Alerian Energy Infrastructure ETF

Ticker: ENFR

Monthly Insights as of October 31, 2026

Key Takeaways

- The Alerian Energy Infrastructure ETF (ENFR) gained 9.86% on a total-return basis in October as midstream companies began reporting earnings and energy stocks broadly rallied with higher oil prices and solid earnings reports.
- Midstream stocks are moving less in step with the broader market, which makes them a useful diversifier. The correlation between ENFR's index and the S&P 500 Index is at its lowest level in more than a decade.
- At the end of October, ENFR's underlying index, the Alerian Midstream Energy Select Index (AMEI), was yielding 4.49% and was trading above its three-year average forward EV/EBITDA multiple.

Performance Notes

ENFR rose 9.86% on a total-return basis in October as portfolio companies began to report earnings and a rally in oil prices lifted energy stocks broadly. For the month, ENFR outperformed the S&P 500, which fell 0.87%, but lagged the broad Energy Select Sector Index (IXE), which gained 13.90% on a total-return basis. The US oil benchmark rose 15.15% to $104.12 per barrel as Iran intensified its attacks on shipping in the Strait of Hormuz, while US natural gas prices fell 4.23% to $2.90 per million British thermal units. Year to date through the end of October, ENFR has gained 32.32%, on a total-return basis while the S&P 500 is up 11.77%. Energy remains the best-performing sector in 2026 by a wide margin, with the IXE up 59.68%.

All subsectors of the portfolio saw positive performance in October, with Liquefaction leading the way as international natural gas benchmarks reached new multi-year highs ahead of the winter heating season. Storage was the second-best performing subsector.

Performance Summary

Total Returns	Oct-26	QTD	YTD	1 Y
Alerian Energy Infrastructure ETF (ENFR) (NAV)	9.86%	9.86%	32.32%	39.22%
Alerian Midstream Energy Select Index (AMEI)	9.93%	9.93%	33.12%	40.25%
Gathering & Processing Subsector	*8.35%*	*-3.87%*	*35.40%*	*46.70%*
Liquefaction Subsector	*20.74%*	*10.98%*	*78.99%*	*58.80%*
Natural Gas Transportation Subsector	*8.98%*	*-4.25%*	*26.40%*	*33.82%*
Petroleum Transportation Subsector	*9.37%*	*-3.13%*	*27.82%*	*35.22%*
Storage Subsector	*12.69%*	*0.36%*	*30.37%*	*42.35%*
Energy Select Sector Index (IXE)	13.90%	13.90%	59.68%	63.51%
Crude Oil (WTI)	15.15%	15.15%	81.33%	70.74%
Crude Oil (WCS - Western Canadian Select)	10.59%	10.59%	63.68%	47.34%

Source: Bloomberg L.P., as of 10/31/2026

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. 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 began reporting 3Q26 results in late October, and most will report in early November. Early results have been largely constructive, and investor attention is increasingly shifting to 2027 outlooks. The macro backdrop remains volatile and headline-driven, though a severe draw in global inventories is likely to lead to a "higher for longer" oil price environment that is expected to support production growth in the US and Canada. Meanwhile, natural gas infrastructure remains a key growth theme, with robust North American demand from liquefied natural gas (LNG) exports and power generation creating a durable runway for fee-based cash flows. Companies continue to advance a full slate of natural gas infrastructure projects.

Midstream's diversification benefits have become more pronounced this year. As shown below, the rolling three-year correlation of weekly returns between ENFR's underlying index and the S&P 500 fell to 0.18 as of October 28. That is its lowest level since at least 2014 and well below the 10-year correlation of 0.57. The decline likely reflects energy's divergence from the broader market in 2026, as Middle East supply disruptions have lifted oil prices and demand for US energy exports. Structurally, midstream also has limited overlap with typical equity allocations. Only four midstream companies are in the S&P 500, and MLPs, which make up roughly 25% of ENFR's index, are excluded entirely. As a result, ENFR is unlikely to duplicate existing equity holdings. Its 4.49% yield also doesn't move with interest rates the way bond yields do, so the fund can help diversify both equity and income portfolios.

Midstream Correlation with the S&P 500 Reaches Multi-Year Low



Line shows the rolling 3-year correlation of weekly returns between the S&P 500 and the Alerian Midstream Energy Select Index (AMEI), the underlying index for ENFR.
Source: Bloomberg, as of 11/3/2026

Constituent News

- Kinder Morgan (**KMI, 5.38% weight as of 10/31/2026**) reported third quarter adjusted EBITDA above consensus and expects full-year results to exceed its budget by over 6%. The company's project backlog grew to $14.4 billion, driven by the newly sanctioned Southeast Connector and Permian Link projects, which are expected online in 2030 and beyond. This total backlog is projected to add $2.5 billion of incremental EBITDA, driving the company's run rate to $11.5 - $12.0 billion over time. KMI's natural gas backlog of $13.2 billion is the largest in company history. Management anticipates a ~$4.0 billion capital expenditure (Capex) run rate for the coming years and highlighted the TGP 219 South pipeline as a potential next project.
- ONEOK (**OKE, 4.99% weight as of 10/31/2026**) reported third quarter adjusted EBITDA above consensus and raised its full-year 2026 adjusted EBITDA guidance by $200 million (+2.40%) at the midpoint. The company also increased its 2026 Capex guidance to ~$3.50 billion, reflecting enhanced growth opportunities and the recently completed Brazos acquisition. During the quarter, OKE announced a new Delaware natural gas liquids (NGL) pipeline expansion expected in 2027 and a natural gas supply agreement for a power plant expansion. Operationally, the company highlighted record Permian volumes and extinguished ~$5.5 billion of debt following a $9.0 billion minority equity investment.
- Venture Global (**VG, 2.53% weight as of 10/31/2026**) announced frame agreements with GE Vernova (GEV, not in ENFR) and Baker Hughes (BKR, not in ENFR) for up to 16 new 720 megawatt (MW) power island units to expand its behind-the-meter industrial power network. Building on its existing 4.5 gigawatts (GW) of generation, the framework supports adding up to 10 GW of compute capacity for adjacent data centers by the end of 2034. The company expects to place its first purchase order by the end of 2026.
- Cheniere Energy (**LNG, 5.85% weight as of 10/31/2026**) reported third quarter adjusted EBITDA slightly below consensus but raised its full-year 2026 guidance for the third consecutive time. Cheniere also increased its quarterly dividend by 13.6% to $0.625 per share. The company introduced 2027 production guidance of 56 to 58 million tonnes per annum (MTPA), noting that nearly all capacity is contracted. Operationally, Cheniere achieved substantial completion of Corpus Christi (CCL) Train 7, expects Trains 8 and 9 online in the second half of 2028, and anticipates sanctioning the CCL Expansion by early 2028. Additionally, the company announced 4 MTPA of Sales and Purchase Agreements with QatarEnergy and repurchased ~$731 million of stock during the quarter.
- MPLX (**MPLX, 4.96% weight as of 10/31/2026**) increased its quarterly distribution by 12.5% to $1.2111 per unit.

Valuation Update

- At the end of October, ENFR's underlying index, AMEI, was trading at a forward EV/EBITDA multiple of 11.11x based on 2027 consensus estimates, above its three-year average ratio of 10.17x.
- The current yield for AMEI is 4.49%, which is below its three-year average of 5.39%.

AMEI Current Valuations

	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	8.35x	7.11x	17.41%
Enterprise Value/EBITDA^	11.11x	10.17x	9.26%
Yield	4.49%	5.39%	-16.71%
ENFR 30-Day SEC Yield	4.15%		

Source: Bloomberg L.P. and VettaFi, as of 10/31/2026
Past performance is no guarantee of future results.
^ *NEXT and TELL were excluded from the current EV/EBITDA calculation as outliers.*

Performance

	Cumulative *as of 10/31/2026*				Annualized *as of 9/30/2026*				
Total Returns	**1 M**	**3 M**	**YTD**	**SI**	**1 Y**	**3 Y**	**5 Y**	**10 Y**	**SI**
NAV (Net Asset Value)	9.86%	3.05%	32.32%	194.20%	18.34%	24.18%	19.60%	10.30%	7.93%
Market Price	9.95%	3.07%	32.29%	194.42%	18.27%	24.16%	19.59%	10.30%	7.93%
Alerian Midstream Energy Select Index - TR	9.93%	3.22%	33.12%	226.70%	19.17%	25.07%	20.39%	11.19%	8.80%
Alerian MLP Index - TR	4.54%	-0.99%	26.18%	113.31%	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	8.23%	KINDER MORGAN INC	5.38%
ENBRIDGE INC	7.21%	TARGA RESOURCES CORP	5.30%
ENTERPRISE PRODUCTS PARTNERS	7.01%	PEMBINA PIPELINE CORP	5.22%
WILLIAMS COS INC	6.05%	TC ENERGY CORP	5.13%
CHENIERE ENERGY INC	5.85%	PLAINS GP HOLDINGS LP	5.01%

As of 10/31/2026, 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.

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

ALR002145 3/31/2027