SEMI-ANNUAL REPORT
June 30, 2017
(unaudited)

VanEck VIP Trust

VanEck VIP Unconstrained Emerging Markets Bond Fund

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The information contained in this shareholder letter represents the personal opinions of the investment team members and may differ from those of other portfolio managers or of the firm as a whole. This information is not intended to be a forecast of future events, a guarantee of future results or investment advice. Also, unless otherwise specifically noted, any discussion of the Fund's holdings, the Fund's performance, and the views of the investment team members are as of June 30, 2017.

Dear Shareholder:

The Initial Class shares of the VanEck VIP Unconstrained Emerging Markets Bond Fund (the "Fund") gained 7.70% over the six month period ended June 30, 2017, while the Fund's benchmark—a blended index consisting of 50% J.P. Morgan Emerging Markets Bond Index Global Diversified Index[1] (EMBI) and 50% J.P. Morgan Government Bond Index-Emerging Markets Global Diversified Index[2] (GBI-EM)—gained 8.28% over the same period. In terms of those two indices, the GBI-EM local currency[3] index was up 10.36%, while the EMBI hard currency[4] index returned 6.19% over the six month period.

2017 has been a "risk on" year to date. Up until June 30, we have seen local currency bonds outperform hard currency bonds and non-investment grade outperform investment grade. The Fund came into the year with the defensive stance it had adopted for most of 2016. We were seeing too many risks in the markets, many of which materialized in the fourth quarter of 2016, following the unexpected results of the U.S. presidential election, pushing the U.S. dollar higher and igniting a selloff in global bond markets.

Given this backdrop, we started to reevaluate our defensive positioning in 2017. The Fund's exposure to local currency and duration began to rise gradually, reaching sustainably higher levels not seen in more than a year or so. The shift from the defensive stance has been facilitated by the Fund's unconstrained approach, which allows the team to invest across the emerging markets debt asset class, and by the small size of the Fund, which allows the team to be agile and nimble.

Market and Fund Review

One theme that worked extremely well for us in the early months of the year was "Emerging Markets Policy Acquittal". All our portfolio winners—Brazil, Russia, Uruguay, Mongolia, Argentina, and Mexico—fall into this category. The process of policy acquittal in these economies was based on different combinations of four key elements: (1) letting currencies float/move more freely; (2) hiking interest rates; (3) creating a more stable political environment; and (4) addressing fiscal deficiencies.

The end result of policy orthodoxy and greater political stability in Russia, Brazil, Uruguay, Mexico, and Argentina was the creation of idiosyncratic investment opportunities, especially in the local currency debt (including duration). The focus was on disinflation and lower interest rates at a time when the developed world was bracing itself for higher inflation and policy tightening/qualitative easing exit. We increased our local currency exposure from about 20% of our portfolio in January/February to 60% in late April and kept it around 50% in May.

We were, however, not the only investors who noticed the positive developments in this group of countries. Mexico and Brazil outperformed other GBI-EM constituents, while Mongolia and Uruguay were among the top performers in EMBI. However our exposure to Argentina has been a great example of how the unconstrained approach helps to capitalize on the trends either that market is yet to spot or that it does not have enough capacity to express through the traditional index tools. Argentina was the fourth largest positive contributor to our portfolio in the first half of the year, despite the country underperforming many of its peers in both EMBI and GBI-EM.

Several global tailwinds[5] supported our positions in the first half of the year. These included signs of greater stability in China and more "palatable" election outcomes in the Eurozone. Further, bad news and fears related to changes in the U.S. trade policy under President Trump were largely priced in as were additional U.S. Federal Reserve (Fed) rate hikes.

Countries that detracted from our performance in the first six months of 2017 were South Africa, Turkey, South Korea, and Romania. The heightened political risk in South Africa and Turkey—the market-unfriendly government reshuffle in the former and the constitutional referendum in the latter—increased concerns about the institutional stability, with the ensuing risks to growth, fiscal performance, and debt dynamics. South Korea's "safe haven" status was the main reason the country's bonds underperformed during the risk-on period. Finally, Romania's local currency bonds were affected by another round of political instability.

In the first six months of 2017, the Fund used long U.S. dollar/emerging markets foreign exchange forwards against its Mexican peso bond exposure by buying USD/BRL (Brazilian real) and by buying USD/CAD (Canadian dollar); against its Brazilian real bond exposure by buying USD/MXN (Mexican peso); and for its Russian ruble, Polish zloty, and euro bond exposures by buying USD/TRY (Turkish lira). The derivatives positions in 2017 had a negative impact on the Fund's performance, on an absolute basis, but the loss is smaller when taking into consideration the gains on opposing positions that those derivatives were trying to hedge.

Portfolio Positioning and Outlook

After roughly six months of having exposure of approximately 40% to emerging markets local currency debt, the Fund is undergoing a shift to lower local currency exposure. The reductions in exposure are, so far, based on country-specific phenomena. The best example is our closing of our Brazilian real bond exposure for Brazil-specific reasons, including politics, the country's deteriorating debt dynamic, and a consensus overweight in the market. Another new development that has pushed us in the direction of lower local currency exposure (via our investment process) was the decline in oil prices. We believe this reflects a market that is trying to discover a new equilibrium in a world of lower-cost and atomized production from shale in the U.S. and other factors. We do not have an explicit view on oil prices and try to purge any view from our investment decisions. We do not invest in emerging markets bonds based on an oil price view, rather we invest when we do not see oil price risk as central to the investment. What has happened is that we now think oil is important to a number of potential and existing exposures.

A slowing U.S. or global economy is another continuing focus. China's economic and financial path also remains in the mix, as do potential political and economic hiccups in Europe. We also think that the potentially more-hawkish-than-expected Fed and the European Central Bank are worth focusing on as this might point us to further reductions not only in local currency exposure, but also duration. Both institutions are signaling ends to their balance sheet expansions, which included long-dated risky bonds.

One specific concern is that, in our opinion, the market seems to be massively discounting the Fed's communications. Not only did the 30-year U.S. Treasury bond rally after the latest Fed hike and widely-viewed-as-hawkish communication, but also the overall rejection of the Fed's "dot-plot"[6] is magnifying. In particular, over 2018 and 2019, the market is pricing roughly 175 bps less in Fed rate hikes than the Fed's mean projections. Moreover, Fed communication is more clearly focused on tightening financial conditions. It is, basically, talking markets down, perhaps due to fears of asset-price bubbles or even in reaction to the market essentially saying "we don't believe you" or "we don't believe you will be able to follow through on tightening, because you'll cause a recession". One doesn't need a lot of training in game theory to see how fraught such a situation can become before resolution.

We should emphasize, though, that the way we will look at this is via our process, which (as with the oil price example above) will not be based on a central case view for U.S. interest rates, but will instead ask whether specific emerging markets asset prices are reflecting way too low a probability of pressure from such a scenario. As an unconstrained blended emerging markets debt fund, we have the flexibility to adjust to this environment.

The Fund is subject to risks associated with its investments in emerging markets debt securities. Investing in foreign denominated and/or domiciled securities may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. As the Fund may invest in securities denominated in foreign currencies and some of the income received by the Fund will be in foreign currencies, changes in currency exchange rates may negatively impact the Fund's return. Derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. The Fund may also be subject to credit risk, interest rate risk, sovereign debt risk, tax risk, hedging risk, non-diversification risk, and risks associated with noninvestment grade securities. Please see the prospectus for information on these and other risk considerations.

We thoroughly appreciate your participation in the VanEck VIP Unconstrained Emerging Markets Bond Fund, and we look forward to helping you meet your investment goals in the future.

Eric Fine
Portfolio Manager

David Austerweil
Deputy Portfolio Manager

July 19, 2017

Represents the opinions of the investment adviser. Past performance is no guarantee of future results. Not intended to be a forecast of future events, a guarantee of future results or investment advice. Current market conditions may not continue.

The performance quoted represents past performance. Past performance is no guarantee of future results; current performance may be lower or higher than the performance data quoted. Performance information reflects temporary waivers of expenses and/or fees and does not include insurance/annuity fees and expenses. Investment returns would have been reduced had these fees/expenses been included. Investment return and the value of the shares of the Fund will fluctuate so that an investor's 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 net asset value (NAV). Index returns assume that dividends of the Index constituents in the Index have been reinvested. Performance information current to the most recent month end is available by calling 800.826.2333.

The Fund is only available to life insurance and annuity companies to fund their variable annuity and variable life insurance products. These contracts offer life insurance and tax benefits to the beneficial owners of the Fund. Your insurance or annuity company charges, fees and expenses for these benefits are not reflected in this report or in the Fund's performance, since they are not direct expenses of the Fund. Had these fees been included, returns would have been lower. For insurance products, performance figures do not reflect the cost for insurance and if they did, the performance shown would be significantly lower. A review of your particular life and/or annuity contract will provide you with much greater detail regarding these costs and benefits.

All indices are unmanaged and include the reinvestment of all dividends, but do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment in the Fund. Certain indices may take into account withholding taxes. An index's performance is not illustrative of the Fund's performance. Indices are not securities in which investments can be made. Results reflect past performance and do not guarantee future results.

[1] J.P. Morgan Emerging Markets Bond Index Global Diversified Index (EMBI) tracks returns for actively traded external debt instruments in emerging markets, and is also J.P. Morgan's most liquid U.S. dollar emerging markets debt benchmark.

[2] J.P. Morgan Government Bond Index-Emerging Markets Global Diversified Index (GBI-EM) tracks local currency bonds issued by emerging markets governments. The index spans over 15 countries.

[3] Emerging markets local currency bonds are bonds denominated in the local currency of the issuer.

[4] Hard currency refers to currencies that are generally widely accepted around the world such as the U.S. dollar, euro, or yen.

[5] Tailwinds describes a condition or situation that will help move growth higher and increase growth of an economy.

[6] Federal Reserve officials publish their forecasts for the central bank's key interest rate on a chart known as the "dot plot".

EXPLANATION OF EXPENSES

(unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including program fees on purchase payments; and (2) ongoing costs, including management fees and other Fund expenses. This disclosure is intended to help you understand the ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The disclosure is based on an investment of $1,000 invested at the beginning of the period and held for the entire period, January 1, 2017 to June 30, 2017.

Actual Expenses

The first line in the table below provides information about account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During the Period.”

Hypothetical Example for Comparison Purposes

The second line in the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as fees on purchase payments. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value January 1, 2017	Ending Account Value June 30, 2017	Expenses Paid During the Period* January 1, 2017 - June 30, 2017
VanEck VIP Unconstrained Emerging Markets Bond Fund			
Actual	$1,000.00	$1,077.00	$5.66
Hypothetical**	$1,000.00	$1,019.34	$5.51

* Expenses are equal to the Fund's annualized expense ratio (for the six months ended June 30, 2017), of 1.10%, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year divided by the number of the days in the fiscal year (to reflect the one-half year period).

** Assumes annual return of 5% before expenses

SCHEDULE OF INVESTMENTS

June 30, 2017 (unaudited)

	Principal Amount		Value
CORPORATE BONDS: 17.9%			
Argentina: 2.6%			
USD	229,000	Cia General de Combustibles SA 9.50%, 11/07/19 (c) 144A	$ 248,236
	319,000	Generacion Mediterranea SA 9.63%, 07/27/20 (c) Reg S	349,305
	117,648	YPF SA 8.68%, 08/15/18 (f) Reg S	121,766
			719,307
Colombia: 0.5%			
	138,000	Colombia Telecomunicaciones SA ESP 8.50%, 03/30/20 (c) Reg S	143,865
Georgia: 1.3%			
GEL	885,000	Bank of Georgia JSC 11.00%, 06/01/20 144A	373,001
Ireland: 1.1%			
USD	284,000	Oilflow SPV 1 DAC 12.00%, 01/13/22 144A	299,168
Israel: 2.0%			
	524,000	Israel Electric Corp. Ltd. 5.00%, 11/12/24 Reg S 144A	564,348
Mexico: 3.8%			
	153,000	Banco Mercantil del Norte SA 7.63%, 01/10/28 (c) 144A	158,707
Mexico: (continued)			
USD	120,000	Corp. GEO, SAB de CV 9.25%, 08/21/17 (c) (d) * Reg S	$ 30
	150,000	Grupo Idesa SA de CV 7.88%, 12/18/17 (c) Reg S	136,500
	451,000	Grupo Kaltex SA de CV 8.88%, 04/11/20 (c) 144A	405,900
		TV Azteca SAB de CV	
	148,000	7.50%, 07/31/17 (c) Reg S	148,000
	214,000	7.63%, 09/18/17 (c) Reg S	216,996
			1,066,133
Netherlands: 3.5%			
	274,000	IHS Netherlands Holdco BV 9.50%, 10/27/18 (c) Reg S	280,481
	343,000	Indo Energy Finance II BV 6.38%, 01/24/18 (c) Reg S	321,547
	151,535	Metinvest BV 9.37%, 12/31/21 Reg S	137,965
	230,000	Myriad International Holdings BV 4.85%, 04/06/27 (c) 144A	231,725
			971,718

Principal Amount			Value
Singapore: 1.3%			
USD	685,000	Bumi Investment Pte Ltd. 10.75%, 08/11/17 (c) (d) * Reg S	$ 369,900
United Kingdom: 0.5%			
	150,000	DTEK Finance PLC 10.75%, 07/31/17 (c)	133,838
United States: 1.3%			
	383,000	Stillwater Mining Co. 7.13%, 06/27/21 (c) 144A	377,542
Total Corporate Bonds (Cost: $4,916,942)			5,018,820
FOREIGN GOVERNMENT OBLIGATIONS: 75.9%			
Angola: 1.2%			
	314,000	Angolan Government International Bond 9.50%, 11/12/25 Reg S	331,427
Argentina: 11.5%			
		Argentine Republic Government International Bond	
EUR	5,455,000	0.00%, 12/15/35 (b)	553,137
ARS	1,326,903	5.83%, 12/31/33	601,411
USD	619,000	7.13%, 06/28/2117 144A	562,671
EUR	902,724	7.82%, 12/31/33	1,104,766
USD	386,000	Provincia de Entre Rios Argentina 8.75%, 02/08/25 144A	397,217
			3,219,202

Principal Amount			Value
Belarus: 4.8%			
		Republic of Belarus International Bond	
USD	863,000	6.88%, 02/28/23 144A	$ 883,388
	460,000	7.63%, 06/29/27 144A	470,693
			1,354,081
Chile: 1.8%			
	498,000	Chile Government International Bond 3.86%, 06/21/47	500,179
Ecuador: 2.0%			
	338,000	Ecuador Government International Bond 10.75%, 03/28/22 Reg S	361,660
	200,000	Petroamazonas EP 4.63%, 02/16/20 144A	188,000
			549,660
Egypt: 0.8%			
	200,000	Egypt Government International Bond 8.50%, 01/31/47 144A	216,108
Gabon: 2.0%			
	568,000	Gabon Government International Bond 6.38%, 12/12/24 Reg S	554,499
Guatemala: 0.8%			
	221,000	Guatemala Government Bond 4.38%, 06/05/27 144A	219,785
Israel: 4.4%			
	1,140,000	Israel Government International Bond 4.50%, 01/30/43	1,228,920

SCHEDULE OF INVESTMENTS

June 30, 2017 (unaudited) (continued)

Principal Amount			Value
Kenya: 1.4%			
USD	375,000	Kenya Government International Bond 6.88%, 06/24/24 Reg S	$ 384,353
Mexico: 9.2%			
		Mexican Government International Bonds	
MXN	15,680,000	7.75%, 11/13/42	914,427
	18,430,000	8.00%, 11/07/47 (a)	1,107,943
	9,020,000	8.50%, 11/18/38 (a)	568,985
			2,591,355
Nigeria: 0.8%			
USD	210,000	Nigeria Government International Bond 7.88%, 02/16/32 144A	228,383
Peru: 6.6%			
	696,000	Peruvian Government International Bond 5.63%, 11/18/50	844,944
	987,000	Petroleos del Peru SA 5.63%, 06/19/47 144A	1,001,805
			1,846,749
Poland: 4.8%			
		Polish Government Bonds	
PLN	2,996,000	2.25%, 04/25/22 (a)	794,912
	1,912,000	4.00%, 10/25/23	549,481
			1,344,393
Rwanda: 1.5%			
USD	413,000	Rwanda Government International Bond 6.63%, 05/02/23 Reg S	$ 426,423
Senegal: 0.3%			
	75,000	Senegal Government International Bond 6.25%, 05/23/33 144A	76,314
South Africa: 4.7%			
		South African Government Bonds	
ZAR	6,713,000	8.50%, 01/31/37 (a)	456,851
	10,023,000	10.50%, 12/21/26 (a)	850,566
			1,307,417
South Korea: 3.4%			
USD	983,000	South Korea International Bond 2.75%, 01/19/27	966,038
Suriname: 1.6%			
	452,000	Republic of Suriname International Bond 9.25%, 10/26/26 144A	465,560
Ukraine: 4.7%			
		Ukraine Government International Bonds	
	581,000	7.75%, 09/01/23 Reg S	576,619
	765,000	7.75%, 09/01/24 Reg S	751,818
			1,328,437
United Kingdom: 1.3%			
	360,000	Ukraine Railways via Shortline PLC 9.88%, 09/15/21 Reg S	366,512

Principal Amount		Value
Uruguay: 6.3%		
UYU 29,707,000	Uruguay Government International Bond 9.88%, 06/20/22 144A	1,071,089
	Uruguay Treasury Bills	
6,590,000	0.01%, 04/05/18 ^	216,512
12,041,000	13.90%, 07/29/20	478,136
		1,765,737
Total Foreign Government Obligations (Cost: $20,874,993)		21,271,532

Number of Shares		Value
COMMON STOCK: 0.0% (Cost: $0)		
Mexico: 0.0%		
3,236	Corp. GEO, SAB de CV *	$ 346
MONEY MARKET FUND: 4.4% (Cost: $1,227,767)		
1,227,767	AIM Treasury Portfolio— Institutional Class	1,227,767
Total Investments: 98.2% (Cost: $27,019,702)		27,518,465
Other assets less liabilities: 1.8%		513,003
NET ASSETS: 100.0%		$28,031,468

ARS Argentine Peso
EUR Euro
GEL Georgian Lari
MXN Mexican Peso
PLN Polish Zloty
USD United States Dollar
UYU Uruguayan Peso
ZAR South African Rand
(a) All or a portion of these securities are segregated for forward foreign currency contracts.
(b) Coupon will vary based upon predetermined growth targets for the Gross Domestic Product of Argentina. The rate shown reflects the rate in effect at the end of the reporting period.
(c) Callable Security - the redemption date shown is when the security may be redeemed by the issuer
(d) Security in default
(f) Floating Rate Bond - coupon reflects the rate in effect at the end of the reporting period
^ Zero Coupon Bond - the rate shown is the effective yield at purchase date
* Non-income producing
Reg S Security was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration.
144A Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended, or otherwise restricted. These securities may be resold in transactions exempt from registration, unless otherwise noted, and the value amounted to $8,439,640, or 30.1% of net assets.

SCHEDULE OF INVESTMENTS

June 30, 2017 (unaudited) (continued)

As of June 30, 2017, the Fund held the following open forward foreign currency contracts:

Counterparty	Contracts to deliver	In Exchange For	Settlement Dates	Unrealized Appreciation (Depreciation)
State Street Bank & Trust Company	USD 76,534	TRY 271,805	7/21/2017	$ 327
State Street Bank & Trust Company	TRY 7,163,012	USD 2,005,547	7/21/2017	(19,998)
State Street Bank & Trust Company	USD 56,228	BRL 186,620	7/24/2017	(124)
State Street Bank & Trust Company	BRL 4,759,593	USD 1,432,534	7/24/2017	1,656
State Street Bank & Trust Company	BRL 957,873	USD 285,719	7/24/2017	(2,246)
Net unrealized depreciation on forward foreign currency contracts				$(20,385)

BRL Brazilian Real
TRY Turkish Lira
USD United States Dollar

Summary of Investments by Sector	% of Investments	Value
Basic Materials	2.3%	$ 652,007
Communications	3.7	1,021,067
Consumer, Cyclical	1.5	405,900
Energy	3.2	873,740
Financial	3.0	830,876
Government	77.3	21,271,532
Industrial	1.2	321,923
Utilities	3.3	913,653
Money Market Fund	4.5	1,227,767
	100.0%	$27,518,465

The summary of inputs used to value the Fund's investments as of June 30, 2017 is as follows:

	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value
Common Stock*	$ 346	$ —	$ —	$ 346
Corporate Bonds*	—	5,018,820	—	5,018,820
Foreign Government Obligations*	—	21,271,532	—	21,271,532
Money Market Fund	1,227,767	—	—	1,227,767
Total	$1,228,113	$26,290,352	$ —	$27,518,465
Other Financial Instruments:				
Forward Foreign Currency Contracts	$ —	$ (20,385)	$ —	$ (20,385)

* See Schedule of Investments for security type and geographic country breakouts.

There were no transfers between levels during the period ended June 30, 2017.

See Notes to Financial Statements

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2017 (unaudited)

Assets:	
Investments, at value (Cost $27,019,702)	$27,518,465
Cash denominated in foreign currency, at value (Cost $20,473)	20,473
Receivables:	
Investments sold	2,221,886
Shares of beneficial interest sold	4,551
Dividends and interest	321,582
Prepaid expenses	851
Total assets	30,087,808
Liabilities:	
Payables:	
Investments purchased	1,969,813
Shares of beneficial interest redeemed	19,025
Due to Adviser	15,117
Deferred Trustee fees	10,685
Accrued expenses	21,315
Net unrealized depreciation on forward foreign currency contracts	20,385
Total liabilities	2,056,340
NET ASSETS	$28,031,468
Shares of beneficial interest outstanding	3,284,048
Net asset value, redemption and offering price per share	$8.54
Net Assets consist of:	
Aggregate paid in capital	$29,355,153
Net unrealized appreciation	477,631
Undistributed net investment income	854,678
Accumulated net realized loss	(2,655,994)
	$28,031,468

See Notes to Financial Statements

STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2017 (unaudited)

Income:		
Dividends		$ 3,723
Interest (net of foreign taxes withheld of $1,226)		1,018,823
Total income		1,022,546
Expenses:		
Management fees	$140,385	
Transfer agent fees	7,421	
Custodian fees	11,792	
Professional fees	23,566	
Reports to shareholders	12,215	
Insurance	867	
Trustees' fees and expenses	1,862	
Interest	169	
Other	886	
Total expenses	199,163	
Waiver of management fees	(44,721)	
Net expenses		154,442
Net investment income		868,104
Net realized gain (loss) on:		
Investments (net of foreign taxes of $969)		991,759
Forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities		(129,084)
Net realized gain		862,675
Net change in unrealized appreciation (depreciation) on:		
Investments		358,738
Forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities		(23,671)
Net change in unrealized appreciation (depreciation)		335,067
Net Increase in Net Assets Resulting from Operations		$2,065,846

STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2017 (unaudited)	Year Ended December 31, 2016
Operations:		
Net investment income	$ 868,104	$ 1,193,722
Net realized gain	862,675	688,624
Net change in unrealized appreciation (depreciation)	335,067	51,951
Net increase in net assets resulting from operations	2,065,846	1,934,297
Dividends to shareholders from:		
Net investment income	(641,416)	—
Share transactions*:		
Proceeds from sale of shares	3,979,834	7,898,583
Reinvestment of dividends	641,416	—
Cost of shares redeemed	(4,991,354)	(12,338,375)
Net decrease in net assets resulting from share transactions	(370,104)	(4,439,792)
Total increase (decrease) in net assets	1,054,326	(2,505,495)
Net Assets:		
Beginning of period	26,977,142	29,482,637
End of period (including undistributed net investment income of $854,678 and $627,990, respectively)	$28,031,468	$ 26,977,142
*** Shares of beneficial interest issued, reinvested and redeemed (unlimited number of $.001 par value shares authorized):**		
Shares sold	478,617	992,481
Shares reinvested	79,580	—
Shares redeemed	(596,753)	(1,534,308)
Net decrease	(38,556)	(541,827)

See Notes to Financial Statements

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period:

	For the Six Months Ended June 30, 2017 (unaudited)	Year Ended December 31, 2016	2015	2014	2013	2012
Net asset value, beginning of period	$8.12	$7.63	$ 9.33	$10.60	$11.92	$11.71
Income from investment operations:						
Net investment income	0.27	0.36	0.56	0.67	0.60	0.24
Net realized and unrealized gain (loss) on investments	0.34	0.13	(1.70)	(0.49)	(1.67)	0.39
Total from investment operations	0.61	0.49	(1.14)	0.18	(1.07)	0.63
Less dividends and distributions from:						
Net investment income	(0.19)	—	(0.56)	(0.56)	(0.25)	(0.26)
Net realized capital gains	—	—	—	(0.89)	—(b)	(0.16)
Total dividends and distributions	(0.19)	—	(0.56)	(1.45)	(0.25)	(0.42)
Redemption fees	—	—	—	—	—	—(b)
Net asset value, end of period	$8.54	$8.12	$ 7.63	$ 9.33	$10.60	$11.92
Total return (a)	7.70%(c)	6.42%	(13.09)%	2.18%	(9.17)%	5.55%
Ratios/Supplemental Data						
Net assets, end of period (000's)	$28,031	$26,977	$29,483	$37,026	$39,857	$54,529
Ratio of gross expenses to average net assets	1.42%(d)	1.34%	1.34%	1.20%	1.43%	1.18%
Ratio of net expenses to average net assets	1.10%(d)	1.10%	1.10%	1.10%	1.10%	1.10%
Ratio of net expenses, excluding interest expense, to average net assets	1.10%(d)	1.10%	1.10%	1.10%	1.10%	1.10%
Ratio of net investment income to average net assets	6.18%(d)	4.06%	6.38%	6.34%	4.87%	2.10%
Portfolio turnover rate	305%(c)	595%	572%	441%	483%	0%

(a) Total return is calculated assuming an initial investment made at the net asset value at the beginning of period, reinvestment of any dividends and distributions at net asset value on the dividend/distribution payment date and a redemption at the net asset value on the last day of the period. The return does not reflect the deduction of taxes that a shareholder would pay on Fund dividends/distributions or the redemption of Fund shares.
(b) Amount represents less than $0.005 per share
(c) Not annualized
(d) Annualized

See Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

June 30, 2017 (unaudited)

Note 1—Fund Organization—VanEck VIP Trust (the "Trust") is registered under the Investment Company Act of 1940, as amended, as an open-end management investment company. The Trust was organized as a Massachusetts business trust on January 7, 1987. The VanEck VIP Unconstrained Emerging Markets Bond Fund (the "Fund") is a non-diversified series of the Trust and seeks high total return (income plus capital appreciation) by investing globally, primarily in a variety of debt securities. The Fund currently offers a single class of shares: Initial Class Shares.

Note 2—Significant Accounting Policies—The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

The Fund is an investment company and is following accounting and reporting requirements of Accounting Standards Codification ("ASC") 946 Financial Services – Investment Companies.

The following is a summary of significant accounting policies followed by the Fund.

A. Security Valuation—The Fund values its investments in securities and other assets and liabilities at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Debt securities are valued on the basis of evaluated prices furnished by an independent pricing service approved by the Board of Trustees or provided by securities dealers. The pricing services, using methods approved by the Board of Trustees, may use valuation models or matrix pricing, which consider: (i) yield or price with respect to bonds that are considered comparable in characteristics such as rating, interest rate and maturity date and/or (ii) quotations from bond dealers to determine current value and are categorized as Level 2 in the fair value hierarchy (as described below). Short-term debt securities with sixty days or less to maturity are valued at amortized cost, which with accrued interest approximates fair value. Money market fund investments are valued at net asset value and are categorized as Level 1 in the fair value hierarchy. Forward foreign currency contracts are valued at the spot currency rate plus an amount ("points"), which reflects the differences in interest rates between the U.S. and foreign markets and are categorized as Level 2 in the fair value hierarchy. Securities traded on national exchanges or traded on the NASDAQ National Market System are valued at the last sales price as reported at the close of each business day.

NOTES TO FINANCIAL STATEMENTS
(unaudited) (continued)

Securities traded on the NASDAQ Stock Market are valued at the NASDAQ official closing price. Over-the-counter securities not included in the NASDAQ National Market System and listed securities for which no sale was reported are valued at the mean of the bid and ask prices. To the extent these securities are actively traded they are categorized as Level 1 in the fair value hierarchy. The Pricing Committee of Van Eck Associates Corporation (the "Adviser") provides oversight of the Fund's valuation policies and procedures, which are approved by the Fund's Board of Trustees. Among other things, these procedures allow the Fund to utilize independent pricing services, quotations from securities dealers, and other market sources to determine fair value. The Pricing Committee convenes regularly to review the fair value of financial instruments or other assets. If market quotations for a security or other asset are not readily available, or if the Adviser believes it does not otherwise reflect the fair value of a security or asset, the security or asset will be fair valued by the Pricing Committee in accordance with the Fund's valuation policies and procedures. The Pricing Committee employs various methods for calibrating the valuation approaches utilized to determine fair value, including a regular review of key inputs and assumptions, periodic comparisons to valuations provided by other independent pricing services, transactional back-testing and disposition analysis.

Certain factors such as economic conditions, political events, market trends, the nature of and duration of any restrictions on disposition, trading in similar securities of the issuer or comparable issuers and other security specific information are used to determine the fair value of these securities. Depending on the relative significance of valuation inputs, these securities may be classified either as Level 2 or Level 3 in the fair value hierarchy. The price which the Fund may realize upon sale of an investment may differ materially from the value presented in the Schedule of Investments.

The Fund utilizes various methods to measure the fair value of its investments on a recurring basis, which includes a hierarchy that prioritizes inputs to valuation methods used to measure fair value. The fair value hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The transfers between levels of the fair value hierarchy assume the financial instruments were transferred at the beginning of the reporting period. The three levels of the fair value hierarchy are described below:

Level 1 – Quoted prices in active markets for identical securities.

Level 2 – Significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

A summary of the inputs, the levels used to value the Fund's investments, and transfers between levels are located in the Schedule of Investments. Additionally, tables that reconcile the valuation of the Fund's Level 3 investments and that present additional information about valuation methodologies and unobservable inputs, if applicable, are located in the Schedule of Investments.

B. **Federal Income Taxes—**It is the Fund's policy to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

C. **Currency Translation—**Assets and liabilities denominated in foreign currencies and commitments under foreign currency contracts are translated into U.S. dollars at the closing prices of such currencies each business day as quoted by one or more sources. Purchases and sales of investments are translated at the exchange rates prevailing when such investments are acquired or sold. Foreign denominated income and expenses are translated at the exchange rates prevailing when accrued. The portion of realized and unrealized gains and losses on investments that result from fluctuations in foreign currency exchange rates is not separately disclosed in the financial statements. Recognized gains or losses attributable to foreign currency fluctuations on foreign currency denominated assets, other than investments, and liabilities are recorded as net realized gain (loss) on forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities in the Statement of Operations. The total net realized gains and losses from fluctuations of foreign exchange rates on investments and other foreign currency denominated assets and liabilities are disclosed in Note 5 – Income Taxes.

D. **Dividends and Distributions to Shareholders—**Dividends to shareholders from net investment income and distributions from net realized capital gains, if any, are declared and paid annually. Income dividends and capital gain distributions are determined in accordance with U.S. income tax regulations, which may differ from such amounts determined in accordance with GAAP.

NOTES TO FINANCIAL STATEMENTS
(unaudited) (continued)

E. Use of Derivative Instruments—The Fund may make investments in derivative instruments, including, but not limited to, options, futures, swaps and other derivatives relating to foreign currency transactions. A derivative is an instrument whose value is derived from underlying assets, indices, reference rates or a combination of these factors. Derivative instruments may be privately negotiated contracts (often referred to as over-the-counter ("OTC") derivatives) or they may be listed and traded on an exchange. Derivative contracts may involve future commitments to purchase or sell financial instruments or commodities at specified terms on a specified date, or to exchange interest payment streams or currencies based on a notional or contractual amount. Derivative instruments may involve a high degree of financial risk. The use of derivative instruments also involves the risk of loss if the investment adviser is incorrect in its expectation of the timing or level of fluctuations in securities prices, interest rates or currency prices. Investments in derivative instruments also include the risk of default by the counterparty, the risk that the investment may not be liquid and the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument. GAAP requires enhanced disclosures about the Fund's derivative instruments and hedging activities. Details of this disclosure are found below as well as in the Schedule of Investments.

Forward Foreign Currency Contracts—The Fund is subject to foreign currency risk in the normal course of pursuing its investment objectives. The Fund may buy and sell forward foreign currency contracts to settle purchases and sales of foreign denominated securities, gain currency exposure or to hedge foreign denominated assets. Realized gains and losses from forward foreign currency contracts, if any, are included in realized gain (loss) on forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities in the Statement of Operations. The Fund may incur additional risk from investments in forward foreign currency contracts if the counterparty is unable to fulfill its obligation or there are unanticipated movements of the foreign currency relative to the U.S. dollar. The Fund held forward foreign currency contracts for four months during the period ended June 30, 2017, with an average unrealized depreciation of $42,379. Forward foreign currency contracts held at June 30, 2017 are reflected in the Schedule of Investments.

At June 30, 2017, the Fund held the following derivative instruments:

	Liability Derivatives
	Foreign Currency Risk
Forward foreign currency contracts[1]	$(20,385)

1 Statement of Assets and Liabilities location: Net unrealized depreciation on forward foreign currency contracts

The impact of transactions in derivative instruments during the period ended June 30, 2017, was as follows:

	Foreign Currency Risk
Realized gain (loss):	
Forward foreign currency contacts[2]	$(113,648)
Net change in unrealized appreciation (depreciation):	
Forward foreign currency contracts[3]	(20,385)

2 Statement of Operations location: Net realized gain (loss) on forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities

3 Statement of Operations location: Net change in unrealized appreciation (depreciation) on forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities

F. **Offsetting Assets and Liabilities—**In the ordinary course of business, the Fund enters into transactions subject to enforceable master netting or other similar agreements. Generally, the right of setoff in those agreements allows the Fund to set off any exposure to a specific counterparty with any collateral received or delivered to that counterparty based on the terms of the agreements. The Fund may pledge or receive cash and/or securities as collateral for derivative instruments. Collateral, if any, held at June 30, 2017 is presented in the Schedule of Investments.

The table below presents both gross and net information about the derivative instruments eligible for offset in the Statement of Assets and Liabilities subject to master netting or similar agreements, as well as financial collateral received or pledged (including cash collateral) as of June 30, 2017. Collateral, if any, is disclosed up to an amount of 100% of the net amount of unrealized gain/loss for the respective financial instruments. In general, collateral received or pledged exceeds the net amount of the unrealized gain/loss or market value of financial instruments.

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount of Assets Presented in the Statement of Assets and Liabilities	Financial Instruments and Collateral Received	Net Amount
Forward foreign currency contracts	$1,983	$(1,983)	$—	$—	$—

	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount of Liabilities Presented in the Statement of Assets and Liabilities	Financial Instruments and Collateral Pledged	Net Amount
Forward foreign currency contracts	$(22,368)	$1,983	$(20,385)	$20,385	$—

G. Other—Security transactions are accounted for on trade date. Dividend income is recorded on the ex-dividend date. Interest income, including amortization of premiums and discounts, is accrued as earned. Realized gains and losses are calculated on the identified cost basis. Estimated foreign taxes that are expected to be withheld from proceeds at the sale of certain foreign investments are accrued by the Fund and decrease the unrealized gain on investments. The Fund received redemption fees from Class R1 Shares prior to its closing on April 30, 2012 which are reflected in the Financial Highlights.

In the normal course of business, the Fund enters into contracts that contain a variety of general indemnifications. The Fund's maximum exposure under these agreements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Adviser believes the risk of loss under these arrangements to be remote.

Note 3—Investment Management and Other Agreements—The Adviser is the investment adviser to the Fund. The Adviser receives a management fee, calculated daily and payable monthly based on an annual rate of 1.00% of the first $500 million of average daily net assets, 0.90% of the next $250 million of average daily net assets and 0.70% of the average daily net assets in excess of $750 million. The Adviser has agreed, until at least May 1, 2018, to waive management fees and assume expenses to prevent the Fund's total annual operating expenses (excluding acquired fund fees and expenses, interest expense, trading expenses, dividend and interest payments on securities sold short, taxes, and extraordinary expenses) from exceeding

1.10% of the Fund's average daily net assets. For the period ended June 30, 2017, the Adviser waived management fees in the amount of $44,721.

In addition, Van Eck Securities Corporation (the "Distributor"), an affiliate of the Adviser, acts as the Fund's distributor. Certain officers and trustees of the Trust are officers, directors or stockholders of the Adviser and Distributor.

Note 4—Investments—For the period ended June 30, 2017, the cost of purchases and proceeds from sales of investments, excluding U.S. government securities and short-term obligations, aggregated to $80,411,613 and $81,684,114, respectively.

Note 5—Income Taxes—For Federal income tax purposes, the identified cost of investments owned at June 30, 2017 was $27,047,889 and net unrealized appreciation aggregated to $470,576, of which $702,400 related to appreciated securities and $231,824 related to depreciated securities.

During the year ended December 31, 2016, the Fund had no dividends or distributions.

The tax character of current year distributions will be determined at the end of the current fiscal year.

At December 31, 2016, the Fund had capital loss carryforwards available to offset future capital gains as follows:

Post-Effective No Expiration Long-Term Capital Losses	Post-Effective No Expiration Short-Term Capital Losses
$70,543	$3,419,939

Realized gains or losses attributable to fluctuations in foreign exchange rates on investments and other foreign currency denominated assets and liabilities result in permanent book to tax differences which may affect the tax character of distributions and undistributed net investment income at the end of the Fund's fiscal year. For the period January 1, 2017 to June 30, 2017, the Fund's net realized losses from foreign currency translations were $25,327.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is "more-likely-than-not" to be sustained assuming examination by applicable tax authorities. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on return filings for all open tax years. The Fund does not have exposure for additional years that might still be open in certain foreign jurisdictions. Therefore, no provision for income tax is required in the Fund's financial statements. The Fund is subject to foreign taxes on the appreciation in value of certain investments. The Fund provides for such taxes on both realized and unrealized appreciation.

The Fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended June 30, 2017, the Fund did not incur any interest or penalties.

Note 6—Concentration of Risk—The Fund may purchase securities on foreign exchanges. Securities of foreign issuers involve special risks and considerations not typically associated with investing in U.S. issuers. These risks include devaluation of currencies, less reliable information about issuers, different security transaction clearance and settlement practices and future adverse political and economic developments. These risks are heightened for investments in emerging markets countries. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than those of comparable U.S. issuers. The Fund may invest in debt securities which are rated below investment grade by rating agencies. Such securities involve more risk of default than higher rated securities and are subject to greater price variability.

The Fund may invest directly in the Russian local market. As a result of events involving Ukraine and the Russian Federation, the United States and the European Union ("EU") have imposed sanctions on certain Russian individuals and companies. These sanctions do not currently impact the Fund. Additional economic sanctions may be imposed or other actions may be taken that may adversely affect the value and liquidity of the Russian-related issuers' held by the Fund.

In March 2017, the United Kingdom triggered Article 50, and is now scheduled to leave the EU by the end of March 2019. There is uncertainty on exactly how the withdrawal will take place and the terms of the Brexit deal. This may further impact the value of the Euro and the British pound sterling, and has caused volatility and uncertainty in European and global markets.

At June 30, 2017, the aggregate shareholder accounts of five insurance companies owned approximately 50%, 20%, 9%, 7% and 5% of the Fund's outstanding shares of beneficial interest.

Note 7—Trustee Deferred Compensation Plan—The Trust has a Deferred Compensation Plan (the "Deferred Plan") for Trustees under which the Trustees can elect to defer receipt of their trustee fees until retirement, disability or termination from the Board of Trustees. The fees otherwise payable to the participating Trustees are deemed invested in shares of eligible Funds of the Trust and the VanEck Funds (another registered investment company managed by the Adviser) as directed by the Trustees.

The expense for the Deferred Plan is included in “Trustees’ fees and expenses” on the Statement of Operations. The liability for the Deferred Plan is shown as “Deferred Trustee fees” on the Statement of Assets and Liabilities.

Note 8—Bank Line of Credit—The Trust participates with VanEck Funds (collectively the “VE/VIP Funds”) in a $30 million committed credit facility (the “Facility”) to be utilized for temporary financing until the settlement of sales or purchases of portfolio securities, the repurchase or redemption of shares of the Fund and other temporary or emergency purposes. The participating VE/VIP Funds have agreed to pay commitment fees, pro rata, based on the unused but available balance. Interest is charged to the VE/VIP Funds at rates based on prevailing market rates in effect at the time of borrowings. During the period ended June 30, 2017, the average daily loan balance during the eight day period for which a loan was outstanding amounted to $308,036 and the average interest rate was 2.20%. At June 30, 2017, the Fund had no outstanding borrowings under the Facility.

Note 9—Recent Accounting Pronouncements and Regulatory Requirements—In October 2016, the U.S. Securities and Exchange Commission (“SEC”) adopted new rules and forms, and amendments to certain current rules and forms, to modernize reporting and disclosure of information by registered investment companies. The amendments to Regulation S-X will require standardized, enhanced disclosure about derivatives in investment company financial statements, and will also change the rules governing the form and content of such financial statements. The compliance date for the amendments to Regulation S-X is August 1, 2017. Management has evaluated the impact that the adoption of the amendments to Regulation S-X will have on the Fund’s financial statements and related disclosures. Any required changes will be implemented for interim and annual periods after August 1, 2017.

Note 10—Subsequent Event Review—The Fund has evaluated subsequent events and transactions for potential recognition or disclosure through the date the financial statements were issued.

APPROVAL OF ADVISORY AGREEMENT
June 30, 2017 (unaudited)

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND (the "Fund")

The Investment Company Act of 1940, as amended (the "1940 Act"), provides, in substance, that an investment advisory agreement between a fund and its investment adviser may be entered into only if it is approved, and may continue in effect from year to year after an initial two-year period only if its continuance is approved, at least annually by the fund's board of trustees, including by a vote of a majority of the trustees who are not "interested persons" of the fund as defined in the 1940 Act (the "Independent Trustees"), cast in person at a meeting called for the purpose of considering such approval. On June 23, 2017, the Board of Trustees (the "Board") of VanEck VIP Trust (the "Trust"), which is comprised exclusively of Independent Trustees, voted to approve the continuation of the existing advisory agreement (the "Advisory Agreement") between the Fund and its investment adviser, Van Eck Associates Corporation (together with its affiliated companies, the "Adviser"). Information regarding the material factors considered and related conclusions reached by the Board in approving the continuation of the Advisory Agreement is set forth below.

In considering the continuation of the Advisory Agreement, the Board reviewed and considered information that had been provided by the Adviser throughout the year at meetings of the Board and its committees, including information requested by the Board and furnished by the Adviser for meetings of the Board held on June 6, 2017 and June 22 and 23, 2017 specifically for the purpose of considering the continuation of the Advisory Agreement. The written and oral reports provided to the Board included, among other things, the following:

- Information about the overall organization of the Adviser and the Adviser's short-term and long-term business plans with respect to its mutual fund operations and other lines of business;
- The consolidated financial statements of the Adviser for the past two fiscal years;
- A copy of the Advisory Agreement and descriptions of the services provided by the Adviser thereunder;

- Information regarding the qualifications, education and experience of the investment professionals responsible for portfolio management, investment research and trading activities for the Fund, the structure of their compensation and the resources available to support these activities;
- A report prepared by an independent consultant comparing the Fund’s investment performance (including, where relevant, total returns, standard deviations, Sharpe ratios, information ratios, beta and alpha) with respect to a representative class of shares of the Fund for the one-, three-, five- and ten-year periods (as applicable) ended March 31, 2017 with those of (i) a universe of mutual funds selected by the independent consultant with similar portfolio holding characteristics, share class attributes and other operational characteristics as the Fund (the “Category”), (ii) a subgroup of funds selected from the Category by the independent consultant further limited to approximate more closely the Fund’s investment style, expense structure and asset size (the “Peer Group”), (iii) an appropriate benchmark index and (iv) two additional benchmark indexes, each of which comprises 50% of the Fund’s benchmark index (each an “UEMBF Additional Index”);
- A report prepared by an independent consultant comparing the advisory fees and other expenses of a representative class of shares of the Fund during its fiscal year ended December 31, 2016 with a similar share class of each fund in the (i) Category and (ii) Peer Group;
- An analysis of the profitability of the Adviser with respect to its services for the Fund and the VanEck complex of mutual funds as a whole (the “VanEck Complex”);
- Information regarding other investment products and services offered by the Adviser involving investment objectives and strategies similar to the Fund (“Comparable Products”), including the fees charged by the Adviser for managing the Comparable Products, a description of material differences and similarities in the services provided by the Adviser for the Fund and the Comparable Products, the sizes of the Comparable Products and the identity of the individuals responsible for managing the Comparable Products;
- Information concerning the Adviser’s compliance program, the resources devoted to compliance efforts undertaken by the

Adviser on behalf of the Fund, and reports regarding a variety of compliance-related issues;

- Information with respect to the Adviser's brokerage practices, including the Adviser's processes for monitoring best execution of portfolio transactions and the benefits received by the Adviser from research acquired with soft dollars;
- Information regarding the procedures used by the Adviser in monitoring the valuation of portfolio securities, including the methodologies used in making fair value determinations, and the Adviser's due diligence process for recommending the selection of pricing vendors and monitoring the quality of the inputs provided by such vendors;
- Information regarding how the Adviser safeguards the confidentiality and integrity of its data and files (both physical and electronic), as well as of any communications with third parties containing Fund and shareholder information, including reports regarding the Adviser's cybersecurity framework and its implementation, the identification and monitoring of cybersecurity risks (including the risks that arise out of arrangements with third party service providers), the Adviser's cybersecurity response policy and other initiatives of the Adviser to mitigate cybersecurity risks;
- Information regarding the Adviser's policies and practices with respect to personal investing by the Adviser and its employees, including reports regarding the administration of the Adviser's code of ethics and the Adviser's policy with respect to investments in the Fund by the Adviser's investment personnel;
- Descriptions of the processes that the Adviser uses to evaluate and monitor the liquidity of fixed-income instruments and information regarding the actions the Adviser has taken with respect to risk management and disclosure matters relating to changing fixed income market conditions;
- Descriptions of sub-transfer agency, omnibus account and other shareholder servicing arrangements for the Fund with intermediaries (collectively, "Servicing Arrangements"), including a description of the services provided by the intermediaries pursuant to such Servicing Arrangements and the payment terms of the Servicing Arrangements, as well as reports regarding the amounts paid pursuant to the Servicing Arrangements and the amounts paid to intermediaries with respect to the Fund by the

Adviser pursuant to any revenue sharing arrangements and Servicing Arrangements (to the extent not paid by the Fund);

- Descriptions of other administrative and other non-investment management services provided by the Adviser for the Fund, including the Adviser's activities in managing relationships with the Fund's custodian, transfer agent and other service providers; and
- Other information provided by the Adviser in its response to a comprehensive questionnaire prepared by independent legal counsel on behalf of the Independent Trustees.

In determining whether to approve the continuation of the Advisory Agreement, the Board considered, among other things, the following: (1) the nature, quality, extent and cost of the investment management, administrative and other non-investment management services provided by the Adviser; (2) the nature, quality and extent of the services performed by the Adviser in interfacing with, and monitoring the services performed by, third parties, such as the Fund's custodian, transfer agent, sub-transfer agents and independent auditor, and the Adviser's commitment and efforts to review the quality and pricing of third party service providers to the Fund with a view to reducing non-management expenses of the Fund; (3) the terms of the Advisory Agreement and the services performed thereunder; (4) the willingness of the Adviser to reduce the overall expenses of the Fund from time to time, if necessary or appropriate, by means of waiving a portion of its fees or paying expenses of the Fund; (5) the quality of the services, procedures and processes used to determine the value of the Fund's assets and the actions taken to monitor and test the effectiveness of such services, procedures and processes; (6) the ongoing efforts of, and resources devoted by, the Adviser with respect to the development and implementation of a comprehensive compliance program; (7) the responsiveness of the Adviser to inquiries from, and examinations by, regulatory authorities, including the Securities and Exchange Commission; (8) the resources committed by the Adviser in recent periods to information technology and cybersecurity; and (9) the ability of the Adviser to attract and retain quality professional personnel to perform investment advisory and administrative services for the Fund.

The Board considered the fact that the Adviser is managing other investment products, including exchange-traded funds, hedge funds, separate accounts and UCITSs, one or more of which may invest in the same financial markets and may be managed by the same investment professionals according to a similar investment objective and/or strategy as the Fund. The Board concluded that the management of these products contributes to the Adviser's financial stability and is helpful to the Adviser in attracting and retaining quality portfolio management personnel for the Fund. In addition, the Board concluded that the Adviser has established appropriate procedures to monitor conflicts of interest involving the management of the Fund and the other products and for resolving any such conflicts of interest in a fair and equitable manner.

The performance data and the advisory fee and expense ratio data described below for the Fund is based on data for a representative class of shares of the Fund. The performance data is net of expenses for periods on an annualized basis ended March 31, 2017, and the advisory fee and expense ratio data is as of the Fund's fiscal year end of December 31, 2016.

Performance. The Board noted that, at the recommendation of the Adviser and in an effort to enhance the performance and long-term viability of the Fund, the Board had approved material changes to the Fund's principal investment strategies, which became effective May 1, 2013. The Board further noted that, in light of these changes, the performance of the Fund compared to other similarly managed funds prior to May 1, 2013 was not relevant to the Board's consideration of the Advisory Agreement. The Board then noted, based on a review of comparative annualized total returns, that the Fund had underperformed its Category and Peer Group medians over the one- and three-year periods. The Board also noted that the Fund had outperformed its benchmark index over the one-year period but had underperformed its benchmark index over the three-year period. The Board further noted that the Fund had outperformed one of the UEMBF Additional Indexes and underperformed the other for the one- and three-year periods. The Board noted that actions have been taken by the Adviser to establish additional risk-control investment guidelines that will limit the Fund's exposure to certain issuer-specific and country-specific risks. The Board concluded that additional time is needed to evaluate the effectiveness of such actions.

Fees and Expenses. The Board noted that the advisory fee rate and the total expense ratio, net of waivers or reimbursements, for the Fund were higher than the median advisory fee rates and the median expense ratios for its Category and Peer Group. The Board also noted that the Adviser makes use of a complex and unique proprietary strategy for managing the Fund's portfolio and that the Adviser has agreed to waive fees or pay expenses of the Fund through April 2018 to the extent necessary to prevent the expense ratio of the Fund from exceeding a specified maximum amount (subject to certain exclusions).

On the basis of the foregoing, and in light of the nature, extent and quality of the services provided by the Adviser, the Board concluded that the advisory fee rate charged to the Fund is reasonable.

Profitability and Economies of Scale. The Board considered the profits, if any, realized by the Adviser from managing the Fund and other mutual funds in the VanEck Complex and the methodology used to determine such profits. The Board noted that the levels of profitability reported on a fund-by-fund basis varied widely depending on such factors as the size, type of fund and operating history. The Board further noted that, in evaluating the reasonableness of the Adviser's profits from managing any particular Fund, it would be appropriate to consider the size of the Adviser relative to other firms in the investment management industry and the impact on the Adviser's profits of the volatility of the markets in which the Fund invests and the volatility of cash flows into and out of the Fund through various market cycles. Based on its review of the foregoing information, and in light of the nature, extent and quality of the services provided by the Adviser, the Board concluded that the profits realized by the Adviser, if any, are deemed not to be excessive. In this regard, the Board also considered the extent to which the Adviser may realize economies of scale, if any, as the Fund grows and whether the Fund's fee schedule reflects any economies of scale for the benefit of shareholders. The Board concluded that, with respect to the Fund, any economies of scale being realized are currently being shared by the Adviser and the Fund, and that adding or modifying existing (if any) breakpoints would not be warranted at this time for the Fund.

Conclusion. In determining the material factors to be considered in evaluating the Advisory Agreement for the Fund and the weight to be given to such factors, the members of the Board relied upon the advice of independent legal counsel and their own business judgment. The Board did not consider any single factor as controlling in determining whether to approve the continuation of the Advisory Agreement and

APPROVAL OF ADVISORY AGREEMENT

June 30, 2017 (unaudited) (continued)

each member of the Board may have placed varying emphasis on particular factors considered in reaching a conclusion. Moreover, this summary description does not necessarily identify all of the factors considered or conclusions reached by the Board. Based on its consideration of the foregoing factors and conclusions, and such other factors and conclusions as it deemed relevant, the Board (comprised exclusively of Independent Trustees) concluded that the continuation of the Advisory Agreement is in the interests of shareholders and, accordingly, the Board approved the continuation of the Advisory Agreement for the Fund for an additional one-year period.

This report is intended for the Fund's shareholders. It may not be distributed to prospective investors unless it is preceded or accompanied by the Fund's prospectus, which includes more complete information. An investor should consider the investment objective, risks, and charges and expenses of the Fund carefully before investing. The prospectus contains this and other information about the investment company. Please read the prospectus carefully before investing.

Additional information about the VanEck VIP (the "Trust") Board of Trustees/Officers and a description of the policies and procedures the Trust uses to determine how to vote proxies relating to portfolio securities are provided in the Statement of Additional Information. The Statement of Additional Information and information regarding how the Trust voted proxies relating to portfolio securities during the most recent twelve month period ending June 30 is available, without charge, by calling 800.826.2333, or by visiting vaneck.com, or on the Securities and Exchange Commission's website at https://www.sec.gov.

The Trust files its complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Trust's Form N-Qs are available on the Commission's website at https://www.sec.gov and may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 202.942.8090. The Fund's complete schedule of portfolio holdings is also available by calling 800.826.2333 or by visiting vaneck.com.

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