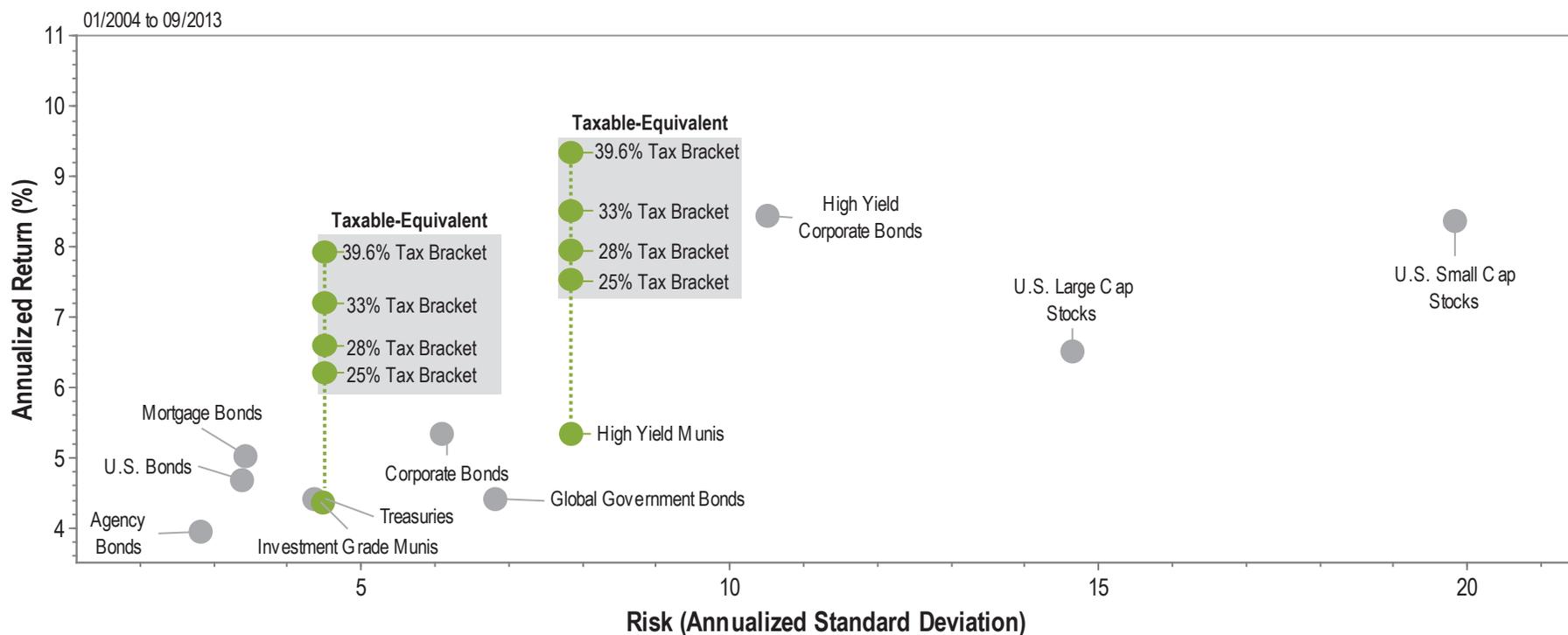


Municipal Bond Market: Risk/Return

Municipal bonds may be important additions for investors looking for portfolio diversification and tax-exempt income*

Taxable Equivalent Returns and Volatility of Municipals vs. Other Asset Classes

The tax-equivalent return is used by investors to compare taxable and tax-exempt securities after accounting for federal taxes (excluding AMT). It represents the return a taxable bond would have to earn in order to match – after taxes – the return available on a tax-exempt municipal bond. Tax Equivalent Return = Tax Free Municipal Bond Return / (1 - Tax Rate)



*The income generated from some types of municipal bonds may be subject to state and local taxes as well as to federal taxes on capital gains and may be subject to alternative minimum tax. Please see reverse for additional risks and index descriptions.

Source: FactSet. The chart displays the annualized returns of the Barclays Capital Municipal Bond Index and the Barclays Capital High Yield Municipal Bond Index returns on a tax-equivalent return basis and compares such returns to other asset classes as represented by the indexes described on the reverse side. Standard deviation is the statistical measure of the historical return volatility. The information presented above is for illustrative purposes only. **Historical information is not indicative of future results; current data may differ from data quoted.** The listed indices are unmanaged and are not securities, in which an investment can be made. Note: U.S. Treasury income returns are exempt from state income taxes.

ABOUT VAN ECK GLOBAL

Founded in 1955, Van Eck Associates Corporation was among the first U.S. money managers helping investors achieve greater diversification through global investing.

Today, the firm continues this tradition by offering innovative, actively managed investment choices in hard assets, emerging markets, precious metals including gold, and other alternative asset classes. Van Eck Global's mutual funds are sold nationwide through retail brokers, financial planners and investment advisors.

Designed for investors seeking innovative choices for portfolio diversification, they are often categorized in asset classes having returns with low correlations to those of more traditional U.S. equity and fixed income investments.

Van Eck Global also offers ETFs, ETNs, separate accounts and alternative investments. In addition, it offers Variable Insurance Portfolios (VIPs), a series of investment choices within the variable annuity contracts and variable life policies of widely known and highly regarded insurers.

NOT FDIC INSURED - NO BANK GUARANTEE - MAY LOSE VALUE

Please note that Van Eck Securities Corporation offers ETFs ("Funds") that invest in the asset class included in this report.

Municipal bonds are subject to risks related to litigation, legislation, political change, conditions in underlying sectors or in local business communities and economies, bankruptcy or other changes in the issuer's financial condition, and/or the discontinuance of taxes supporting the project or assets or the inability to collect revenues for the project or from the assets. Bonds and bond funds will decrease in value as interest rates rise. Additional risks include credit, interest rate, call, reinvestment, tax, market and lease obligation risk. High-yield municipal bonds are subject to greater risk of loss of income and principal than higher-rated securities, and are likely to be more sensitive to adverse economic changes or individual municipal developments than those of higher-rated securities.

The income generated from some types of municipal bonds may be subject to state and local taxes as well as to federal taxes on capital gains and may be subject to alternative minimum tax.

HY Muni: The Barclays Capital High Yield Municipal Index covers the U.S. dollar-denominated, non-investment grade, fixed-rate, municipal bond market. **Muni:** The Barclays Capital U.S. Municipal Index covers the U.S. dollar-denominated, long-term tax-exempt bond market and has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and pre-refunded bonds. **S&P 500:** The S&P® 500 Index is calculated with dividends reinvested and consists of 500 widely held common stocks covering in the leading industries of the U.S. economy. **Russell 2000:** The Russell 2000 Index measures the performance of U.S. small cap stocks: the 2000 smallest companies in the Russell 3000 index, a broad-based index that represents approximately 98% of the value of the investable U.S. equity market. **Aggregate:** The Barclays Capital U.S. Aggregate Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. **Treasury:** The Barclays Capital U.S. Treasury Index is the U.S. Treasury component of the U.S. Government index. Public obligations of the U.S. Treasury with a remaining maturity of one year or more. The Barclays Capital U.S. Corporate High-Yield Index covers 50 of the most liquid and tradable U.S. dollar-denominated, high yield corporate bonds for sale in the U.S. **Agency:** The Barclays Capital U.S. Agency Index is the Agencies component of the US Aggregate: Government-Related index. **US Corporates:** The Barclays Capital U.S. Corporates Index is the Corporate component of the U.S. Credit index. Publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered. **Mortgages:** The Barclays Capital U.S. Mortgages Index is the U.S. MBS component of the U.S. Aggregate index. **Asset Backed:** The Barclays Capital U.S. Asset Backed Securities Index is the Asset-Backed Securities (ABS) component of the U.S. Aggregate index. The Index includes five sub-sectors: Credit and charge cards, Autos, Home equity loans, Utility, and Manufactured Housing. **US Corporate High Yield:** The Barclays Capital High Yield Index covers the universe of fixed rate, non-investment grade debt. **Global Treasury:** The Barclays Capital Global Treasury Index tracks fixed-rate local currency sovereign debt of investment grade countries in the world. The Dow Jones Industrial Average, also referred to as The Dow, is a price-weighted measure of 30 U.S. blue-chip companies.

Barclays Capital Inc. does not sponsor, endorse, or promote the Funds and bears no liability with respect to any such Funds or security.

The performance quoted is past performance and is no guarantee of future results. Returns for actual Fund investments may differ from what is shown because of differences in timing, the amount invested and fees and expenses.

Investing involves substantial risk and high volatility, including possible loss of principal. Bonds and bond funds will decrease in value as interest rates rise. An investor should consider the investment objective, risks, charges and expenses of the Fund carefully before investing. To obtain a prospectus and summary prospectus, which contains this and other information, call 888.MKT.VCTR or visit vaneck.com/etf. Please read the prospectus and summary prospectus carefully before investing.

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