develop disruptive technologies may face political, legal or regulatory challenges. Such companies may also be exposed to risks applicable to industries or sectors other than the disruptive technology Theme for which they are chosen and may underperform relative to other companies that are also focused on a particular Theme.

Smaller and mid-size companies often have narrower markets, more limited managerial and financial resources and a less diversified product offering than larger, more established companies. As a result, their performance can be more volatile, which may increase the volatility of the Fund's portfolio.

The large capitalization companies in which the Fund invests may underperform other segments of the equity market or the equity market as a whole.

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, less liquidity generally, 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. 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.

The fund is new and has limited operating history.

Indxx Disruptive Technologies Index (IDTEC): Based around companies that enter traditional markets with new digital forms of production and distribution, are likely to disrupt an existing market and value network, displace established market leading firms, products and alliances and increasingly gain market share.

One may not invest directly in the index.

Thematic Investing: Designed to participate in longer term technological disrupters, economic and political developments and social trends.

Thematic Alpha: The excess return of an investment relative to the return of a benchmark index that can be attributed to thematic investment strategies.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the ALPS Disruptive Technologies ETF.

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