

Alerian Energy Infrastructure ETF

Ticker: ENFR

Monthly Insights as of September 30, 2026

Key Takeaways

- The Alerian Energy Infrastructure ETF (ENFR) lost -8.66% on a total-return basis in September, as most sectors fell amid a rise in long-term interest rates.
- The outlook for North American natural gas demand growth remains robust, driven largely by rising liquefied natural gas (LNG) export capacity. Approximately 70% of ENFR by weighting is primarily focused on natural gas infrastructure.
- At the end of September, ENFR's underlying index, the Alerian Midstream Energy Select Index (AMEI), was yielding 4.83% and was trading above its three-year average forward EV/EBITDA multiple.

Performance Notes

ENFR fell -8.66% on a total-return basis in September, as every sector besides Technology fell due to rising long-term interest rates. Driven by expectations of continued monetary tightening and elevated inflation, the 10-year Treasury yield rose over 50 basis points from 4.75% to 5.28%, its highest level since 2007, while the 30-year yield climbed from 5.24% to 5.63%. For the month, ENFR lagged the S&P 500 Index, which fell 0.35%, and the broad Energy Select Sector Index (IXE), which lost 3.30% on a total-return basis. The US oil benchmark rose 5.43% to \$90.42 per barrel, while US natural gas prices rose 3.10% to \$3.03 per million British thermal units. Year to date through the end of September, ENFR has gained 20.44%, on a total-return basis while the S&P 500 is up 12.75%. Energy remains the best-performing sector in 2026, with the IXE up 40.20% year to date through September.

Digging into portfolio performance for September, all subsectors ended the month lower. Storage was the most resilient subsector. Liquefaction was the worst-performing subsector, giving back some gains following a summer surge in international LNG benchmarks.

Performance Summary

Total Returns	Sep-26	QTD	YTD	1 Y
Alerian Energy Infrastructure ETF (ENFR) (NAV)	-8.66%	-2.78%	20.44%	18.34%
Alerian Midstream Energy Select Index (AMEI)	-8.62%	-2.64%	21.10%	19.17%
Gathering & Processing Subsector	-9.59%	-3.87%	24.96%	25.27%
Liquefaction Subsector	-10.05%	10.98%	48.24%	5.49%
Natural Gas Transportation Subsector	-8.10%	-4.25%	15.99%	17.54%
Petroleum Transportation Subsector	-7.95%	-3.13%	16.87%	17.56%
Storage Subsector	-5.29%	0.36%	15.69%	15.84%
Energy Select Sector Index (IXE)	-3.30%	16.27%	40.20%	41.58%
Crude Oil (WTI)	5.43%	30.10%	57.47%	44.97%
Crude Oil (WCS - Western Canadian Select)	-3.68%	17.10%	47.66%	28.44%

Source: Bloomberg L.P., as of 9/30/2026

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. Performance includes reinvested distributions and capital gains.

For standardized performance please see page 3.

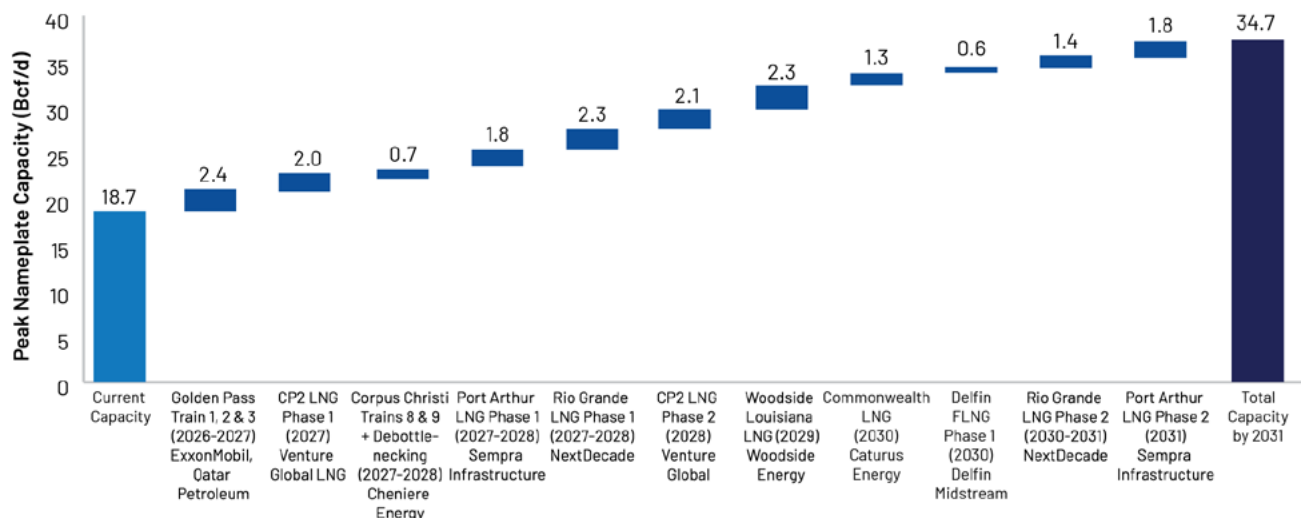
Crude Oil performance numbers are based on price return.

Outlook

ENFR holdings will report 3Q26 results in the second half of October and early November, alongside quarterly dividend announcements. Investors will be increasingly focused on the outlook for 2027. While the sharp rise in rates weighed on the space in September, fundamentals remain strong. The outlook for North American natural gas demand remains robust, while a severe draw in global oil inventories should support "higher for longer" oil prices. These factors should be supportive for production growth in the US and Canada.

A key theme within midstream has been the substantial growth opportunities across natural gas infrastructure, driving a durable runway for fee-based cash flows. As illustrated below, peak US LNG export capacity is projected to roughly double by 2031 based on projects currently under construction. Increased interest in North American exports has supported the sanctioning of new projects this year, including Venture Global's (VG, 2.38% weight as of 9/30/2026) 1.1 billion cubic feet per day (Bcf/d) CP2 LNG Phase 2 and projects from Commonwealth LNG (private) and Delfin Midstream (private). In September, a joint venture led by Shell (SHEL, not in ENFR) sanctioned the 1.9 Bcf/d LNG Canada Phase 2 expansion project, set to roughly double capacity at Canada's only major operating LNG export facility by the early 2030s. LNG exports are expected to be the largest driver of incremental US natural gas demand over the next few years. Additionally, natural gas demand for power generation is expected to increase with rising electricity needs, including for data centers. For midstream, rising natural gas demand and production creates opportunities across the value chain, from the well to the power plant, LNG facility, or data center. Approximately 70% of ENFR by weighting is primarily focused on natural gas infrastructure.

US LNG Export Capacity to Roughly Double by 2031



Based on peak nameplate capacity in billion cubic feet per day (Bcf/d)

Source: Energy Information Administration, Company Reports, as of 9/10/2026

Constituent News

- Enbridge (**ENB CN, 7.44% weight as of 9/30/2026**) announced an agreement to acquire Tallgrass Energy's crude oil business for US\$2.55 billion, representing an estimated 10-11x forward EV/EBITDA multiple. Expected to close later in 2026, the acquisition includes stakes in the Pony Express Pipeline and Powder River Gateway system, alongside storage assets and a \$0.3 billion capacity expansion project slated for late 2027. The transaction is projected to be accretive to distributable cash flow per share in its first full year and was partially funded by a recently closed C\$3.0 billion public equity offering.
- TC Energy (**TRP CN, 5.06% weight as of 9/30/2026**) announced that Coastal GasLink (CGL) Phase 2 will proceed following a positive Final Investment Decision by LNG Canada for its expansion. The project will nearly double the pipeline's capacity by adding compressor stations, avoiding the need for new pipeline construction. To limit CGL's capital commitments and execution risk, LNG Canada will manage the construction process. Work is expected to begin in early 2027, with an anticipated in-service date in the early 2030s.
- Cheniere Energy (**LNG, 5.22% weight as of 9/30/2026**) and Venture Global (**VG, 2.38% weight as of 9/30/2026**) announced new long-term Sales and Purchase Agreements (SPAs) amid continued strength in global LNG prices. Cheniere signed a 22-year SPA to supply Petrobras with 0.8 million tonnes per annum (MTPA) of LNG, while VG executed a 20-year SPA to supply China Gas with 0.5 MTPA starting in 2030. The European LNG benchmark (TTF) and Asian benchmark (JKM) rose 1.3% and 4.7% in September, bringing their year-to-date gains to 137.8% and 153.6%, respectively.

Valuation Update

- At the end of September, ENFR's underlying index, AMEI, was trading at a forward EV/EBITDA multiple of 10.53x based on 2027 consensus estimates, above its three-year average ratio of 10.12x.
- The current yield for AMEI is 4.83%, which is below its three-year average of 5.44%.

AMEI Current Valuations

	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	7.61x	7.03x	8.31%
Enterprise Value/EBITDA [^]	10.53x	10.12x	4.05%
Yield	4.83%	5.44%	-11.14%
ENFR 30-Day SEC Yield	4.52%		

Source: Bloomberg L.P. and VettaFi, as of 9/30/2026

Past performance is no guarantee of future results.

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

Performance

Total Returns	Cumulative as of 9/30/2026				Annualized as of 9/30/2026				
	1 M	3 M	YTD	SI	1 Y	3 Y	5 Y	10 Y	SI
NAV (Net Asset Value)	-8.66%	-2.78%	20.44%	167.79%	18.34%	24.18%	19.60%	10.30%	7.93%
Market Price	-8.62%	-2.86%	20.33%	167.79%	18.27%	24.16%	19.59%	10.30%	7.93%
Alerian Midstream Energy Select Index - TR	-8.62%	-2.64%	21.10%	197.20%	19.17%	25.07%	20.39%	11.19%	8.80%
Alerian MLP Index - TR	-8.32%	1.87%	20.70%	104.04%	25.27%	20.05%	22.39%	9.28%	5.68%

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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

ENERGY TRANSFER LP	8.53%	CHENIERE ENERGY INC	5.22%
ENBRIDGE INC	7.44%	MPLX LP	5.09%
ENTERPRISE PRODUCTS PARTNERS	7.18%	TC ENERGY CORP	5.06%
WILLIAMS COS INC	6.06%	PLAINS GP HOLDINGS LP	5.01%
KINDER MORGAN INC	5.25%	TARGA RESOURCES CORP	4.99%

As of 9/30/2026, 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.

Basis Point (bps): a unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument.

Capital Expenditures (CAPEX/Capex/CapEx): refers to investments in physical assets such as plant and machinery.

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.

S&P 500 Index: widely regarded as the best single gauge of large-cap US equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

Tailwind: a certain situation or condition that may lead to higher profits, revenue or growth.

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.

Not FDIC Insured • No Bank Guarantee • May Lose Value

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