Alerian Energy Infrastructure ETF

Ticker: ENFR

Monthly Insights as of September 30, 2025

Key Takeaways

- The Alerian Energy Infrastructure ETF (ENFR) posted modest gains in September, up 1.09% on a total-return basis as equities broadly rose.
- Midstream free cash flow yields remain solid based on 2026 consensus estimates, even as some companies see greater spending opportunities for natural gas infrastructure.
- At the end of September, ENFR's underlying index, the Alerian Midstream Energy Select Index (AMEI), was yielding 5.24% and was trading above its three-year average forward EV/EBITDA multiple.

Performance Notes

ENFR edged higher in September, up 1.09% on a total-return basis. Oil prices fell 2.56% during the month, and the broad Energy Select Sector Index (IXE) was flattish, down just 0.24% on a total-return basis. US natural gas prices rose 10.21% to end September at $3.30 per million British thermal units. Year-to-date through the end of September, ENFR is up 7.80% on a total-return basis, beating the 6.97% total return for the IXE but trailing the 14.83% gain for the S&P 500 Index.

Digging into portfolio performance for September, Gathering & Processing, which can be more sensitive to commodity price fluctuations, was the best-performing subsector amid the improvement in natural gas prices. Liquefaction was the worst-performing subsector, driven by weakness in NextDecade (**NEXT, 0.48% Weight***) as discussed below.

Outlook

For midstream, the focus in October and November will shift to dividend announcements and 3Q earnings results. ENFR holdings are expected to maintain or grow their payouts. Producer plans and volume expectations will likely be a key topic for earnings calls, with 2026 coming into greater focus. A generally muted outlook for oil prices is contributing to flattish expectations for US oil and natural gas production in 2026. However, the long-term outlook for natural gas growth remains robust and midstream continues to see opportunities for natural gas infrastructure to support demand for power generation (including data centers) and for liquefied natural gas (LNG) export facilities.

Even with capital expenditures creeping higher for some names with natural gas opportunities, midstream companies are largely expected to generate solid free cash flow next year. The chart below shows free cash flow yields for some of the larger holdings in ENFR. Companies are expected to continue using excess cash to fund consistent dividend growth and strategic buybacks.

* *Weight in ENFR as of 9/30/2025*

Performance Summary

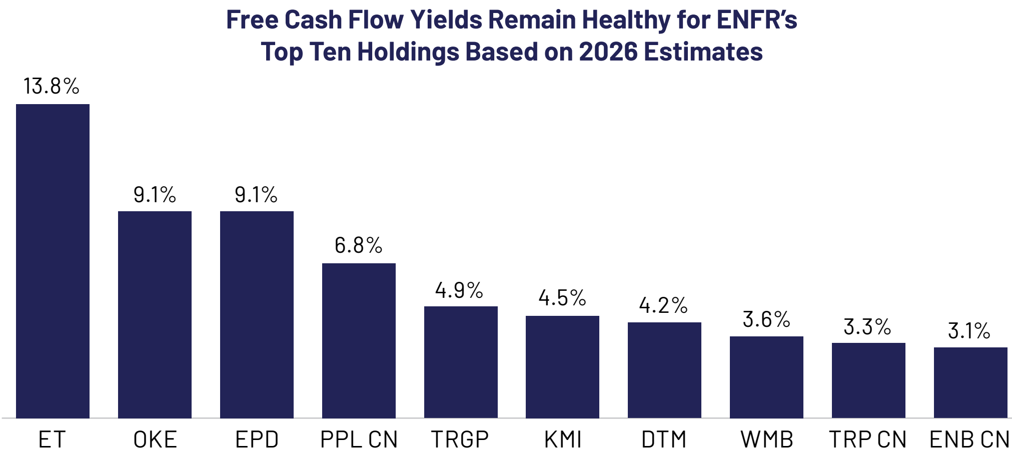
Total Returns	Sep-25	QTD	YTD	1 Y
Alerian Energy Infrastructure ETF (ENFR) (NAV)	1.09%	1.58%	7.80%	19.98%
Alerian Midstream Energy Select Index (AMEI)	1.17%	1.71%	8.31%	20.81%
Gathering & Processing Subsector	*2.43%*	*0.56%*	*10.76%*	*20.11%*
Liquefaction Subsector	*-6.34%*	*-4.32%*	*9.06%*	*33.79%*
Natural Gas Transportation Subsector	*0.90%*	*0.16%*	*0.55%*	*19.24%*
Petroleum Transportation Subsector	*1.93%*	*5.77%*	*17.15%*	*19.69%*
Storage Subsector	*-0.34%*	*7.63%*	*15.09%*	*21.35%*
Energy Select Sector Index (IXE)	-0.24%	6.27%	6.97%	5.23%
Crude Oil (WTI)	-2.56%	-4.21%	-13.04%	-8.51%
Crude Oil (WCS - Western Canadian Select)	-1.58%	-5.71%	-13.46%	-7.58%

Source: Bloomberg L.P., as of 9/30/2025

Performance data quoted represents 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 current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

For standardized performance please see page 3.

Crude Oil performance numbers are based on price return.



Free cash flow (FCF) yields calculated using Bloomberg consensus estimates for 2026 operating cash flow and capital spending. Based on market cap as of 9/30/2025.

Source: Bloomberg, as of 9/30/2025

Constituent News

- Enbridge (**ENB CN, 8.80% Weight***) announced a 50/50 joint venture with 1PointFive, Occidental Petroleum's (OXY, not in ENFR) carbon capture subsidiary, to develop the Pelican Sequestration Hub and related infrastructure in Louisiana. 1PointFive will develop CO2 storage, while ENB will build and operate the pipelines from customer facilities to the hub, which is anchored by a 25-year offtake agreement from a nearby ammonia producer.
- ONEOK (**OKE, 4.92% Weight***) announced a binding open season for an extension of the Sun Belt Connector pipeline to carry refined products to the Phoenix area. OKE also launched a complementary open season for unused capacity on the "West Leg" of its Magellan South System for moving refined products from the Gulf Coast to West Texas. The Sun Belt Connector extension would have a potential in-service date of mid-2029, subject to a positive Final Investment Decision (FID).
- NextDecade (**NEXT, 0.48% Weight***) announced a positive FID for Train 4 at its Rio Grande LNG facility, having secured approximately $6.7 billion in financing. Its first commercial delivery is expected in the second half of 2030. NEXT was pressured after the announcement as some analysts downgraded the stock due to lowered cash flow expectations.
- In conjunction with the September rebalancing for its underlying index, ENFR added US LNG producer Venture Global (**VG, 2.65% Weight***), bringing the Fund's total liquefaction exposure to 8.02%. The other liquefaction names are Cheniere Energy (**LNG, 4.90% Weight***) and NEXT.

Valuation Update

- At the end of September, ENFR's underlying index, AMEI, was trading at a forward EV/EBITDA multiple of 10.47x based on 2026 consensus estimates, above its three-year average ratio of 9.70x.
- The current yield for AMEI is 5.24%, which is below its three-year average of 5.90%.

* *Weight in ENFR as of 9/30/2025*

AMEI Current Valuations

	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	7.29x	6.14x	18.81%
Enterprise Value/EBITDA^	10.47x	9.70x	7.97%
Yield	5.24%	5.90%	-11.14%
ENFR 30-Day SEC Yield	5.04%		

Source: Bloomberg L.P. and VettaFi, as of 9/30/2025

Past performance is no guarantee of future results.

^ *NEXT and TELL were excluded from the current EV/EBITDA calculation as outliers.*

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Performance

Total Returns	Cumulative as of 9/30/2025				Annualized as of 9/30/2025				
	1 M	3 M	YTD	SI	1 Y	3 Y	5 Y	10 Y	SI
NAV (Net Asset Value)	1.09%	1.58%	7.80%	126.28%	19.98%	24.40%	28.56%	10.82%	7.09%
Market Price	1.12%	1.65%	7.77%	126.42%	19.97%	24.32%	28.59%	10.84%	7.10%
Alerian Midstream Energy Select Index - TR	1.17%	1.71%	8.31%	149.40%	20.81%	25.25%	29.53%	11.74%	7.97%
Alerian MLP Index - TR	-3.70%	-1.22%	5.75%	62.88%	10.97%	22.39%	32.26%	8.14%	4.18%

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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.

Fund inception date: 10/31/2013

*Total Operating Expenses: **0.35%***

Top 10 Holdings

ENBRIDGE INC	8.81%	TC ENERGY CORP	5.16%
ENERGY TRANSFER LP	8.29%	PEMBINA PIPELINE CORP	5.13%
ENTERPRISE PRODUCTS PARTNERS LP	7.10%	KINDER MORGAN INC	5.08%
WILLIAMS COS INC	6.18%	TARGA RESOURCES CORP	5.01%
DT MIDSTREAM INC	5.21%	ONEOK INC	4.92%

As of 9/30/2025, subject to change

Daily holdings are available at www.alpsfunds.com.

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. This material must be preceded or accompanied by the prospectus. Read the prospectus carefully before investing.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.

Performance data quoted represents past performance. Past performance is no guarantee of future results; current performance may be higher or lower than performance quoted.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

Investments in securities of Master Limited Partnerships (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.

A portion of the benefits 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 or 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.

The Fund invests primarily in a particular sector and could experience greater volatility than a fund investing in a broader range of industries.

The Fund may be subject to risks relating to its investment in Canadian securities. Because the Fund will invest in securities denominated in foreign currencies and the income received by the Fund will generally be in foreign currency, changes in currency exchange rates may negatively impact the Fund's return.

Investments in the energy infrastructure sector are subject to: reduced volumes of natural gas or other energy commodities available for transporting, processing or storing; changes in the regulatory environment; extreme weather and; rising interest rates which could result in a higher cost of capital and drive investors into other investment opportunities.

The Fund employs a "passive management" - or indexing - investment approach and seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index. Unlike many investment companies, the Fund is not "actively" managed. Therefore, it would not necessarily sell or buy a security unless that security is removed from or added to the underlying index, respectively.

30-Day SEC Yield: reflects the dividends and interest earned during the period, after the deduction of the Fund's expenses.

Alerian Midstream Energy Select Index (AMEI): a composite of North American energy infrastructure companies. The capped, float-adjusted, capitalization-weighted index constituents are engaged in midstream activities involving energy commodities.

Alerian MLP Index (AMZ): the leading gauge of energy infrastructure MLPs. The capped, float-adjusted, capitalization-weighted index constituents earn the majority of their cash flow from midstream activities involving energy commodities.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): a measure of a company's overall financial performance.

Enterprise Multiple (EV/EBITDA): a ratio used to determine the value of a company by considering the company's debt. The enterprise multiple is the enterprise value (EV) (market capitalization + total debt – cash and cash equivalents) divided by EBITDA (earnings before interest, taxes, depreciation and amortization).

Price/Cash Flow (P/CF) Trailing Twelve Month (TTM) Ratio: represents the weighted average of the price/cash flow ratios (generated over the trailing twelve months) 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.

One may not invest directly in an index.

ALPS Advisors, Inc., registered investment adviser with the SEC, is the investment adviser to the Fund. ALPS Advisors, Inc. and ALPS Portfolio Solutions Distributor, Inc., affiliated entities, are unaffiliated with VettaFi and the Alerian Index Series.

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

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