

Ticker: AMLP

# Alerian MLP ETF

Monthly Insights | April 2025

## Key Takeaways

- The Alerian MLP ETF (AMLP) fell -7.04% on a total-return basis in April as energy equities were pressured by weakness in oil and natural gas prices. AMLP was more resilient than the energy benchmark given its defensive qualities. Year-to-date through April, AMLP has outperformed the S&P 500 Index and broader energy.
- Distribution coverage ratios for AMLP holdings remain solid. All portfolio companies announced payouts for 1Q25 in April and 50.00% of AMLP by weighting as of April 30 grew their distributions sequentially and the balance maintained their payouts.
- At the end of April, AMLP's underlying index, the Alerian MLP Infrastructure Index (AMZI), was yielding 7.60% and trading in line with its three-year average forward EV/EBITDA multiple.

## Performance Notes

AMLP fell -7.04% on a total-return basis in April, as energy stocks fell broadly given the significant pullback in oil. After entering April above \$70 per barrel (bbl), oil prices fell 18.56% to end the month at \$58/bbl as tariff-related demand concerns and news of incremental OPEC+ supplies weighed on the commodity. Natural gas prices were also weaker, ending the month at \$3.32 per million British thermal units. While AMLP lagged the S&P 500, which fell just -0.68% on a total-return basis for the month, it outperformed broader energy with the Energy Select Sector Index (IXE) falling -13.82%. AMLP performed defensively amid energy weakness given the fee-based nature of midstream business models, which provides relative insulation to commodity weakness. Notably, year-to-date, AMLP is up 2.02% on a total-return basis, outperforming both the IXE and the S&P 500, which are down -5.23% and -4.92% through April, respectively.

While all subsectors ended the month lower, Marketing & Distribution was by the far the most resilient subsector, down just -1.26% in April.

April 2025 Performance				
	Apr-25	QTD	YTD	1 Y
Alerian MLP ETF (AMLP) (NAV)	-7.04%	-7.04%	2.02%	11.25%
Alerian MLP Infrastructure Index (AMZI)	-8.44%	-8.44%	2.76%	14.99%
Subsector Total Return:				
Gathering & Processing	-9.89%	-9.89%	-2.49%	11.20%
Natural Gas Transportation	-10.94%	-10.94%	-7.97%	14.00%
Liquefaction	-10.99%	-10.99%	12.00%	28.75%
Marketing and Distribution	-1.26%	-1.26%	14.70%	11.41%
Compression	-7.67%	-7.67%	8.00%	9.95%
Petroleum Transportation	-9.11%	-9.11%	8.95%	19.10%
Energy Select Sector Index (IXE)	-13.82%	-13.82%	-5.23%	-11.03%
Crude Oil (WTI)	-18.56%	-18.56%	-18.84%	-28.95%

Source: Bloomberg L.P., as of 4/30/2025

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

For standardized performance please see page 3.  
Index returns are total returns.

## Outlook

Despite ongoing equity and commodity price volatility, MLPs are well-positioned to weather current market conditions and are expected to continue executing on free cash flow generation and distribution growth. MLPs tend to have natural defensive qualities, including healthy yields. Their fee-based business models backed by long-term contracts provide insulation from commodity price volatility and support stable cash flows. Companies have become more defensive in recent years given increased financial flexibility from free cash flow, lower leverage and larger, more diversified businesses.

As shown below, 2024 distribution coverage was ample for AMLP holdings that report distributable cash flow (DCF). These companies represent 70.93% of AMLP by weighting. Their average coverage of ~1.7x can help investors feel confident in ongoing distribution growth, which is particularly important given that the AMZI yield is above its three-year average. AMLP holdings announced distributions in April, with 50.00% of the portfolio by weighting (as of April 30) increasing their payouts and the balance maintaining. Over the last year, ten names accounting for 88.47% of AMLP by weighting have increased their payouts. Distribution growth remains an important tailwind for midstream MLPs.

### Distribution Coverage Ratios for AMLP Holdings Remain Solid

MLPs	Ticker	AMLP Weight	2024 Distribution Coverage
Sunoco	SUN	12.8%	1.7x
MPLX	MPLX	12.3%	1.5x
Energy Transfer	ET	11.5%	1.8x
Enterprise Products Partners	EPD	11.5%	1.7x
Plains All American	PAA	11.5%	2.0x
USA Compression	USAC	3.7%	1.4x
Genesis Energy	GEL	3.1%	2.1x
Global Partners	GLP	2.7%	1.7x
Delek Logistics	DKL	1.6%	1.1x

AMLP weightings as of April 30, 2025.

Only includes names that report Distributable Cash Flow (DCF).

Distribution coverage is DCF/distributions paid.

DCF is a non-GAAP measure intended to reflect the amount of cash available to be paid out to investors or to fund growth.

Source: Company Reports, VettaFi Research as of April 30, 2025

### Constituent News

- Energy Transfer (**ET, 11.55% Weight\***) signed an equity partnership for the Lake Charles liquefied natural gas (LNG) export project with MidOcean Energy (not in index). MidOcean agreed to fund 30% of project costs and will be entitled to 30% of future LNG.
- Western Midstream (**WES, 12.05% Weight\***) increased its quarterly distribution by 4.0% to \$0.91 per unit.
- Enterprise Products Partners (**EPD, 11.50% Weight\***) maintained its quarterly distribution of \$0.535 per unit and repurchased \$60 million of its common equity during the first quarter.
- Hess Midstream (**HESM, 9.21% Weight\***) reported first quarter earnings in line with Wall Street forecasts, increased its dividend by 1.23% to \$0.7098 per share and reaffirmed previously provided 2025 financial guidance. HESM expects adjusted EBITDA growth for 2025 of approximately 11% at the midpoint.

### Valuation Update

- AMLP's underlying index, AMZI, finished April with a forward EV/EBITDA multiple of 8.79x based on 2026 consensus EBITDA estimates – in line with its three-year average of 8.78x.
- AMZI is currently yielding 7.60%, which is above its three-year average of 7.44%.

	AMZI Current Valuations		
	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	7.30x	6.15x	18.65%
Enterprise Value/EBITDA	8.79x	8.78x	0.06%
Yield	7.60%	7.44%	2.15%
AMLP 30-Day SEC Yield	35.24%		

Source: Bloomberg L.P. and VettaFi, as of 4/30/2025

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

\* Weight in AMLP as of 4/30/2025

## Alerian MLP ETF (AMLP) Performance

Total Returns	Cumulative as of 4/30/2025				Annualized as of 3/31/2025				
	1 M	3 M	YTD	SI <sup>1</sup>	1 Y	3 Y	5 Y	10 Y	SI <sup>1</sup>
NAV (Net Asset Value)	-7.04%	-4.80%	2.02%	97.05%	18.38%	19.75%	35.75%	3.81%	5.28%
Market Price	-7.26%	-4.88%	1.94%	96.80%	18.42%	19.82%	36.01%	3.82%	5.29%
Alerian MLP Infrastructure Index - TR	-8.44%	-5.60%	2.76%	175.41%	23.93%	24.69%	39.74%	5.04%	7.84%
Alerian MLP Index - TR	-8.84%	-5.66%	2.63%	170.32%	22.99%	25.00%	40.21%	5.47%	7.73%

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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.

<sup>1</sup> Fund inception date: 8/24/2010

Total Operating Expenses: **0.85%**

## Top 10 Holdings

SUNOCO LP	12.84%
MPLX LP	12.33%
WESTERN MIDSTREAM PARTNERS L	12.05%
ENERGY TRANSFER LP	11.55%
ENTERPRISE PRODUCTS PARTNERS	11.50%
PLAINS ALL AMER PIPELINE LP	11.50%
HESS MIDSTREAM LP - CLASS A	9.21%
CHENIERE ENERGY PARTNERS LP	5.06%
USA COMPRESSION PARTNERS LP	3.73%
GENESIS ENERGY L.P.	3.13%

As of 4/30/2025, 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.

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, including current or deferred income tax expense (if any).

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.

Alerian MLP Infrastructure Index (AMZI): a composite 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.

Debt-to-EBITDA Ratio: compares a company's total obligations to the actual cash the company brings in from its operations. It reveals how capable the firm is of paying its debt and other liabilities if taxes and the expenses from depreciation and amortization are deferred.

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) Ratio: represents the weighted average of the price/cash flow ratios 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.

Trailing Twelve Month Yield: refers to the percentage of income a portfolio has returned to investors over the last 12 months.

One may not invest directly in an index.

MLPs represented by the Alerian MLP Infrastructure Index (AMZI).

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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