

# MLP Quarterly

Key Insights and Opportunities in Midstream Investments

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Global X Team

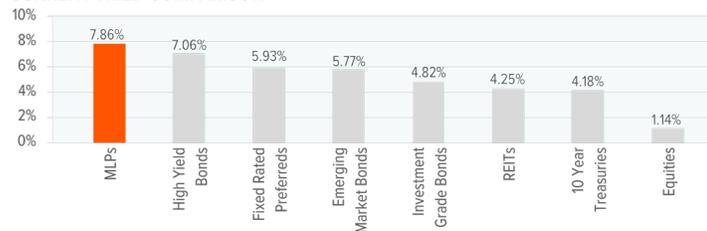


## News and What to Look for

- Crude oil prices were largely lower for the 2nd half of 2025, as rising crude oil production clashed with geopolitical volatility in Russia and Venezuela.<sup>1</sup> Major U.S. oil companies like Exxon Mobil and Chevron managed to raise production volumes to record levels to partially offset the negative price effect of lower prices. Both firms announced that their oil & gas production hit historic levels at their 4th quarter earnings calls, with Chevron's output rising nearly 20.7% year-over-year, and Exxon noting the highest annual production volume recorded in over 40 years.<sup>2</sup> The increased output largely benefited midstream performance thru end of year 2025.
- Geopolitical risk premiums jumped following the surprise capture of Venezuelan President Nicolas Maduro by U.S. forces. However, markets wrestled with countervailing narratives from the U.S. administration, which outlined its intent to have U.S. oil companies develop Venezuelan energy infrastructure; meanwhile, U.S. oil companies indicated a general unwillingness to invest in the South American nation, citing persistent security, economic, and political concerns.<sup>3</sup>
- 2025 MLP performance was boosted by strong energy production volumes and rising shareholder distributions. Despite the persistent volatility and fears of oversupply that led crude oil prices to fall nearly 20% over full-year 2025, midstream MLPs fared relatively well. The fund's performance was enhanced by elevated distribution rates among MLPs as well as strong oil throughputs, which reached 13,827,000 barrels near the end of December 2025.

Sources: (1) U.S. EIA, January 13, 2026, (2) MarketWatch, January 30, 2026, (3) Axios, January 4, 2026.

### CURRENT YIELD COMPARISON<sup>1</sup>



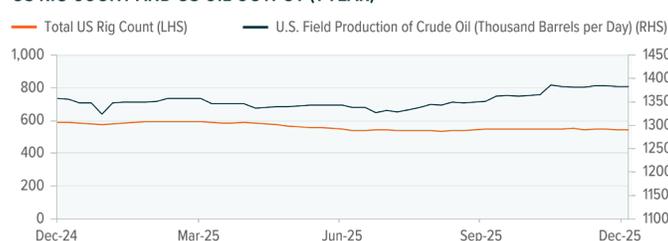
Source: Bloomberg and Fed Reserve as of 12/31/2025.

### ENTERPRISE VALUE TO EBITDA VALUATIONS (5-YEARS)<sup>2</sup>



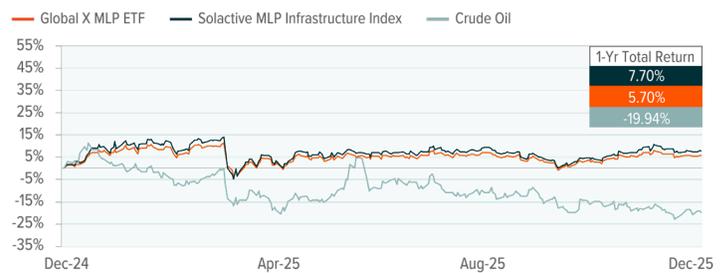
Source: Bloomberg As of 12/31/2025.

### US RIG COUNT AND US OIL OUTPUT (1-YEAR)



LHS, Left Hand Side; RHS, Right Hand Side.  
Source: Baker Hughes and EIA. Weekly data as of 12/31/2025.

### PERFORMANCE (1-Year)



Source: Bloomberg.

### GLOBAL X MLP ETF (MLPA)

Inception Date 04/18/2012					
As of 12/31/2025	Since Fund Inception	1-Year	5-Years	10-Years	Annualized Since Fund Inception
NAV	57.52%	5.93%	21.21%	6.12%	3.37%
Market Price	57.59%	5.70%	21.18%	6.11%	3.37%
MLP AMIDG Index	103.64%	7.70%	24.26%	7.75%	5.32%
Total Expense Ratio	0.45%				

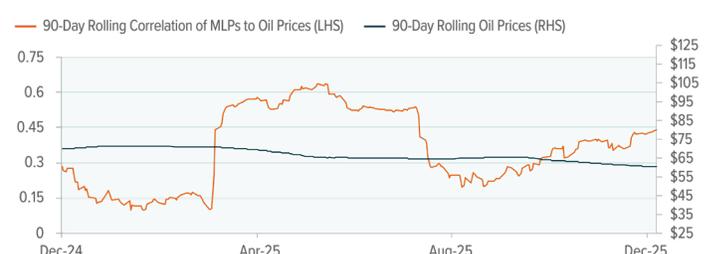
The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please call 1.888.493.8631, or visit [www.globalxetfs.com](http://www.globalxetfs.com). High short-term performance may not be repeatable. Index performance consists of the Solactive MLP Composite Index from the inception of the Fund through March 31, 2015, and the Solactive MLP Infrastructure (Gross) Index going forward.

### SPREAD TO 10-YEAR US TREASURIES<sup>2</sup> (since 4/30/12)



Source: Bloomberg and Fed Reserve.

### 90-DAY ROLLING CORRELATION OF MLPs TO OIL PRICES<sup>1</sup>



LHS, Left Hand Side; RHS, Right Hand Side.  
Source: Bloomberg.



As of 12/31/2025, MLPA had no holdings in Exxon Mobil or Chevron Corporation. Holdings are subject to change.

## GLOSSARY

**Solactive MLP Infrastructure Index:** The Solactive MLP Infrastructure Index is intended to give investors a means of tracking the performance of the energy infrastructure MLP asset class in the United States. The index is composed of Midstream MLPs engaged in the transportation, storage, and processing of natural resources.

**S&P MLP Index:** S&P MLP Index provides investors with exposure to the leading partnerships that trade on the NYSE and NASDAQ. The index includes both master limited partnerships (MLPs) and publicly traded limited liability companies (LLCs), which have a similar legal structure to MLPs and share the same tax benefits.

**Bloomberg US Corporate High Yield Total Return Index:** The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Credit ratings are generally rated on a scale from AAA (highest) to D (lowest). Bonds from issuers with an emerging markets country of risk, based on Bloomberg EM country definition, are excluded.

**ICE BofA Fixed Rate Preferred Securities Index:** The ICE BofA Fixed Rate Preferred Securities Index tracks the performance of fixed rate US dollar denominated preferred securities issued in the US domestic market.

**Bloomberg EM USD Aggregate Index:** The Bloomberg EM USD Aggregate Index is a flagship hard currency Emerging Markets debt benchmark that includes USD-denominated debt from sovereign, quasi-sovereign, and corporate emerging market issuers.

**FTSE NAREIT All Equity REITS Index:** FTSE NAREIT All Equity REITS Index is a free float adjusted market capitalization weighted index that includes all tax qualified equity real estate investment trusts listed in the NYSE, AMEX, and NASDAQ National Market.

**Bloomberg US Corporate Bond Index:** The Bloomberg US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

**S&P 500 Index:** S&P 500 Index tracks the performance of 500 leading U.S. stocks and captures approximately 80% coverage of available U.S. market capitalization. It is widely regarded as the best single gauge of large-cap U.S. equities.

**Utilities Select Sector Index:** The Utilities Select Sector Index seeks to provide an effective representation of the utilities sector of the S&P 500 Index. The Index includes companies from the following industries: electric utilities; water utilities; multi-utilities; independent power producers and energy traders; and gas utilities.

**Crude Oil:** Measured based on the Generic 1st 'CL' Future, which is the nearest crude oil future to expiration.

**Correlation:** Correlation is a measure that shows how two securities move in relation to each other. A correlation of 1 implies that the securities will exhibit the same price movements. A correlation of 0 means the securities demonstrate completely unrelated price movements.

**EBITDA:** Earnings before interest, tax, depreciation and amortization (EBITDA) is a measure of a company's operating performance. Essentially, it's a way to evaluate a company's performance without having to factor in financing decisions, accounting decisions or tax environments.

**Average Spread:** Average spread is the average of the excess of the S&P MLP Index yield over the 10 year treasuries yield since inception.

**Enterprise Value (EV):** EV is a measure of a company's total value, often used as a more comprehensive alternative to equity market capitalization. Enterprise value can be thought of as the theoretical takeover price if the company were to be bought.

**Current Yield:** Current yield provides a measure of a security's annual distribution relative to its current price.

## FOOTNOTES

(1) Asset class representations are as follows, MLPs, S&P MLP Index; High Yield Bonds, Bloomberg US Corporate High Yield Total Return Index; Preferreds, ICE BofA Fixed Rate Preferred Securities Index; Emerging Market Bonds, Bloomberg EM USD Aggregate Total Return Index; REITS, FTSE NAREIT All Equity REITS Index; Investment Grade Bonds, Bloomberg US Corporate Total Return Index; Equities, S&P 500 Index; and Crude Oil, Generic 1st 'CL' Future.

(2) Asset class representations are as follows, MLPs, S&P MLP Index; REITS, FTSE NAREIT All Equity REITS Index; and Utilities, Utilities Select Sector Index.

Investing involves risk, including possible loss of principal. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. Investments in securities of MLPs involve risk that differ from investments in common stock including risks related to limited control and limited rights to vote on matters affecting the MLP. MLP common units and other equity securities can be affected by macro economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards MLPs or the energy sector, changes in a particular issuer's financial condition, or unfavorable or unanticipated poor performance of a particular issuer (in the case of MLPs, generally measured in terms of distributable cash flow). The Fund invests in the energy industry, which entails significant risk and volatility. MLPA is non-diversified. The Fund invests in small and mid-capitalization companies, which pose greater risks than large companies. MLPA has a different and more complex tax structure than traditional ETFs and investors should consider carefully the significant tax implications of an investment in the Fund. Current and future holdings are subject to risk.

MLPA is taxed as a regular corporation for federal income tax purposes, which differs from most investment companies. Due to its investment in MLPs, the fund will be obligated to pay applicable federal and state corporate income taxes on its taxable income as opposed to most other investment companies. The fund expects that a portion of the distributions it receives from MLPs may be treated as tax-deferred return of capital. The amount of taxes currently paid by the fund will vary depending on the amount of income and gains derived from MLP interests and such taxes will reduce an investor's return. The fund will accrue deferred income taxes for any future tax liability associated certain MLP interests. Upon the sale of an MLP security, the fund may be liable for previously deferred taxes which may increase expenses and lower the fund's NAV. The potential tax benefits from investing in MLPs depend on them being treated as partnerships for federal income tax purposes. If the MLP is deemed to be a corporation then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value.

Bonds and bond funds will decrease in value as interest rates rise. High yield bonds involve greater risks of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments. Real estate and REIT investments are subject to changes in economic conditions, credit risk and interest rate fluctuations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Preferred stock is subject to many of the risks associated with debt securities, including interest rate risk. Preferred stock may not pay a dividend, an issuer may suspend payment of dividends on preferred stock at any time, and in certain situations an issuer may call or redeem its preferred stock or convert it to common stock.

U.S. Treasury securities are considered to be of high credit quality and are backed by the full faith and credit of the U.S. government. U.S. Treasury securities, if held to maturity, guarantee a return of principal while no other securities mentioned in this material offer such a guarantee.

*Carefully consider the fund's investment objectives, risk factors, charges, and expenses before investing. This and additional information can be found in the fund's full or summary prospectus, which may be obtained by calling (1.888.493.8631), or by visiting [globalxetfs.com](http://globalxetfs.com). Read the prospectus carefully before investing.*

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. Beginning October 15, 2020, market price returns are based on the official closing price of an ETF share or, if the official closing price isn't available, the midpoint between the national best bid and national best offer ("NBBO") as of the time the ETF calculates current NAV per share. Prior to October 15, 2020, market price returns were based on the midpoint between the Bid and Ask price. NAVs are calculated using prices as of 4:00 PM Eastern Time. The returns shown do not represent the returns you would receive if you traded shares at other times. Indices are unmanaged and do not include the effect of fees, expenses or sales charges. One cannot invest directly in an index. Index data source: Solactive AG.

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