



SEMI-ANNUAL REPORT
June 30, 2017
(unaudited)

VanEck VIP Trust

VanEck VIP Emerging Markets 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 Emerging Markets Fund (the “Fund”) returned 25.72% during the six month period ended June 30, 2017, and outperformed its benchmark, the MSCI Emerging Markets IMI Index (MSCI EM IMI),¹ which gained 18.27%, and the MSCI Emerging Markets Index, which was up 18.60%,² over the same period.

In the first six months of 2017, the winners and losers—both by country and sector—last year were turned on their heads. In particular many large, cyclical, often commodity-based companies, having experienced a banner year in 2016, performed poorly again in 2017—as they had done for a number of years prior. Maintaining a disciplined focus on structural growth, largely eschewing cyclicity served us well in the first six months of 2017. We are pleased to see that stock selection has been the dominant driver of performance, contributing most to short-term and long-term relative outperformance.

Fund Review

In 2017, we witnessed the comeback of growth stocks. Growth outperformed value by approximately 9% and helped the Fund’s relative performance. Small caps, on the other hand, continued to disappoint this year extending their underperformance “spell” compared to large caps to almost 18 months. On a sector level, exposures to the consumer discretionary and financials sectors helped the Fund’s relative performance, while an overweight position in the healthcare sector detracted the most from performance. On a country level, China was the main contributor to the Fund’s performance. It was followed by Brazil and Russia. The largest detractors from relative performance were Taiwan and South Korea.

Our top performing stocks were dominated by three companies from China (including Hong Kong). The two others came from South Korea and India. Our top holding, Samsung Electronics Co., Ltd. (6.0% of Fund net assets[†]), based in South Korea, manufactures a wide range of consumer electronics, information technology, and mobile communication products. Its semiconductor business manufactures a wide range of memory chips. Supply in that industry is becoming more concentrated, while the uses are becoming more broad-based, significantly reducing cyclicity. The company benefited from significant earnings upgrades, with expectations for 2017 earnings increasing by over 25% over the first six months of the year.

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(unaudited) (continued)

Two of the Chinese investments are involved in the Internet sector. Tencent Holdings Ltd. and Alibaba Group Holding Ltd. (5.5% and 5.3% of Fund net assets, respectively[†]) both reported strong operations, maintained very visible growth (despite their scale), and continued to offer exciting earnings growth prospects as their quasi-monopolistic positions broadened and deepened. TAL Education Group (1.4% of Fund net assets[†]), continues to leverage and monetize successfully its K-12 tutorial offering.

Yes Bank Ltd. (sold by Fund by period end), a private sector bank in India, benefited not only from both improving loan growth and widening lending spreads, but also as a result of a more realistic appraisal of the effects of the “demonetization” that took place in November 2016. Following a successful fund raising and multiple expansions, we exited our position because the company’s valuation had become too rich for our disciplined growth at a reasonable price (GARP) approach.

Five detractors from performance during the six month period were from around the globe. Russia’s dominant bank, Sberbank of Russia OJSC (1.7% of Fund net assets[†]), suffered from a correction in the Russian market driven potentially by a drop in crude oil prices.

South African Rhodes Food Group Holdings Ltd. (0.6% of Fund net assets[†]) is a producer of fresh, frozen, and long life convenience meal solutions. The company has more rand-related costs than revenues, and despite potential issues, the rand actually strengthened over the first six months of the year. Brazilian car rental company Movida Participações (1.0% of Fund net assets[†]) was victim of the continuing economic and political uncertainty in the country, but we believe the company is significantly undervalued and have patiently accumulated our investment.

The Fund finally sold its remaining position in Magnit PJSC (sold by Fund by period end), a modern retailer in Russia. The Russian consumer is spending conservatively, and we expect Magnit’s revenue and margins to be under pressure for some time.

The performance of Syngene International Ltd. (0.6% of Fund net assets[†]), a small but fast growing pharmaceutical company in India, suffered from a fire at its facility in December.

We have now had formal indication that China A-shares will be included in the Fund’s benchmark index, albeit with a small weighting. Although currently the weighting is modest, it should be easier for stocks to be added incrementally to increase the weighting of A-shares in the index.

We believe this vindicates the Fund's decision to be a relative early investor in China A-Shares.

Strategy and Outlook

There are always concerns about emerging markets. One of the reasons that emerging markets have outperformed in the first half of 2017 is that most of these concerns have dissipated—at least temporarily allowing the underlying fundamentals to shine through.

Globally, concerns remain about the U.S. dollar rates and protectionism. As long as the U.S. dollar remains at its current levels, or weakens, that is satisfactory. A rapid acceleration of the dollar would be a significant headwind for emerging markets. We remain quite cautious about the ability, or desire, of central banks to normalize and increase rates. However, even if they do so at the short end, typically, unless they make a mistake (i.e., they do too much) then the result is usually good for emerging markets: it indicates better growth. *Vis-à-vis* protectionism, it appears to be further off the agenda right now.

Looking at the asset class as a whole, the macroeconomic vulnerability of emerging markets is currently at very low levels compared to what it has been in the past, and certainly compared to even just the “taper tantrum”³ in 2013. Nearly every country is in better shape, whether in terms of current account deficits, fiscal deficits, and short-term debt versus total external debt, or PMIs (private mortgage insurance).

On the microeconomic or corporate level, we have over the last year seen better earnings results. For 12 consecutive months emerging markets corporate earnings have been upgraded. We have seen this happen a handful of times in the last 20 years or so. Each time it has been positive for the market. However these upgrades have not related just to commodities, they have been broad based.

In addition, and importantly, operating cash flow is strong and increasing, and capex is declining, which is leading to not only increasing but also historically high free cash flow. Since there is low leverage in emerging markets, this ought to result in more cash being available for companies to pay out to shareholders either by way of dividends or through share buybacks.

Looking at individual countries, while China may have had a good first quarter in macro terms, our expectations for the rest of the year are that the economy will be slightly weaker. But we do not believe there is anything to worry about. There has been some prudential tightening in an

VANECK VIP EMERGING MARKETS FUND

(unaudited) (continued)

attempt to try to clean up some of the balance sheet issues that exist. But these affect only certain aspects of the Chinese economy.

In India, while reforms may be progressing, the concern is that there is still a reasonably large bad debt issue in the banking sector which is not evenly recognized among the banks. We believe there has to be some recapitalization among banks, and probably some mergers and acquisitions, but everything needs to be done on a level basis. The central bank in India is enforcing normalization of bad debt recognition and some issues may arise in this respect. However, once banks have been recapitalized, then both a credit and capex cycle can be started. Each has been noticeably absent.

Mexico bounced back very strongly in the first quarter following concerns in the last quarter of 2016. We believe the economy is, effectively, normalizing. Although there are challenges going forward, the economy seems to be on a reasonably firm footing.

In Brazil, as the economics continue to be challenging and the tentacles of corruption spread further, the prospects for reform appear to recede. However, what the Fund owns in Brazil is not too economically sensitive, and the investment thesis is principally idiosyncratic.

South African confidence remains depressed because of political uncertainty and an administration that appears to not be business friendly. However, we believe that corporate management in the country continues to be among the best in the emerging markets and we can still find companies that, while based in South Africa, derive a significant portion of their revenues and/or earnings overseas, thereby providing something of a hedge for rand weakness.

The Fund is subject to the risks associated with its investments in emerging markets securities, which tend to be more volatile and less liquid than securities traded in developed countries. The Fund's investments in foreign securities involve risks related to adverse political and economic developments unique to a country or a region, currency fluctuations or controls, and the possibility of arbitrary action by foreign governments, including the takeover of property without adequate compensation or imposition of prohibitive taxation. The Fund is subject to risks associated with investments in derivatives, illiquid securities, and small- or mid-cap companies. The Fund is also subject to inflation risk, market risk, non-diversification risk, and leverage risk. Please see the prospectus for information on these and other risk considerations.

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



David A. Semple
Portfolio Manager



Angus Shillington
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 Fund assets referenced are Total Net Assets as of June 30, 2017.

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

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(unaudited) (continued)

securities in which investments can be made. Results reflect past performance and do not guarantee future results.

¹ On April 1, 2017, the MSCI Emerging Markets Investable Markets Index (MSCI EM IMI) replaced the MSCI Emerging Markets Index (MSCI EM) as the Fund's broad-based benchmark index. The Fund changed indexes as it believes the MSCI EM IMI is more representative of the emerging markets all capitalization universe.

MSCI Emerging Markets Investable Markets Index (MSCI EM IMI) is an all-market capitalization index that is designed to measure equity market performance of 24 emerging markets countries. Emerging markets countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Russia, Qatar, South Africa, Taiwan, Thailand, Turkey, and United Arab Emirates.

² MSCI Emerging Markets Index (MSCI EM) is a free float-adjusted large- and mid-capitalization index that is designed to measure equity market performance of 24 emerging markets countries.

³ Taper tantrum is the term used to refer to the 2013 surge in U.S. Treasury yields, which resulted from the Federal Reserve's use of tapering to gradually reduce the amount of money it was feeding into the economy. The taper tantrum ensued when investors panicked in reaction to news of this tapering and drew their money rapidly out of the bond market, which drastically increased bond yields.

TOP TEN EQUITY HOLDINGS*

June 30, 2017 (unaudited)

Samsung Electronics Co. Ltd.	6.0%
Tencent Holdings Ltd.	5.5%
Alibaba Group Holding Ltd.	5.3%
Naspers Ltd.	3.1%
JD.com, Inc.	2.5%
HDFC Bank Ltd.	2.3%
Taiwan Semiconductor Manufacturing Co. Ltd.	2.2%
Bank Rakyat Indonesia Tbk PT	2.1%
Ping An Insurance Group Co. of China Ltd.	2.0%
CP ALL PCL	2.0%

*Percentage of net assets. Portfolio is subject to change.

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.

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EXPLANATION OF EXPENSES

(unaudited) (continued)

	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 Emerging Markets Fund			
Initial Class			
Actual	\$1,000.00	\$1,257.20	\$6.66
Hypothetical**	\$1,000.00	\$1,018.89	\$5.96
Class S			
Actual	\$1,000.00	\$1,253.30	\$9.78
Hypothetical**	\$1,000.00	\$1,016.12	\$8.75

* Expenses are equal to the Fund's annualized expense ratio (for the six months ended June 30, 2017), of 1.19% on Initial Class Shares and 1.75% on Class S Shares, 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

VANECK VIP EMERGING MARKETS FUND

SCHEDULE OF INVESTMENTS

June 30, 2017 (unaudited)

Number of Shares	Value	Number of Shares	Value
COMMON STOCKS: 87.4%		China / Hong Kong: (continued)	
Argentina: 1.1%		554,000	China Resources Phoenix Healthcare Holdings Co. Ltd. # \$ 682,484
95,500	Grupo Supervielle SA (ADR) \$ 1,726,640	1,044,000	Fu Shou Yuan International Group Ltd. # 629,778
Brazil: 4.4%		345,000	Galaxy Entertainment Group Ltd. # 2,093,909
94,200	BB Seguridade Participacoes SA 814,643	99,650	JD.com, Inc. (ADR) * 3,908,273
105,900	CVC Brasil Operadora e Agencia de Viagens SA 1,035,377	21,200	Kweichow Moutai Co. Ltd. # 1,476,068
188,400	Fleury SA 1,524,079	1,661,600	Man Wah Holdings Ltd. # 1,491,565
505,000	Movida Participacoes SA * 1,524,344	492,000	Ping An Insurance Group Co. of China Ltd. # 3,240,998
40,000	Ouro Fino Saude Animal Participacoes SA 379,728	236,000	Shenzhen International Group Holdings Ltd. # 1,551,788
97,000	Smiles SA 1,767,895	256,000	Sinopharm Group Co. Ltd. # 1,156,585
	7,046,066	18,430	TAL Education Group (ADR) 2,254,173
China / Hong Kong: 31.7%		228,000	Techtronic Industries Co. # 1,047,659
278,000	AIA Group Ltd. # 2,033,948	243,000	Tencent Holdings Ltd. # 8,717,609
59,940	Alibaba Group Holding Ltd. (ADR) * 8,445,546		50,387,555
1,404,000	Beijing Capital International Airport Co. Ltd. # 1,977,476	Egypt: 0.7%	
3,376,000	Beijing Enterprises Water Group Ltd. # 2,619,886	255,750	Commercial International Bank Egypt SAE 1,128,010
447,932	Beijing Originwater Technology Co. Ltd. 1,232,234	India: 6.7%	
3,588,969	China Animal Healthcare Ltd. * # § 0	1,290,000	Ashok Leyland Ltd. # 1,872,597
32,250	China Lodging Group Ltd. (ADR) * 2,601,930	115,000	Cholamandalam Investment and Finance Co. Ltd. # 1,992,319
1,288,000	China Maple Leaf Educational Systems Ltd. # 1,052,213		
1,257,000	China Medical System Holdings Ltd. # 2,173,433		

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

SCHEDULE OF INVESTMENTS

(unaudited) (continued)

Number of Shares	Value	Number of Shares	Value		
India: (continued)		Philippines: 3.0%			
78,000	HDFC Bank Ltd. #	\$ 2,009,145	2,430,000	Ayala Land, Inc. #	\$ 1,914,427
18,600	HDFC Bank Ltd. (ADR)	1,617,642	614,200	International Container Terminal Services, Inc. #	1,189,716
185,800	Phoenix Mills Ltd. #	1,312,577	944,000	Robinsons Retail Holdings, Inc. #	1,625,957
60,000	Strides Shasun Ltd. #	925,758			4,730,100
131,278	Syngene International Ltd. * # Reg S 144A	953,922			
		10,683,960			
Indonesia: 2.5%		Poland: 0.5%			
2,932,000	Bank Rakyat Indonesia Tbk PT #	3,345,512	9,999	KRUK SA #	830,869
1,756,000	Link Net Tbk PT	681,846			
		4,027,358			
Kenya: 1.5%		Russia: 2.6%			
10,666,000	Safaricom Ltd.	2,314,224	262,000	Sberbank of Russia (ADR)	2,722,180
Malaysia: 0.8%		South Africa: 5.3%			
602,000	Malaysia Airports Holdings Bhd	1,200,452	552,944	Advtech Ltd.	754,447
Mexico: 3.5%		South Korea: 1.9%			
140,000	Banregio Grupo Financiero SAB de CV	887,113	32,000	Aspen Pharmacare Holdings Ltd. #	702,153
21,360	Fomento Economico Mexicano SAB de CV (ADR)	2,100,542	25,100	Naspers Ltd. #	4,943,011
476,000	Qualitas Controladora SAB de CV *	793,388	559,000	Rhodes Food Group Pty Ltd. #	973,309
631,000	Unifin Financiera SAPI de CV	1,732,849	947,924	Transaction Capital Ltd.	1,068,747
	SOFOM ENR	5,513,892			8,441,667
Peru: 1.1%		Spain: 1.8%			
9,760	Credicorp Ltd. (USD)	1,750,846	126,803	CIE Automotive SA #	2,915,208

See Notes to Financial Statements

Number of Shares	Value	Number of Shares	Value
Switzerland: 1.6%		United Arab Emirates: 0.5%	
18,300 Luxoft Holding, Inc. (USD) *	\$ 1,113,555	28,500 NMC Health Plc (GBP) #	\$ 812,113
46,900 Wizz Air Holdings Plc (GBP) * #	1,478,964	United Kingdom: 1.6%	
Reg S 144A	<u>2,592,519</u>	56,200 Bank of Georgia Holdings Plc #	2,556,685
		1,235,312 Hirco Plc * # \$	<u>0</u>
			<u>2,556,685</u>
Taiwan: 6.6%		United States: 1.5%	
68,000 Airtac International Group #	803,693	546,300 Samsonite International SA (HKD) #	<u>2,282,330</u>
430,000 Basso Industry Corp. #	1,201,639	Total Common Stocks	
324,000 Chroma ATE, Inc. #	1,043,748	(Cost: \$109,998,943)	<u>138,750,323</u>
14,000 Largan Precision Co. Ltd. #	2,229,004	PREFERRED STOCKS: 7.8%	
135,654 Poya Co. Ltd. #	1,722,008	Brazil: 0.7%	
510,000 Taiwan Semiconductor Manufacturing Co. Ltd. #	<u>3,484,429</u>	101,760 Itau Unibanco Holding SA	<u>1,128,824</u>
	<u>10,484,521</u>	Colombia: 1.1%	
		160,000 Banco Davivienda SA	<u>1,768,278</u>
Thailand: 3.3%		South Korea: 6.0%	
318,000 CP ALL PCL (NVDR) #	587,059	5,863 Samsung Electronics Co. Ltd. #	<u>9,559,609</u>
1,758,000 CP ALL PCL #	3,245,460	Total Preferred Stocks	
932,400 Srisawad Power 1979 PCL (NVDR) #	<u>1,377,887</u>	(Cost: \$9,627,277)	<u>12,456,711</u>
	<u>5,210,406</u>	REAL ESTATE INVESTMENT TRUSTS: 1.4%	
Turkey: 3.2%		Mexico: 1.4%	
136,283 AvivaSA Emeklilik ve Hayat AS	790,945	663,000 Concentradora Hipotecaria SAPI de CV	828,898
192,000 Tofas Turk Otomobil Fabrikasi AS #	1,576,981	766,330 TF Administradora Industrial, S de RL de CV	<u>1,410,735</u>
5,314,043 Turkiye Sinai Kalkinma Bankasi AS #	2,144,720	Total Real Estate Investment Trusts	
80,742 Ulker Biskuvi Sanayi AS #	509,457	(Cost: \$2,406,826)	<u>2,239,633</u>
	<u>5,022,103</u>		

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

SCHEDULE OF INVESTMENTS

(unaudited) (continued)

Number of Shares	Value
MONEY MARKET FUND: 3.9%	
(Cost: \$6,206,281)	
6,206,281 AIM Treasury Portfolio— Institutional Class	\$ 6,206,281
Total Investments: 100.5%	
(Cost: \$128,239,327)	159,652,948
Liabilities in excess of other assets: (0.5)%	(848,731)
NET ASSETS: 100.0%	<u>\$158,804,217</u>

ADR American Depositary Receipt

GBP British Pound

HKD Hong Kong Dollar

NVDR Non-Voting Depositary Receipt

USD United States Dollar

* Non-income producing

Indicates a fair valued security which has been valued in good faith pursuant to guidelines established by the Board of Trustees. The aggregate value of fair valued securities is \$99,100,044 which represents 62.4% of net assets.

§ Illiquid Security — the aggregate value of illiquid securities is \$0 which represents 0.0% of net assets.

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 \$3,491,507, or 2.2% of net assets.

Summary of Investments by Sector	% of Investments	Value
Consumer Discretionary	21.8%	\$ 34,830,184
Consumer Staples	6.6	10,517,852
Financials	23.5	37,462,188
Health Care	6.5	10,368,876
Industrials	7.1	11,279,476
Information Technology	23.2	37,075,268
Materials	0.5	830,230
Real Estate	3.4	5,466,637
Telecommunication Services	1.9	2,996,070
Utilities	1.6	2,619,886
Money Market Fund	3.9	6,206,281
	<u>100.0%</u>	<u>\$159,652,948</u>

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 Stocks				
Argentina	\$ 1,726,640	\$ —	\$ —	\$ 1,726,640
Brazil	7,046,066	—	—	7,046,066
China / Hong Kong	18,442,156	31,945,399	0	50,387,555
Egypt	1,128,010	—	—	1,128,010
India	1,617,642	9,066,318	—	10,683,960
Indonesia	681,846	3,345,512	—	4,027,358
Kenya	2,314,224	—	—	2,314,224
Malaysia	1,200,452	—	—	1,200,452
Mexico	5,513,892	—	—	5,513,892
Peru	1,750,846	—	—	1,750,846
Philippines	—	4,730,100	—	4,730,100
Poland	—	830,869	—	830,869
Russia	4,060,420	—	—	4,060,420
South Africa	1,823,194	6,618,473	—	8,441,667
South Korea	—	3,032,379	—	3,032,379
Spain	—	2,915,208	—	2,915,208
Switzerland	1,113,555	1,478,964	—	2,592,519
Taiwan	—	10,484,521	—	10,484,521
Thailand	—	5,210,406	—	5,210,406
Turkey	790,945	4,231,158	—	5,022,103
United Arab Emirates	—	812,113	—	812,113
United Kingdom	—	2,556,685	0	2,556,685
United States	—	2,282,330	—	2,282,330

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

SCHEDULE OF INVESTMENTS

(unaudited) (continued)

	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value
Preferred Stocks				
Brazil	\$ 1,128,824	\$ —	\$ —	\$ 1,128,824
Colombia	1,768,278	—	—	1,768,278
South Korea	—	9,559,609	—	9,559,609
Real Estate Investment				
Trusts*	2,239,633	—	—	2,239,633
Money Market Fund	6,206,281	—	—	6,206,281
Total	<u>\$60,552,904</u>	<u>\$99,100,044</u>	<u>\$ 0</u>	<u>\$159,652,948</u>

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

During the period ended June 30, 2017, transfers of securities from Level 1 to Level 2 were \$3,484,124 and transfers from Level 2 to Level 1 were \$6,258,112. These transfers resulted primarily from changes in certain foreign securities valuation methodologies between the last close of the securities' primary market (Level 1) and valuation by the pricing service (Level 2), which takes into account market direction or events occurring before the Fund's pricing time but after the last local close, as described in the Notes to Financial Statements.

The following table reconciles the valuation of the Fund's Level 3 investment securities and related transactions during the period ended June 30, 2017:

	Common Stocks	
	China / Hong Kong	United Kingdom
Balance as of December 31, 2016	\$240,669	\$ 0
Realized gain (loss)	—	—
Net change in unrealized appreciation (depreciation)	(240,669)	0
Purchases	—	—
Sales	—	—
Transfers in and/or out of level 3	—	—
Balance as of June 30, 2017	<u>\$ 0</u>	<u>\$ 0</u>

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2017 (unaudited)

Assets:

Investments, at value (Cost \$128,239,327)	\$159,652,948
Cash denominated in foreign currency, at value (Cost \$784,381)	784,211
Receivables:	
Investments sold	1,562,697
Shares of beneficial interest sold	64,987
Dividends	326,908
Prepaid expenses	530
Total assets	<u>162,392,281</u>

Liabilities:

Payables:	
Investments purchased	2,434,946
Shares of beneficial interest redeemed	687,704
Due to Adviser	130,066
Due to Distributor	5
Deferred Trustee fees	48,131
Accrued expenses	287,212
Total liabilities	<u>3,588,064</u>

NET ASSETS \$158,804,217

Initial Class Shares:

Net Assets	<u>\$158,776,004</u>
Shares of beneficial interest outstanding	<u>12,202,907</u>
Net asset value, redemption and offering price per share	<u>\$ 13.01</u>

Class S Shares:

Net Assets	<u>\$ 28,213</u>
Shares of beneficial interest outstanding	<u>2,183</u>
Net asset value, redemption and offering price per share	<u>\$ 12.92</u>

Net Assets consist of:

Aggregate paid in capital	\$136,436,138
Net unrealized appreciation	31,189,079
Undistributed net investment income	331,822
Accumulated net realized loss	(9,152,822)
	<u>\$158,804,217</u>

VANECK VIP EMERGING MARKETS FUND

STATEMENT OF OPERATIONS

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

Income:

Dividends (net of foreign taxes withheld of \$137,794) \$ 1,358,424

Expenses:

Management fees \$700,645
Distribution fees — Class S Shares 25
Transfer agent fees — Initial Class Shares 8,233
Transfer agent fees — Class S Shares 4,998
Custodian fees 48,340
Professional fees 37,247
Reports to shareholders 22,706
Insurance 3,587
Trustees' fees and expenses 7,995
Interest 2
Other 9,181

Total expenses 842,959

Waiver of management fees (4,965)

Net expenses 837,994

Net investment income 520,430

Net realized gain on:

Investments (net of foreign taxes of \$181,480) 4,322,596

Foreign currency transactions and foreign denominated
assets and liabilities 1,503

Net realized gain 4,324,099

Net change in unrealized appreciation (depreciation) on:

Investments (net of foreign taxes of \$14,316) 26,846,884

Foreign currency transactions and foreign denominated
assets and liabilities 1,593

Net change in unrealized appreciation (depreciation) 26,848,477

Net Increase in Net Assets Resulting from Operations \$31,693,006

VANECK VIP EMERGING MARKETS FUND
STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2017	Year Ended December 31, 2016†
	(unaudited)	
Operations:		
Net investment income	\$ 520,430	\$ 874,125
Net realized gain (loss)	4,324,099	(13,267,513)
Net change in unrealized appreciation (depreciation) . .	26,848,477	12,272,064
Net increase (decrease) in net assets resulting from operations	31,693,006	(121,324)
Dividends and Distributions to shareholders from:		
Net investment income		
Initial Class Shares	(628,893)	(572,076)
Class S Shares	(86)	—
	(628,979)	(572,076)
Net realized capital gains		
Initial Class Shares	—	(619,749)
Total dividends and distributions	(628,979)	(1,191,825)
Share transactions*:		
Proceeds from sale of shares		
Initial Class Shares	23,600,800	23,055,188
Class S Shares	13,936	10,010
	23,614,736	23,065,198
Reinvestment of dividends and distributions		
Initial Class Shares	628,893	1,191,825
Class S Shares	86	—
	628,979	1,191,825
Cost of shares redeemed		
Initial Class Shares	(18,236,031)	(29,236,352)
Class S Shares	(112)	—
	(18,236,143)	(29,236,352)
Net increase (decrease) in net assets resulting from share transactions	6,007,572	(4,979,329)
Total increase (decrease) in net assets	37,071,599	(6,292,478)
Net Assets:		
Beginning of period	121,732,618	128,025,096
End of period (including undistributed net investment income of \$331,822 and \$440,371, respectively) . .	\$158,804,217	\$121,732,618
* Shares of beneficial interest issued, reinvested and redeemed (unlimited number of \$.001 par value shares authorized):		
Initial Class Shares:		
Shares sold	1,978,864	2,203,274
Shares reinvested	57,644	126,925
Shares redeemed	(1,532,539)	(2,819,100)
Net increase (decrease)	503,969	(488,901)
Class S Shares:		
Shares sold	1,217	967
Shares reinvested	8	—
Shares redeemed	(9)	—
Net increase	1,216	967

† Inception date of Class S Shares was May 2, 2016.

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period:

	For the Six Months Ended June 30, 2017 (unaudited)	Initial Class Shares				
		Year Ended December 31,				
		2016	2015	2014	2013	2012
Net asset value, beginning of period	\$10.40	\$10.50	\$12.95	\$14.90	\$13.50	\$10.40
Income from investment operations:						
Net investment income	0.04	0.08	0.09	0.10	0.07	0.07
Net realized and unrealized gain (loss) on investments . .	2.62	(0.08)	(1.80)	(0.23)	1.54	3.03
Total from investment operations	2.66	—(b)	(1.71)	(0.13)	1.61	3.10
Less dividends and distributions from:						
Net investment income	(0.05)	(0.05)	(0.07)	(0.08)	(0.21)	—
Net realized capital gains . .	—	(0.05)	(0.67)	(1.74)	—	—
Total dividends and distributions	(0.05)	(0.10)	(0.74)	(1.82)	(0.21)	—
Redemption fees	—	—	—	—	—	—(b)
Net asset value, end of period	\$13.01	\$10.40	\$10.50	\$12.95	\$14.90	\$13.50
Total return (a)	25.72%(c)	0.10%	(13.99)%	(0.41)%	12.02%	29.81%

Ratios/Supplemental Data

Net assets, end of period (000's)	\$158,776	\$121,723	\$128,025	\$153,436	\$167,932	\$171,456
Ratio of gross expenses to average net assets	1.19%(d)	1.18%	1.14%	1.17%	1.23%	1.23%
Ratio of net expenses to average net assets	1.19%(d)	1.18%	1.14%	1.17%	1.23%	1.23%
Ratio of net expenses, excluding interest expense, to average net assets	1.19%(d)	1.19%(e)	1.13%	1.17%	1.22%	1.23%
Ratio of net investment income to average net assets	0.74%(d)	0.70%	0.71%	0.69%	0.56%	0.55%
Portfolio turnover rate	26%(c)	62%	65%	85%	83%	93%

(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

(e) Excludes reimbursement from prior year custodial charge of 0.02%

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period:

	Class S Shares	
	For the Six Months Ended June 30, 2017	May 2, 2016 (a) through December 31, 2016
	(unaudited)	
Net asset value, beginning of period	\$10.36	\$10.35
Income from investment operations:		
Net investment income	0.01	0.01
Net realized and unrealized gain (loss) on investments	2.60	—(b)
Total from investment operations	2.61	0.01
Less dividends from:		
Net investment income	(0.05)	—
Net asset value, end of period	<u>\$12.92</u>	<u>\$10.36</u>
Total return (c)	25.33%(d)	0.10%(d)
Ratios/Supplemental Data		
Net assets, end of period (000's)	\$ 28	\$ 10
Ratio of gross expenses to average net assets	50.58%(e)	30.43%(e)
Ratio of net expenses to average net assets	1.75%(e)	1.75%(e)
Ratio of net expenses, excluding interest expense, to average net assets	1.75%(e)	1.75%(e)
Ratio of net investment income to average net assets	0.28%(e)	0.12%(e)
Portfolio turnover rate	26%(d)	62%(d)(f)

(a) Commencement of operations

(b) Amount represents less than \$0.005 per share

(c) 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.

(d) Not annualized

(e) Annualized

(f) Portfolio turnover is calculated at the fund level and represents a one year period

VANECK VIP EMERGING MARKETS FUND

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 Emerging Markets Fund (the “Fund”) is a diversified series of the Trust and seeks long-term capital appreciation by investing primarily in equity securities in emerging markets around the world. The Fund currently offers two classes of shares: Initial Class Shares and Class S Shares. The two classes are identical except Class S Shares are subject to a distribution fee.

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. 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. 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 (as described below). Certain foreign securities, whose values may be affected by market direction or events occurring before the Fund’s pricing time (4:00 p.m. Eastern Time) but after the last close of the securities’ primary market, are fair valued using a pricing service and are categorized as Level 2 in the fair value hierarchy. The pricing service, using methods approved by the Board of Trustees, considers the correlation of the trading patterns of the foreign security to intraday trading in the U.S. markets, based on indices of domestic securities and other appropriate indicators such as prices of relevant ADR’s and futures

contracts. The Fund may also fair value securities in other situations, such as, when a particular foreign market is closed but the Fund is open. 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. 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:

VANECK VIP EMERGING MARKETS FUND

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

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. 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. 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 foreign currency transactions and foreign denominated assets and liabilities in the Statement of Operations.

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.

E. Restricted Securities—The Fund may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-

consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted securities, if any, is included at the end of the Fund's Schedule of Investments.

F. Warrants—The Fund may invest in warrants whose values are linked to indices or underlying instruments. The Fund may use these warrants to gain exposure to markets that might be difficult to invest in through conventional securities. Warrants may be more volatile than their linked indices or underlying instruments. Potential losses are limited to the amount of the original investment. At June 30, 2017, the Fund held no warrants.

G. 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. The Fund held no derivative instruments during the period ended June 30, 2017.

H. Other—Security transactions are accounted for on trade date. Dividend income is recorded on the ex-dividend date except that certain dividends from foreign securities are recognized upon notification of the ex-dividend date. Interest income, including amortization of premiums and discounts, is accrued as earned. Realized gains and losses are calculated on the specific 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.

VANECK VIP EMERGING MARKETS FUND

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

Income, expenses (excluding class-specific expenses), realized and unrealized gains (losses) are allocated proportionately to each class of shares based upon the relative net asset value of outstanding shares of each class at the beginning of the day (after adjusting for current capital share activity of the respective classes). Class-specific expenses are charged directly to the applicable class of shares.

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 Fund's average daily net assets. 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 1.50% of average daily net assets for Initial Class Shares and 1.75% of average daily net assets for Class S Shares. For the period ended June 30, 2017, the Adviser waived management fees in the amount of \$4,965.

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—12b-1 Plan of Distribution—The Trust and the Distributor are parties to a distribution agreement dated May 1, 2006. The Fund has adopted a Distribution Plan (the "Plan") for Class S Shares in accordance with Rule 12b-1 under the 1940 Act. Pursuant to the Plan, the Fund is authorized to incur distribution expenses for its Class S Shares which will principally be payments to securities dealers who have sold shares and serviced shareholder accounts and payments to the Distributor for reimbursement of other actual promotion and distribution expenses incurred by the Distributor on behalf of the Fund. The amount paid in any one year is 0.25% of average daily net assets for Class S Shares.

Note 5—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 \$36,285,729 and \$34,954,018, respectively.

Note 6—Income Taxes—For Federal income tax purposes, the identified cost of investments owned at June 30, 2017 was \$128,583,687 and net unrealized appreciation aggregated to \$31,069,261, of which \$37,105,525 related to appreciated securities and \$6,036,264 related to depreciated securities.

The tax character of dividends and distributions paid to shareholders for the year ended December 31, 2016 was as follows:

Ordinary income	\$ 579,946
Long-term capital gains	611,879
	<u>\$1,191,825</u>

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
<u>\$7,990,296</u>	<u>\$5,263,942</u>

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 7—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 securities transaction clearance and settlement practices, and future adverse political and economic developments. These risks are heightened for investments in emerging market 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.

VANECK VIP EMERGING MARKETS FUND

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

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 shareholder account of one insurance company and the Adviser, respectively, owned approximately 55% and 44% of the Fund’s Class S Shares. The aggregate shareholder accounts of two insurance companies owned approximately 67% and 16% of the Initial Class Shares.

Note 8—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 9—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 Fund had no borrowings under the Facility.

Note 10—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 11—Subsequent Event Review—The Fund has evaluated subsequent events and transactions for potential recognition or disclosure through the date the financial statements were issued.

**VANECK VIP EMERGING MARKETS 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"), and (iii) an appropriate benchmark 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;

APPROVAL OF ADVISORY AGREEMENT

(unaudited) (continued)

- 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

APPROVAL OF ADVISORY AGREEMENT

(unaudited) (continued)

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, based on a review of comparative annualized total returns, that the Fund had outperformed its Category and Peer Group medians over the five- and ten-year periods, but had underperformed its Category and Peer Group medians for the one- and three-year periods. The Board also noted that the Fund had outperformed its benchmark index over the five-year period but had underperformed its benchmark index for the one-, three-, and ten-year periods. The Board concluded that the performance of the Fund was satisfactory.

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 lower than the median advisory fee rate and the median expense ratio for its Peer Group. The Board also noted that the advisory fee rate for the Fund was equal to the median advisory fee rate for its Category while the total expense ratio, net of waivers or reimbursements, for the Fund was higher than the median expense ratio for its Category. The Board also noted 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 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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