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Manager Commentary

Event-Driven and Fixed Income Strategies Outperform in 2Q

By: Stephen Scott, Co-Portfolio Manager

Fund Review

The Fund's Class A shares returned 1.30% during the second quarter (excluding sales charge). The Fund outperformed its benchmark, the HFRX Global Hedge Fund Index (HFRXGL), which returned 0.93% over the three-month period.

Average Annual Total Returns (%) as of June 30, 2014

	2Q14^	YTD^	1 Yr	5 Yr	Life
Class A: NAV (Inception 06/05/09)	1.30	-0.11	7.47	2.22	2.01
Class A: Maximum 5.75% load	-4.49	-5.84	1.33	1.01	0.83
HFRXGL Index	0.93	1.77	5.27	2.97	--
S&P® 500 Index	2.07	7.14	24.61	18.83	--

^Quarterly and YTD returns are not annualized.

Expenses: Class A: Gross 3.51%; Net 3.23%.
Expenses are capped contractually until 05/01/15 at 2.40% for Class A. Caps exclude certain expenses such as acquired fund fees and expenses, interest expense, trading expenses, dividends and interest payments on securities sold short, taxes and extraordinary expenses.

The table presents past performance which is no guarantee of future results and which may be lower or higher than current performance. Returns reflect applicable fee waivers and/or expense reimbursements. Had the Fund incurred all expenses and fees, investment returns would have been reduced. Investment returns and Fund share values will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. Fund returns assume that dividends and capital gains distributions have been reinvested in the Fund at NAV. Index returns assume that dividends have been reinvested. Performance information current to the most recent month end is available by calling 800.826.2333 or by visiting vaneck.com.

Investing involves risk, including possible loss of principal. An investor should consider investment objectives, risks, charges, and expenses of the investment company carefully before investing. The prospectus and summary prospectus contain this and other information. Please read them carefully before investing.

Please refer to index descriptions on last page. One cannot invest in an index.

The trailing 90-day standard deviation for the most recent period, ending June 30, was an annualized 5.6%. A review of each of the underlying sub-strategies reveals that the Fund generated strong performance within the allocations to event-driven, fixed income, multi-strategy, volatility and global macro strategies, but underperformed within long/short equity.

Market Review

Equities and fixed income investments delivered impressive results during the second quarter of 2014. The S&P 500 Index returned 5.23% and the Barclays Aggregate Bond Index returned 2.04%. The markets appeared to remain hyper-focused on the U.S. Federal Reserve's (the "Fed") exit strategy for its quantitative easing program. The Fed continues to communicate its intent to wind-down the asset-purchase program based on the strengthening economy, but may maintain an ultra-low target range of 0.0% to 0.25% for the federal funds rate to support maximum employment and asset price stability.

Within the equity markets, large-cap stocks, as represented by the Russell Top 200 Index, outperformed small-cap stocks, as represented by the Russell 2000 Index, by 3.13%. Developed international and emerging market equities, as represented by the MSCI EAFE Index and the MSCI Emerging Markets Index, returned 4.09% and 6.60%, respectively. The fixed income markets benefited from declining interest rates during the period. The yield of the 10-year U.S. Treasury note declined from a high of more than 2.80% in early April to 2.53% at the end of the quarter.

Strategy Review

The Investment Committee continues to target the Fund's volatility towards the mid-point of its 4-6% range, while remaining diversified across long/short equity, event-driven, fixed income, volatility, multi-strategy and global macro strategies.

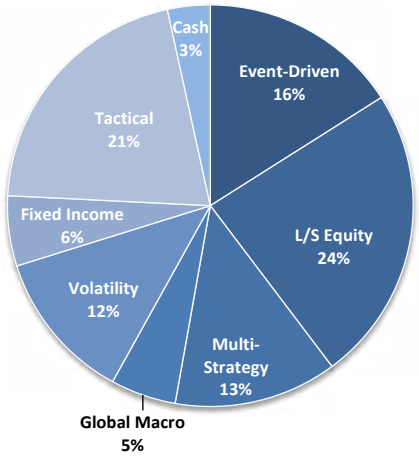
The Investment Committee has been actively seeking out new strategies that offer the potential to deliver uncorrelated risk and return profiles with minimal dependence on the directionality of the equity and fixed income markets.

Alpha is a measure of the difference between a portfolio's actual and expected returns, given its level of risk as measured by beta. Beta is a measure of sensitivity to market movements. Standard deviation is a measure of portfolio risk.

Please note that the information herein represents the opinion of the portfolio managers and these opinions may change at any time and from time to time.

Van Eck Global SINCE 1955

Asset Allocation



Name	Investment Strategy	% Allocation
AQR Managed Futures Fund	Global Macro	5.22%
Coe Capital Management, LLC	Long/Short Equity	12.03%
Horizon Asset Management, LLC	Multi-Strategy	13.01%
RiverPark Advisors, LLC	Long/Short Equity	11.79%
SW Asset Management, LLC	Fixed Income	5.65%
Tiburon Capital Management, LLC	Event-Driven	15.95%
Volatility Premium Capture[1]	Volatility (Index-Based)	12.15%
Tactical[2]		20.80%
Cash		3.40%
Total		100.00%

Source: Van Eck Global. Data as of June 30, 2014. Investments do not ensure a profit or prevent against loss.
[1]Volatility Premium Capture sleeve tracks the Market Vectors Volatility Premium Capture Index.
[2]The tactical alloction is calculated as the sum of the long positions and does not include short or derivative positions.

Portfolio allocation changes during the quarter include the removal of sub-adviser Millrace Asset Group, Inc. ("Millrace") (0.0% of Fund net assets*), a long/short equity manager with a focus on growth-oriented companies, and a reduction in the allocation to the AQR Managed Futures Fund.

The allocation to the internally managed tactical component of the Fund was increased during the quarter. Alpha-seeking tactical positions were increased during the quarter based on our conviction in the ability of our internal strategies to potentially generate performance, and the uncorrelated risk and return profile resulting from the market-neutral positioning.

The Fund's aggregate allocation to long/short equity strategies returned -1.18% and underperformed the Market Vectors North America Long/Short Equity Index, which returned 1.79%. Coe Capital ("Coe") (12.03% of Fund net assets*) generated a return of 1.51% during the quarter. Coe benefited from stock selection within the materials, consumer discretionary and industrials sectors, but performance was hindered by portfolio hedges and positions within the information technology sector. RiverPark Advisors, LLC ("RiverPark") (11.79% of Fund net assets*) was near flat for the quarter with a return of 0.13%. RiverPark had strong stock selection within the energy, consumer discretionary and materials sectors, but was negatively impacted by holdings in the financial, industrials and information technology sectors. Millrace returned -6.69% due primarily to long stock selection within the information technology sector. The negative returns of Millrace within the information technology sector were offset by investments within the consumer discretionary and industrials sectors, and broad market and sector-specific shorts.

The Fund's allocation to global macro strategies returned 0.76% vs. the HRFX Macro Index with a return of 0.31%. At the end of the quarter, the Fund's only exposure to global macro strategies was through the AQR Managed Futures Fund ("AQR") (5.22% of Fund net assets*). AQR returned +0.81% as the strategy benefited from the strength of the equity markets in May and June.

Graham Capital Management, LLC ("Graham") (0.0% of Fund net assets*) was recently added as a global macro sub-adviser but has not yet received an allocation within the Fund. Graham is a leading investment manager within the alternative investment industry that focuses on macro-oriented quantitative and discretionary investment strategies. As one of the sub-advisors within the Fund, Graham will be implementing its Tactical Trend strategy, which is a systematic trend-following global macro program that invests long and short across equity indices, currencies, fixed income and commodities.

The Fund's allocation to event-driven strategies returned 3.29% compared to a return of 1.10% for the Market Vectors Global Event Driven Index. Within event-driven, the Fund is currently allocated to Tiburon Capital ("Tiburon") (15.95% of Fund net assets*). Tiburon generated a return of 3.29% as it benefited from stock selection within the consumer discretionary, industrials, information technology and materials sectors. Fixed income positions within the consumer discretionary sector were also large contributors for Tiburon. The largest detractors from performance for Tiburon were portfolio hedges across long equity index put option contracts and short broad market and sector-specific ETFs.

The Fund's allocation to fixed income strategies returned 5.18% vs. the HFRX Fixed Income Credit Index with a return of 0.97%. SW Asset Management, LLC ("SW") (5.86% of Fund net assets*) generated a return of 6.92% and benefited from fixed income positions in Argentina and Nigeria, and equity positions in oil and gas exploration companies. Positions that detracted from SW's performance were an automobile manufacturing company in Brazil and a coal mining company in Indonesia.

*All weightings as of June 30, 2014.

The Fund's allocation to Horizon Asset Management, LLC, (13.01% of Fund net assets*) a multi-strategy sub-adviser that invests across the capital structure and utilizes option contracts, returned 4.27%. Horizon benefited from holdings within the financial and materials sectors, and price appreciation on closed-end bond funds.

The tactical allocation (20.8% of Fund net assets*) returned 1.87%. The largest contributors to performance for the tactical allocation were hedged gold and energy equity positions. The largest detractors from performance were hedged emerging market equity positions and a short position on long-term U.S. Treasury bonds.

***All weightings as of June 30, 2014.**

Please note that the information herein represents the opinion of the portfolio managers and these opinions may change at any time and from time to time. All indices listed are unmanaged indices and do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment in the Fund. An index's performance is not illustrative of the Fund's performance. Indices are not securities in which investments can be made. The HFRX Global Hedge Fund Index (HFRXGL) is designed to be representative of the overall composition of the hedge fund universe, and includes convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage strategies. The S&P® 500 Index consists of 500 widely held common stocks covering industrial, utility, financial and transportation sectors. The Barclays Aggregate Bond Index is composed of the mortgage-backed and asset-backed securities and government/credit bonds. The Russell Top 200® Index measures the performance of the largest cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The MSCI EAFE Index is an equity index which captures large and mid cap representation across Developed Markets countries around the world, excluding the U.S. and Canada.The MSCI Emerging Markets Index, calculated with dividends reinvested, captures 60% of the publicly traded equities in each industry for approximately 21 emerging markets. The Market Vectors North America Long/Short Equity Index seeks to capture the systematic returns (beta) of North American focused long/short equity hedge funds. HFRX Macro Index is a hedge fund benchmark on strategies that include long/short positions in equity, fixed income, currency and future markets based on a top down analysis on a broader view of the world economy. The Market Vectors Global Event-Driven Index seeks to capture the systematic returns (beta) of global event-driven hedge funds strategies that trade in various corporate transactions that include mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. The HFRX Fixed Income Credit Index is a hedge fund benchmark on strategies that utilizes a broad continuum of credit sub-strategies, including corporate, sovereign, distressed, convertible, asset backed, capital structure arbitrage and other relative value and event driven sub-strategies to realize the spreads of various related credit instruments. The Market Vectors Volatility Premium Capture Index designed to systematically harvest put option risk premiums on the S&P 500 Index

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You can lose money by investing in the Fund. Any investment in the Fund should be part of an overall investment program rather than a complete program. Because the Fund implements a fund-of-funds strategy, an investor in the Fund will bear the operating expenses of the "Underlying Funds" in which the Fund invests. The total expenses borne by an investor in the Fund will be higher than if the investor invested directly in the Underlying Funds, and the returns may therefore be lower. The Fund, the Sub-Advisers and the Underlying Funds may use aggressive investment strategies, including event driven, equity, fixed income, global macro, and relative value strategies, which are riskier than those used by typical mutual funds. If the Fund and Sub-Advisers are unsuccessful in applying these investment strategies, the Fund and you may lose more money than if you had invested in another fund that did not invest aggressively. The Fund is subject to risks associated with the Sub-Advisers making trading decisions independently, investing in other investment companies, using a particular style or set of styles, basing investment decisions on historical relationships and correlations, trading frequently, using leverage, making short sales, being non-diversified and investing in securities with low correlation to the market. The use of leverage may magnify losses. The Fund is also subject to risks associated with investments in foreign securities, emerging markets securities, debt securities, derivatives, commodity-linked derivative instruments, illiquid securities, mortgage and asset-backed securities and CMOs. **Please see the prospectus and summary prospectus for information on these as well as other risk considerations.**

The performance shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance information shown. The investment return and principal value of an investment in the Fund will fluctuate as the prices of the individual securities in which it invests fluctuate, so that shares, when redeemed, may be worth more or less than their original cost.

Investors should consider the Fund's investment objective, risks, and charges and expenses carefully before investing. Bonds and bond funds will decrease in value as interest rates rise. The prospectus and summary prospectus contain this and other information. Please read them carefully before investing. Please call 800.826.2333 or visit vaneck.com for performance information current to the most recent month end and for a free prospectus and summary prospectus. Bonds and bond funds will decrease in value as interest rates rise.