VanEck™

SEMI-ANNUAL REPORT
June 30, 2016
(unaudited)

VanEck VIP Trust

VanEck VIP Global Hard Assets Fund

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VANECK VIP GLOBAL HARD ASSETS FUND

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, 2016.

Dear Shareholder:

The Initial Class shares of the VanEck VIP Global Hard Assets Fund (the "Fund") gained 28.35% for the six months ended June 30, 2016, outperforming the S&P® North American Natural Resources Sector Index[1] (SPGINRTR) which gained 19.56% for the same period.

Several key aspects that contributed to outperformance of the Fund relative to its primary benchmark were overweight positions and outperformances in the gold and diversified metals and mining sub-sector. An overweight position and stock selection in the oil and gas production and exploration sub-sector also contributed significantly to outperformance.

At the end of the six-month period, energy was the Fund's largest sector weighting, although this exposure remained underweight compared to its benchmark. The Fund ended the period with its overall energy exposure having decreased during the first six months of 2016 to approximately 56% from approximately 63% at the end of 2015. During the same six-month period, the Fund's exposure to gold equities increased from just over 12% to approximately 21%.

Over the first six months of 2016, the Fund's exposure to gold equities increased significantly as confidence in the effectiveness of gold mining companies' management teams in addressing the twin issues of high capex[2] and high debt levels continued to increase. The Fund's exposure to the diversified metals and mining sub-sector also increased. Within the energy sector, the Fund's exposures to the oil and gas storage and transportation, refining and marketing, and equipment and services sub-sectors all decreased.

At the end of the period, within energy, the Fund was significantly overweight the oil and gas exploration and production sub-sector, but underweight each of the oil and gas storage and transportation, refining and marketing, and equipment and services sub-sectors. It also was significantly underweight integrated oil and gas companies, with no allocation to the sub-sector at period end (as during the whole of the six-month period under review). At period end, the Fund was also significantly overweight the gold and the diversified metals and mining, fertilizers and agricultural chemicals, steel, and forest products sub-sectors.

It should be noted that the Fund continues to employ a diversified natural resource (as opposed to an energy-oriented) strategy, and has been historically underweight energy relative to the SPGINRTR, the Fund's benchmark index. For example, the benchmark, which excludes both the chemicals industry and steel sub-industry, was approximately 81% energy as of June 30, 2016, whereas the Fund was approximately 56% energy. In comparison, the S&P® Global Natural Resources Index[3] (SPGNRUT), which was approximately one third energy as of June 30, 2016, returned 16.49% for the six-month period.

Overview

The market spent the first six months of the year (and especially the second quarter) under the twin shadows and uncertainties of Brexit[4] and the U.S. presidential elections.

The most significant macroeconomic factor influencing the market in which the Fund invested was the continued extraordinary accommodation extended by central banks around the world. In addition, supply and demand, particularly for oil and gas, continued to rebalance. Both these proved positive for commodities. In addition, a weaker U.S. dollar (against emerging markets currencies) during the first half was generally beneficial for the hard assets space.

For many, the Brexit referendum on June 23 (the result of which was U.K. voters rejecting continuing membership of the European Union) was seen as a defining moment. Perhaps surprisingly, its immediate effect was less than cataclysmic and commodities have remained resilient. It remains to be seen, however, just what the long-term effects of the vote will be.

During the period under review, all of these factors were hugely beneficial for gold. When these factors are taken together with the continuing restructuring and strategic improvements they have been undertaking, gold mining companies also benefited. Over the six-month period, gold mining companies performed better than the metal itself.

The U.S. rig count continued to drop in the early part of the year before appearing to bottom at the end of May only to rebound thereafter. Almost 1,600 rigs throughout the U.S. have been taken out of commission and we remain at very near historically low levels. Any rebound will necessarily be incremental.

Despite lackluster prospects for economic growth in both Europe and the U.S.—although economic growth in the U.S. was somewhat stronger in the second quarter than it was in the first—the demand for crude oil and gasoline has been remarkably strong.

Concerns that a flood of Iranian crude oil could swamp the market proved unfounded. While supply from the country did come on reasonably strongly, it was not enough to offset supply disruptions in the market during the period. These included pipeline outages in Nigeria, wild fires in Canada that hit oil sands production particularly hard, reduced supply from Libya on the back of persistent political uncertainty, and supply from Venezuela reduced further still because of both the country's dire economic circumstances and continued drilling challenges.

Base metal companies continued to restructure, cleaning up balance sheets, streamlining operations, and focusing more on profitability. In addition, they continued to sell off assets and reduce their debt levels. Among the base metals, zinc's supply and demand came into better alignment, because Glencore (3.2% of Fund net assets†) stopped producing the metal at one of its major mines.

On the back of the finding by the U.S. Department of Commerce that government subsidies and dumping were occurring, tariffs were imposed on imports of steel into the U.S., particularly those from China. U.S. steel stocks have benefited accordingly.

While grain prices (soy, corn, and wheat) were strong in the first half of the year, this did not necessarily translate into strong equity prices, as uncertainty persisted in the market. Soy beans were strong on the back of both very good demand (especially from China) and a less abundant than expected South American crop. Corn, too, experienced a weaker than expected crop in South America. Large U.S. planting intentions and beneficial early weather put the risks to the downside for both corn and soy beans.

Fund Review

The three strongest positive contributing sub-sectors to the Fund's performance were gold, oil and gas exploration and production, and diversified metals and mining.

The three weakest contributing sub-sectors to the Fund's performance were fertilizers and agricultural chemicals, oil and gas refining and marketing, and semiconductor (solar) equipment.

The Fund's three strongest contributing individual positions were all gold mining companies. In order, these were: Agnico Eagle Mines (4.9% of Fund net assets†), which benefited from strong operational performance, its continued focus on cost reduction, and its engineering-related restructuring; Barrick Gold (3.2% of Fund net assets†), which benefited from the restructuring it has been undertaking and its leverage to gold prices; and Randgold Resources (3.3% of Fund net assets†), which also benefited from strong operational performance and from the continuing strength of its balance sheet.

The Fund's three weakest contributors were CF Industries Holdings (1.6% of Fund net assets†), a fertilizer and agricultural chemicals company which was hit by concerns about both Chinese production (which continued unabated) and the value of the Renminbi, in addition to concerns around nitrogen prices; Valero Energy (sold by the Fund during the period), an oil and gas refining and marketing company which suffered from the rebound in crude oil prices; and SunEdison, a solar company, also sold by the Fund during the period.

Significant purchases by the Fund were made in the oil and gas exploration and production and gold sub-sectors. These saw new positions taken in PDC Energy (2.3% of Fund net assets†) and Hess (2.4% of Fund net assets†). A new position was taken in gold mining company Newmont Mining (2.3% of Fund net assets†).

The Fund's largest sales during the period were the oil and gas refining and marketing company Valero Energy, the oil and gas equipment and services company Baker Hughes, and the oil and gas storage and transportation company Kinder Morgan (all eliminated by the Fund by period end).

During the six-month period under review, the Fund's positions in the gold, diversified metals and mining, and oil and gas exploration and production sub-sectors displayed the most significant increases. Within the energy sector, the oil and gas equipment and services, storage and transportation, and refining and marketing sub-sectors all saw notable decreases in allocation. The fertilizers and agricultural chemicals sub-sector also saw a notable decrease in allocation. The Fund had exited entirely from the semiconductor equipment (solar) sub-sector by June 30, 2016.

Outlook

The U.K.'s historic Brexit decision on June 23 was clearly one of the most important events during the quarter. Currently our London-listed and GBP-denominated exposure represents approximately 4.8% of Fund net assets. While this exposure is comprised of securities traded in British sterling, none of these companies is physically domiciled in the U.K. or has material revenue or costs denominated in British pounds. We believe that we were prudently positioned going into this vote given a gold equities exposure of approximately 19.5%, one of the highest allocations since the inception of our hard assets strategy. Furthermore, the high-quality, companies (i.e., strong balance sheets and long-term structural growth stories) in our other sectors are likely to prove relatively resilient during the period of uncertainty that will follow the vote.

While global economic growth trends are put at risk by the result of the vote, we continue to believe that, as we have seen over the last few years, demand for commodities will remain solid in the face of moderate GDP progression. Further output constraint in crude, base metals and some bulk materials could possibly be exacerbated by this murky outlook that may tighten commodity markets and support prices. In addition, the U.S. Federal Reserve will maintain and perhaps increase its extraordinary accommodative policies that may continue to put pressure on the U.S. dollar which may be stimulating to emerging markets and commodity demand.

It is important to note that while base metal mining companies have continued to put their houses in order, doing so has not been only theme. In February, at one mining conference we attended, while the companies continued to talk about restructuring, there was less talk about capex and working capital reductions, and more talk about asset closures and sales. By May, at another conference, the rhetoric had changed quite significantly. Approximately 60% of the companies talked just about restructuring, while 40% spoke about it being “business as usual” (driving operations, efficiencies, etc.) and just delivering on guided numbers.

Toward the end of the first quarter, and during the second, we visited a number of prospective and existing clients. One of the most common reasons given for not investing in gold is that it does not yield anything. It was therefore interesting to hear a number of investors say that they were now seriously considering an investment in gold because, with negative interest rates, it does not cost anything to hold.

As an indication of just how sentiment appears to have changed, among the most common questions asked was: “Did I miss it?” The question was not whether the Fund had missed the rebound, but whether they, the prospective clients, had.

While we still believe there is room for optimism, we also believe that this should still remain tempered when it comes to supply and demand rebalancing in the oil and gas sector. It remains too easy to fall into the trap of thinking that a 10%, or even a 50%, increase in a U.S. onshore oil rig count of fewer than 350 can restore the balance, and to forget that, to plumb its current depths, the rig count has actually dropped from its highs by a total of some 1,600 rigs. It is going to take an increase of considerably more than 150-200 rigs to bring back any growth in production. Maybe not all 1,600 rigs, but perhaps at least half of them; crude will also need to be between anywhere from $50 to $60 a barrel.

Finally, we held our inaugural and very successful investor conference (focusing on energy) in Houston at the end of May to which we invited a number of leading CEOs from the space. One of the main themes we explored during the day was “Surviving and Thriving through the Current Downturn,” with special reference to the oil and gas industry here in the U.S. The very fact that we could both hold the conference and discuss this theme provides proof that there are such companies that can survive and thrive through the current downturn.

One of the main pillars of our investment philosophy continues to be to look for long-term growth and the structural enhancement in intrinsic value in the companies in which we invest. Even in today’s market conditions this continues to be one of our guiding tenets. Since we remain convinced that positioning our portfolio for the future, and not just reacting to current circumstances, is of paramount importance, our focus across the sectors in which we invest remains on companies that can navigate commodity price volatility and help grow sustainable net asset value.

The Fund is subject to risks associated with concentrating its investments in hard assets and the hard assets sector, including real estate, precious metals, and natural resources, and can be significantly affected by events relating to these industries, including international political and economic developments, inflation, and other factors. The Fund’s portfolio securities may experience substantial price fluctuations as a result of these factors, and may move independently of the trends of industrialized companies.

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 derivative, commodity-linked instruments, and illiquid securities. 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 very much appreciate your continued investment in the VanEck VIP Global Hard Assets Fund, and we look forward to helping you meet your investment goals in the future.

Shawn Reynolds
Portfolio Manager

Charles T. Cameron
Deputy Portfolio Manager

July 19, 2016

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.

† All Fund assets referenced are Total Net Assets as of June 30, 2016.

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 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. 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 S&P® North American Natural Resources Sector (SPGINRTR) Index includes mining, energy, paper and forest products, and plantation-owning companies but excludes the chemicals industry and steel sub-industry.

2 Capital expenditure, or capex, are funds used by a company to acquire or upgrade physical assets such as property, industrial buildings or equipment. It is often used to undertake new projects or investments by the firm.

3 S&P® Global Natural Resources Index (SPGNRUT) includes 90 of the largest publicly traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified and investable equity exposure across three primary commodity-related sectors: agribusiness, energy and metals and mining.

4 British withdrawal from the European Union.

TOP TEN EQUITY HOLDINGS*

June 30, 2016 (unaudited)

Agnico-Eagle Mines Ltd.	4.9%
Pioneer Natural Resources Co.	4.6%
Cimarex Energy Co.	4.1%
Halliburton Co.	4.0%
Newfield Exploration Co.	4.0%
Concho Resources, Inc.	3.9%
Diamondback Energy, Inc.	3.9%
EOG Resources, Inc.	3.8%
Schlumberger NV	3.6%
Parsley Energy, Inc.	3.5%

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

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, 2016 to June 30, 2016.

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.

EXPLANATION OF EXPENSES

(unaudited) (continued)

		Beginning Account Value January 1, 2016	Ending Account Value June 30, 2016	Expenses Paid During the Period* January 1, 2016 - June 30, 2016
VanEck VIP Global Hard Assets Fund				
Initial Class	Actual	$1,000.00	$1,283.50	$6.25
	Hypothetical**	$1,000.00	$1,019.39	$5.52
Class S	Actual	$1,000.00	$1,282.30	$7.60
	Hypothetical**	$1,000.00	$1,018.20	$6.72

* Expenses are equal to the Fund's annualized expense ratio (for the six months ended June 30, 2016), of 1.10% on Initial Class Shares, and 1.34% 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

Number of Shares		Value
COMMON STOCKS: 95.1%		
Bermuda: 0.5%		
118,700	Golar LNG Ltd. (USD)	$ 1,839,850
Canada: 20.4%		
27,822	Agnico-Eagle Mines Ltd.	1,488,922
308,100	Agnico-Eagle Mines Ltd. (USD)	16,483,350
78,100	Agrium, Inc. (USD)	7,061,802
546,100	Barrick Gold Corp. (USD)	11,659,235
868,400	Eldorado Gold Corp. (USD)	3,907,800
1,377,200	First Quantum Minerals Ltd.	9,668,489
620,700	Goldcorp, Inc. (USD)	11,873,991
915,900	Kinross Gold Corp. (USD) *	4,478,751
885,300	New Gold, Inc. (USD) *	3,877,614
37,150	Osisko Gold Royalties Ltd.	485,672
332,800	Teck Resources Ltd. (USD)	4,382,976
		75,368,602
Kuwait: 1.1%		
3,890,609	Kuwait Energy Plc (GBP) * # § ø	3,940,362
Monaco: 0.2%		
193,300	Scorpio Tankers, Inc. (USD)	811,860
South Africa: 0.6%		
1,373,700	Petra Diamonds Ltd. (GBP) #	2,120,074
Switzerland: 3.2%		
5,715,665	Glencore Xstrata Plc (GBP) * #	11,780,658
United Kingdom: 3.3%		
108,500	Randgold Resources Ltd. (ADR)	$ 12,156,340
United States: 65.8%		
189,900	Anadarko Petroleum Corp.	10,112,175
251,000	CF Industries Holdings, Inc.	6,049,100
125,500	Cimarex Energy Co.	14,974,660
203,700	Commercial Metals Co.	3,442,530
121,950	Concho Resources, Inc. *	14,544,976
485,100	Consol Energy, Inc.	7,805,259
156,100	Diamondback Energy, Inc. *	14,237,881
169,600	EOG Resources, Inc.	14,148,032
332,400	Freeport-McMoRan Copper & Gold, Inc.	3,702,936
115,300	Green Plains Renewable Energy, Inc.	2,273,716
278,100	Gulfport Energy Corp. *	8,693,406
325,600	Halliburton Co.	14,746,424
145,800	Hess Corp.	8,762,580
576,600	Laredo Petroleum, Inc. *	6,042,768
468,200	Louisiana-Pacific Corp. *	8,123,270
685,200	Nabors Industries Ltd.	6,886,260
332,350	Newfield Exploration Co. *	14,683,223
216,500	Newmont Mining Corp.	8,469,480
471,400	Parsley Energy, Inc. *	12,756,084
132,300	Patterson-UTI Energy, Inc.	2,820,636

SCHEDULE OF INVESTMENTS

(unaudited) (continued)

Number of Shares		Value
United States: (continued)		
149,300	PDC Energy, Inc. *	$ 8,601,173
112,000	Pioneer Natural Resources Co.	16,935,520
30,500	RSP Permian, Inc. *	1,064,145
166,200	Schlumberger Ltd.	13,143,096
139,100	SM Energy Co.	3,755,700
223,900	Steel Dynamics, Inc.	5,485,550
227,000	Sunrun, Inc. *	1,346,110
291,700	Superior Energy Services, Inc.	5,370,197
40,500	Union Pacific Corp.	3,533,625
		242,510,512
Total Common Stocks (Cost: $348,363,614)		350,528,258
MONEY MARKET FUND: 5.8% (Cost: $21,302,320)		
21,302,320	AIM Treasury Portfolio — Institutional Class	$ 21,302,320
Total Investments: 100.9% (Cost: $369,665,934)		371,830,578
Liabilities in excess of other assets: (0.9)%		(3,492,895)
NET ASSETS: 100.0%		$368,337,683

ADR American Depositary Receipt
GBP British Pound
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 $17,841,094 which represents 4.8% of net assets.

§ Illiquid Security — the aggregate value of illiquid securities is $3,940,362 which represents 1.1% of net assets.

ø Restricted Security — the aggregate value of restricted securities is $3,940,362, or 1.1% of net assets.

Restricted securities held by the Fund as of June 30, 2016 are as follows:

Security	Acquisition Date	Number of Shares	Acquisition Cost	Value	% of Net Assets
Kuwait Energy Plc	08/06/2008	3,890,609	$11,764,893	$3,940,362	1.1%

Summary of Investments by Sector (unaudited)	% of Investments	Value
Energy	56.2%	$208,949,983
Industrials	1.3	4,879,735
Materials	36.8	136,698,540
Money Market Fund	5.7	21,302,320
	100.0%	$371,830,578

The summary of inputs used to value the Fund's investments as of June 30, 2016 is as follows:

	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value
Common Stocks				
Bermuda	$ 1,839,850	$ —	$ —	$ 1,839,850
Canada	75,368,602	—	—	75,368,602
Kuwait	—	—	3,940,362	3,940,362
Monaco	811,860	—	—	811,860
South Africa	—	2,120,074	—	2,120,074
Switzerland	—	11,780,658	—	11,780,658
United Kingdom	12,156,340	—	—	12,156,340
United States	242,510,512	—	—	242,510,512
Money Market Fund	21,302,320	—	—	21,302,320
Total	$353,989,484	$13,900,732	$3,940,362	$371,830,578

There were no transfers between levels during the period ended June 30, 2016.

The following table reconciles the valuation of the Fund's Level 3 investment securities and related transactions during the period ended June 30, 2016:

	Common Stocks	
	Brazil	Kuwait
Balance as of December 31, 2015	$ 0	$3,457,955
Realized gain (loss)	—	—
Net change in unrealized appreciation (depreciation)	—	482,407
Purchases	—	—
Sales	0	—
Transfers in and/or out of level 3	—	—
Balance as of June 30, 2016	$ —	$3,940,362

SCHEDULE OF INVESTMENTS
(unaudited) (continued)

The following table presents additional information about valuation methodologies and inputs used for investments that are measured at fair value and categorized within Level 3 as of June 30, 2016:

	Value as of June 30, 2016	Valuation Technique	Unobservable Input Description(1)	Unobservable Input	Impact to Valuation from an Increase in Input(2)
Common Stocks					
Kuwait	$3,940,362	Market Comparable Transactions	Entitlement Multiple	9.00x	Increase
			Interest Multiple	1.45x	Increase
			Control Discount	20%	Decrease
			Marketability Discount	10%	Decrease
		Guideline Public Companies	Entitlement Multiple	7.00x - 12.00x	Increase
			Interest Multiple	0.55x - 3.40x	Increase
			Marketability Discount	10%	Decrease

(1) In determining certain of these inputs, management evaluates a variety of factors including economic condition, industry and market developments, market valuations of comparable companies and company specific developments.

(2) This column represents the directional change in the fair value of the Level 3 investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases or decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2016 (unaudited)

Assets:	
Investments, at value (Cost $369,665,934)	$371,830,578
Cash	10,342
Cash denominated in foreign currency, at value (Cost $21)	21
Receivables:	
Shares of beneficial interest sold	530,893
Dividends	227,673
Prepaid expenses	74
Total assets	372,599,581
Liabilities:	
Payables:	
Shares of beneficial interest redeemed	3,477,824
Due to Adviser	294,493
Due to Distributor	29,368
Deferred Trustee fees	123,956
Accrued expenses	336,257
Total liabilities	4,261,898
NET ASSETS	$368,337,683
Initial Class Shares:	
Net Assets	$214,771,821
Shares of beneficial interest outstanding	9,962,069
Net asset value, redemption and offering price per share	$ 21.56
Class S Shares:	
Net Assets	$153,565,862
Shares of beneficial interest outstanding	7,361,855
Net asset value, redemption and offering price per share	$ 20.86
Net Assets consist of:	
Aggregate paid in capital	$461,099,496
Net unrealized appreciation	2,164,656
Accumulated net investment loss	(366,305)
Accumulated net realized loss	(94,560,164)
	$368,337,683

STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2016 (unaudited)

Income:		
Dividends (net of foreign taxes withheld of $44,211)		$ 1,553,465
Expenses:		
Management fees	$1,511,510	
Distribution fees — Class S Shares	142,318	
Transfer agent fees — Initial Class Shares	14,263	
Transfer agent fees — Class S Shares	7,243	
Custodian fees	6,313	
Professional fees	47,198	
Reports to shareholders	44,827	
Insurance	12,362	
Trustees' fees and expenses	9,062	
Other	3,701	
Total expenses	1,798,797	
Net investment loss		(245,332)
Net realized loss on:		
Investments		(41,084,847)
Foreign currency transactions and foreign denominated assets and liabilities		(1,840)
Net realized loss		(41,086,687)
Net change in unrealized appreciation (depreciation) on		
Investments		118,834,139
Foreign currency transactions and foreign denominated assets and liabilities		101
Net change in unrealized appreciation (depreciation)		118,834,240
Net Increase in Net Assets Resulting from Operations		$ 77,502,221

See Notes to Financial Statements

STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2016 (unaudited)	Year Ended December 31, 2015
Operations:		
Net investment income (loss)	$ (245,332)	$ 1,263,161
Net realized loss	(41,086,687)	(43,267,357)
Net change in unrealized appreciation (depreciation)	118,834,240	(93,377,920)
Net increase (decrease) in net assets resulting from operations	77,502,221	(135,382,116)
Dividends to shareholders from:		
Net investment income		
Initial Class Shares	(800,315)	(76,223)
Class S Shares	(456,585)	(33,963)
Total dividends	(1,256,900)	(110,186)
Share transactions*:		
Proceeds from sale of shares		
Initial Class Shares	24,039,849	76,350,511
Class S Shares	55,111,440	45,544,897
	79,151,289	121,895,408
Reinvestment of dividends		
Initial Class Shares	800,315	76,223
Class S Shares	456,585	33,963
	1,256,900	110,186
Cost of shares redeemed		
Initial Class Shares	(33,486,596)	(85,135,234)
Class S Shares	(22,551,958)	(26,916,943)
	(56,038,554)	(112,052,177)
Net increase in net assets resulting from share transactions	24,369,635	9,953,417
Total increase (decrease) in net assets	100,614,956	(125,538,885)
Net Assets:		
Beginning of period	267,722,727	393,261,612
End of period (including undistributed (accumulated) net investment income (loss) of $(366,305) and $1,135,927, respectively)	$368,337,683	$267,722,727
*** Shares of beneficial interest issued, reinvested and redeemed (unlimited number of $.001 par value shares authorized):**		
Initial Class Shares:		
Shares sold	1,311,339	3,387,554
Shares reinvested	49,586	3,123
Shares redeemed	(1,832,599)	(3,801,553)
Net decrease	(471,674)	(410,876)
Class S Shares:		
Shares sold	2,923,684	2,106,383
Shares reinvested	29,212	1,433
Shares redeemed	(1,194,827)	(1,298,862)
Net increase	1,758,069	808,954

See Notes to Financial Statements

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period:

	For the Six Months Ended June 30, 2016 (unaudited)	Initial Class Shares Year Ended December 31, 2015	2014	2013	2012	2011
Net asset value, beginning of period	$16.88	$25.37	$31.39	$29.13	$30.75	$37.67
Income from investment operations:						
Net investment income (loss)	(0.01)(b)	0.10	0.06	0.08(b)	0.15(b)	0.04(b)
Net realized and unrealized gain (loss) on investments	4.77	(8.58)	(6.05)	2.95	1.00	(6.09)
Total from investment operations	4.76	(8.48)	(5.99)	3.03	1.15	(6.05)
Less dividends and distributions from:						
Net investment income	(0.08)	(0.01)	(0.03)	(0.20)	(0.18)	(0.42)
Net realized capital gains	—	—	—	(0.57)	(2.59)	(0.45)
Total dividends and distributions	(0.08)	(0.01)	(0.03)	(0.77)	(2.77)	(0.87)
Redemption fees	—	—	—	—	—(c)	—(c)
Net asset value, end of period	$21.56	$16.88	$25.37	$31.39	$29.13	$30.75
Total return (a)	28.35%(d)	(33.45)%	(19.10)%	10.53%	3.39%	(16.45)%
Ratios/Supplemental Data						
Net assets, end of period (000's)	$214,772	$176,087	$275,099	$336,763	$354,487	$926,630
Ratio of gross expenses to average net assets	1.10%(e)	1.05%	1.06%	1.09%	1.03%	0.92%
Ratio of net expenses to average net assets	1.10%(e)	1.05%	1.06%	1.09%	1.03%	0.92%
Ratio of net expenses, excluding interest expense, to average net assets	1.10%(e)	1.05%	1.06%	1.09%	1.03%	0.92%
Ratio of net investment income (loss) to average net assets	(0.07)%(e)	0.43%	0.19%	0.27%	0.50%	0.11%
Portfolio turnover rate	21%(d)	21%	31%	31%	29%	38%

(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) Calculated based upon average shares outstanding
(c) Amount represents less than $0.005 per share
(d) Not annualized
(e) Annualized

See Notes to Financial Statements

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period:

	For the Six Months Ended June 30, 2016 (unaudited)	Class S Shares Year Ended December 31, 2015	2014	2013	2012	2011
Net asset value, beginning of period	$16.35	$24.64	$30.55	$28.38	$30.10	$36.95
Income from investment operations:						
Net investment income (loss)	(0.03)(b)	0.04	(0.02)	0.01(b)	0.13(b)	(0.06)(b)
Net realized and unrealized gain (loss) on investments	4.62	(8.32)	(5.89)	2.88	0.92	(5.96)
Total from investment operations	4.59	(8.28)	(5.91)	2.89	1.05	(6.02)
Less dividends and distributions from:						
Net investment income	(0.08)	(0.01)	—	(0.15)	(0.18)	(0.38)
Net realized capital gains	—	—	—	(0.57)	(2.59)	(0.45)
Total dividends and distributions	(0.08)	(0.01)	—	(0.72)	(2.77)	(0.83)
Redemption fees	—	—	—	—	—(c)	—(c)
Net asset value, end of period	$20.86	$16.35	$24.64	$30.55	$28.38	$30.10
Total return (a)	28.23%(d)	(33.62)%	(19.35)%	10.30%	3.11%	(16.69)%
Ratios/Supplemental Data						
Net assets, end of period (000's)	$153,566	$91,635	$118,163	$122,407	$86,241	$47,818
Ratio of gross expenses to average net assets	1.34%(e)	1.31%	1.32%	1.34%	1.34%	1.26%
Ratio of net expenses to average net assets	1.34%(e)	1.31%	1.32%	1.34%	1.34%	1.26%
Ratio of net expenses, excluding interest expense, to average net assets	1.34%(e)	1.31%	1.32%	1.34%	1.34%	1.26%
Ratio of net investment income (loss) to average net assets	(0.32)%(e)	0.17%	(0.06)%	0.03%	0.47%	(0.18)%
Portfolio turnover rate	21%(d)	21%	31%	31%	29%	38%

(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) Calculated based upon average shares outstanding
(c) Amount represents less than $0.005 per share
(d) Not annualized
(e) Annualized

See Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

June 30, 2016 (unaudited)

Note 1—Fund Organization—VanEck VIP Trust (formerly Van Eck 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 Global Hard Assets Fund (the "Fund") is a diversified series of the Trust and seeks long-term capital appreciation by investing primarily in hard asset securities. The Fund 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 carried 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 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 Standard 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 considers the correlation of the trading patterns of the foreign security to intraday trading in the U.S. market, 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 obligations with more than sixty days remaining to maturity are valued at market value. Short-term obligations 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 classified as Level 1 in the fair value hierarchy. Securities for which quotations are not available are stated at fair value as determined by the Pricing Committee of Van Eck Associates Corporation (the “Adviser”). The Pricing Committee 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 for which market prices are not readily available. 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, 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 for 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. 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. **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, 2016.

G. **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. Realized gains and losses are calculated on the specific identified cost basis. Interest income, including amortization of premiums and discounts, is accrued as earned. The Fund received redemption fees from Class R1 Shares prior to its closing on April 30, 2012 which are reflected in the Financial Highlights.

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 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 to, at least until May 1, 2017, waive management fees and/or assume expenses (excluding acquired fund fees and expenses, interest expense, trading expenses, dividends and interest payments on securities sold short, taxes, and extraordinary expenses) from exceeding 1.20% for the Initial Class Shares and 1.45% for the Class S Shares. For the period ended June 30, 2016, no management fees were waived nor were any expenses assumed by the Adviser. Certain of the officers and trustees of the Trust are officers, directors or stockholders of the Adviser and Van Eck Securities Corporation (the “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, 2016, the cost of purchases and proceeds from sales of investments, excluding U.S. government securities and short-term obligations, aggregated $77,198,610 and $63,582,978, respectively.

Note 6—Income Taxes—For Federal income tax purposes, the identified cost of investments owned at June 30, 2016 was $376,860,979 and net unrealized depreciation aggregated to $5,030,401 of which $86,705,754 related to appreciated securities and $91,736,155 related to depreciated securities.

The tax character of dividends and distributions paid to shareholders for the year ended December 31, 2015 was as follows:

Ordinary income	$110,186

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

At December 31, 2015, 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
$36,756,233	$9,523,447

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 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, 2016, 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.

The United Kingdom recently decided to leave the European Union (“EU”), creating economic and political uncertainty in its wake. Significant uncertainty exists regarding the timing of the United Kingdom’s withdrawal from the EU and the effects such withdrawal will have on the Euro, European economies and the global markets. 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.

The Fund may concentrate its investments in companies which are significantly engaged in the exploration, development, production and distribution of gold and other natural resources such as strategic and other metals, minerals, forest products, oil, natural gas and coal and by investing in gold bullion and coins. Since the Fund may so concentrate, it may be subject to greater risks and market fluctuations than other more diversified portfolios. The production and marketing of gold and other natural resources may be affected by actions and changes in governments. In addition, gold and natural resources may be cyclical in nature.

At June 30, 2016, the aggregate shareholder accounts of three insurance companies own approximately 52%, 23% and 5% of the Initial Class Shares and four insurance companies own approximately 40%, 34%, 12% and 5% of the Class S 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” in the Statement of Operations. The liability for the Deferred Plan is shown as “Deferred Trustee fees” in 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, 2016, the Fund had no borrowings under the Facility.

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.

VANECK VIP GLOBAL HARD ASSETS 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, 2016, 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 2, 2016 and June 22 and 23, 2016 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

APPROVAL OF ADVISORY AGREEMENT
June 30, 2016 (unaudited) (continued)

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 ended March 31, 2016 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 sub-group 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) an additional benchmark index that includes relevant exposures not otherwise reflected in the benchmark index (the "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, 2015 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 which is being finalized and will document the Adviser's processes for the suitable escalation, remediation and communication of a cybersecurity event 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);

APPROVAL OF ADVISORY AGREEMENT

June 30, 2016 (unaudited) (continued)

- 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 UCITs, 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, 2016, and the advisory fee and expense ratio data is as of the Fund's fiscal year end of December 31, 2015.

Performance. The Board noted, based on a review of comparative annualized total returns, that the Fund had outperformed its Category and Peer Group median over the ten-year period, but had underperformed its Category and Peer median over the one-, three- and five-year periods. The Board also noted that the Fund had underperformed its benchmark index over all periods under review. The Board further noted that the Fund had outperformed its Additional Index over the ten-year period, but had underperformed its Additional Index for the one-, three-, five-year periods. The Board noted that the Fund's performance in recent years has been adversely affected by a prevailing bear market for commodities and that the Adviser is actively evaluating various investment techniques that may be used to enhance returns in such "risk-off" market environments. The Board concluded that additional time is needed for the Adviser to complete its evaluation of these techniques and to implement appropriate actions in light of such evaluation.

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 has agreed to waive fees or pay expenses of the Fund through April 2017 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 Funds invest and the volatility of cash flows into and out of the Funds 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, which includes breakpoints, 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 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 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 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 Trust's (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 http://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 http://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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