

# Alerian Energy Infrastructure ETF

Ticker: ENFR

Monthly Insights as of March 31, 2026

## Key Takeaways

- The Alerian Energy Infrastructure ETF (ENFR) rose 4.37% on a total-return basis in March as energy stocks rose and oil prices gained following the outbreak of conflict with Iran.
- Midstream companies continue to prioritize returning capital to investors through steady dividend growth and share repurchases, with ENFR's underlying index generating a 6.05% total shareholder yield for 2025.
- At the end of March, ENFR's underlying index, the Alerian Midstream Energy Select Index (AMEI), was yielding 4.64% and was trading above its three-year average forward EV/EBITDA multiple.

## Performance Notes

ENFR gained 4.37% on a total-return basis in March as oil and international liquefied natural gas (LNG) prices rose. Energy continues to be the best-performing sector this year by a landslide, and energy was the only positive sector for the month, as the broad Energy Select Sector Index (IXE) gained 10.28%. The US oil benchmark rose just over 50% during the month to \$101.38 per barrel, its biggest monthly gain since May 2020, following the outbreak of conflict with Iran and the closure of the Strait of Hormuz, through which flows roughly 20% of global petroleum consumption and 20% of global LNG trade. European and Asian LNG benchmarks gained well over 50% for the month, but US natural gas prices were essentially flat and stayed under \$3 per million British thermal units. Year to date through the end of March, ENFR has gained 23.12%, on a total-return basis while the IXE is up 37.87%, notching its best quarter since 1Q22 and the S&P 500 Index is down 4.33%, marking its worst quarter since 3Q22.

All subsectors of the portfolio saw positive performance in March, with Liquefaction leading the way as international benchmarks rose and Qatari LNG export terminals were damaged by Iranian strikes, potentially curbing Qatar's LNG output for 3-5 years. Venture Global (VG, 2.69% weight as of 3/31/2026) and to a lesser extent, Cheniere Energy (LNG, 5.44% weight as of 3/31/2026) are able to sell spot LNG cargoes in today's higher-priced market. Cheniere is typically more than 90% contracted, while VG was 69% contracted for 2026 at the end of February. Petroleum Transportation was the second-best performing subsector.

## Outlook

Markets remain broadly focused on the war with Iran. For energy, the impacts largely depend on the duration of shipping disruptions through the Strait of Hormuz and damage to energy infrastructure in the Middle East. For North American midstream, the war likely makes the US and Canada more attractive partners for global energy importers over the long run, potentially supporting additional export capacity for LNG and natural gas liquids. In the near term, the key beneficiaries within ENFR have been the Liquefaction names as discussed above. Additionally, the strength in oil prices has alleviated volume concerns coming into this year. The US Energy Information Administration now expects US oil production to increase to a new record high in 2027, while prior forecasts pointed to a year-over-year decline in 2027.

While the war has put oil in focus, the outlook for North American natural gas demand remains robust, with a proposed new power plant in Ohio expected to be the largest gas-fired power plant in the US (see more below). Companies primarily focused on natural gas infrastructure make up ~70% of ENFR.

Looking ahead, companies are expected to continue generating free cash flow, which can support dividend growth and buybacks. As shown below, midstream companies have delivered compelling total shareholder yield, which combines dividend yields and buyback yields. With flat performance in 2025, dividend growth drove a higher trailing twelve month (TTM) dividend yield. Roughly 90% of ENFR's underlying index by weighting have increased dividends year-over-year based on the latest payouts made in 1Q26, while the index's steady buyback yield was bolstered by Cheniere's (LNG, 5.44% weight as of 3/31/2026) \$2.7 billion in repurchases in 2025. Backed by steady, fee-based cash flows, ENFR holdings remain well-positioned to continue prioritizing dividend growth throughout 2026, while share repurchases compete with other uses of capital, including hefty growth backlogs, for several names.

## Performance Summary

Total Returns	Mar-26	QTD	YTD	1Y
Alerian Energy Infrastructure ETF (ENFR)(NAV)	4.37%	23.12%	23.12%	22.27%
Alerian Midstream Energy Select Index (AMEI)	4.45%	23.39%	23.39%	23.06%
<i>Gathering &amp; Processing Subsector</i>	1.48%	23.14%	23.14%	22.99%
<i>Liquefaction Subsector</i>	32.09%	64.95%	64.95%	19.50%
<i>Natural Gas Transportation Subsector</i>	2.44%	19.73%	19.73%	19.83%
<i>Petroleum Transportation Subsector</i>	2.68%	18.21%	18.21%	24.78%
<i>Storage Subsector</i>	0.79%	18.34%	18.34%	46.92%
Energy Select Sector Index (IXE)	10.28%	37.87%	37.87%	35.42%
Crude Oil (WTI)	51.27%	76.56%	76.56%	41.83%
Crude Oil (WCS - Western Canadian Select)	51.41%	82.84%	82.84%	32.27%

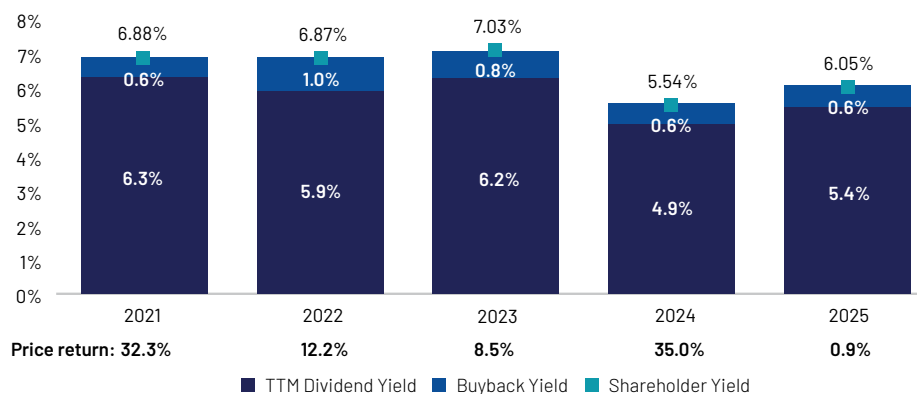
Source: Bloomberg L.P., as of 3/31/2026

**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](http://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.

### ENFR's Underlying Index Has Provided Compelling Total Shareholder Yield



**Past performance is no guarantee of future results.** Yields based on price for last trading day of the year. Buyback yield based on annual repurchase amounts and includes Magellan Midstream Partners' (MMP) repurchases through 6/30/2023 and EnLink Midstream's (ENLC) repurchases through 9/30/2024. MMP was acquired in 3Q23. ENLC was acquired in 1Q25. Dollar amounts for Canadian companies are in CAD.

Source: VettaFi, Company reports, as of 4/1/2026

## Constituent News

- Venture Global (**VG, 2.69% weight as of 3/31/2026**) reached final investment decision (FID) and the closing of \$8.6 billion in project financing for CP2 Phase II, which will bring CP2's total LNG capacity to 29 million tonnes per annum (MTPA). On the commercial front, VG secured new five-year sales and purchase agreements with Vitol and Trafigura to supply a combined ~2.0 MTPA of LNG starting in 2026. Additionally, the company favorably resolved major Calcasieu Pass arbitrations by securing a legal victory against Shell (SHEL, not in ENFR) and reaching a commercial settlement with Edison S.p.A., an Italian electric utility.
- Kinder Morgan (**KMI, 4.89% weight as of 3/31/2026**) was named the sole midstream participant in the SoftBank-led Portsmouth Consortium, which is developing a record 9.2-gigawatt (GW) natural gas power plant in Ohio for artificial intelligence (AI) data centers. KMI's regional network, including the Tennessee Gas Pipeline, is positioned to potentially supply the \$33-billion facility, which is expected to be the largest gas-fired plant in US history. The Ohio Gas Association estimates a project of this scale would require approximately 1.2 billion cubic feet per day (Bcf/d) of natural gas.
- South Bow (**SOBO CN, 3.36% weight as of 3/31/2026**) reported fourth quarter results in line with expectations and reaffirmed its 2026 normalized EBITDA guidance of ~\$1.03 billion, representing roughly 1% growth compared to 2025. The company confirmed it is evaluating a potential expansion leveraging permitted corridors from the canceled Keystone XL project to connect with downstream US pipelines. On capital allocation, management emphasized that debt reduction remains the priority, noting that the company will not consider dividend increases or share repurchases until it reaches its 4.0x leverage target. Leverage was at 4.7x to end 2025.

## Valuation Update

- At the end of March, ENFR's underlying index, AMEI, was trading at a forward EV/EBITDA multiple of 10.99x based on 2027 consensus estimates, above its three-year average ratio of 9.84x.
- The current yield for AMEI is 4.64%, which is below its three-year average of 5.75%.

### AMEI Current Valuations

	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	8.32x	6.48x	28.42%
Enterprise Value/EBITDA <sup>^</sup>	10.99x	9.84x	11.76%
Yield	4.64%	5.75%	-19.24%
ENFR 30-Day SEC Yield	4.32%		

Source: Bloomberg L.P. and VettaFi, as of 3/31/2026

**Past performance is no guarantee of future results.**

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

## Performance

Total Returns	Cumulative as of 3/31/2026				Annualized as of 3/31/2026				
	1 M	3 M	YTD	SI	1 Y	3 Y	5 Y	10 Y	SI
NAV (Net Asset Value)	4.37%	23.12%	23.12%	173.74%	22.27%	28.63%	23.95%	13.40%	8.45%
Market Price	4.22%	22.97%	22.97%	173.66%	22.13%	28.66%	23.91%	13.41%	8.45%
Alerian Midstream Energy Select Index - TR	4.45%	23.39%	23.39%	202.83%	23.07%	29.54%	24.80%	14.33%	9.34%
Alerian MLP Index - TR	1.02%	16.86%	16.86%	97.55%	13.92%	24.72%	24.89%	11.03%	5.64%

**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](http://www.alpsfunds.com). Performance includes reinvested distributions and capital gains.**

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	8.08%	ONEOK INC	5.18%
ENERGY TRANSFER LP	7.87%	PLAINS GP HOLDINGS LP-CL A	5.12%
ENTERPRISE PRODUCTS PARTNERS	7.23%	TARGA RESOURCES CORP	5.12%
WILLIAMS COS INC	6.08%	KINDER MORGAN INC	4.89%
CHENIERE ENERGY INC	5.44%	PEMBINA PIPELINE CORP	4.87%

As of 3/31/2026, subject to change

Daily holdings are available at [www.alpsfunds.com](http://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).

Net Debt-to-EBITDA Ratio: a debt ratio that shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

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.

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Not FDIC Insured • No Bank Guarantee • May Lose Value

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