



ANNUAL REPORT
December 31, 2016

VanEck VIP Trust

VanEck VIP Global Hard Assets 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 December 31, 2016.

PRIVACY NOTICE

(unaudited)

FACTS	WHAT DOES VANECK DO WITH YOUR PERSONAL INFORMATION?			
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.			
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> ■ Social Security number and account balances ■ assets and payment history ■ risk tolerance and transaction history 			
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons VanEck chooses to share; and whether you can limit this sharing.			
Reasons we can share your personal information	Does VanEck share?	Can you limit this sharing?	To limit our sharing	Questions?
For our everyday business purposes —such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No	Call us at 800.826.2333. <i>Please note:</i> If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.	800.826.2333
For our marketing purposes —to offer our products and services to you	Yes	No		
For joint marketing with other financial companies	Yes	No		
For our affiliates' everyday business purposes —information about your transactions and experiences	Yes	No		
For our affiliates' everyday business purposes —information about your creditworthiness	No	We don't share		
For our affiliates to market to you	Yes	Yes		
For nonaffiliates to market to you	No	We don't share		

PRIVACY NOTICE

(unaudited) (continued)

Who we are	
Who is providing this notice?	Van Eck Associates Corporation, its affiliates and funds sponsored or managed by Van Eck (collectively "VanEck").
What we do	
How does VanEck protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does VanEck collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none">■ open an account or give us your income information■ provide employment information or give us your contact information■ tell us about your investment or retirement portfolio We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only <ul style="list-style-type: none">■ sharing for affiliates' everyday business purposes—information about your creditworthiness■ affiliates from using your information to market to you■ sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account—unless you tell us otherwise.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none">■ Our affiliates include companies with a VanEck name such as Van Eck Securities Corporation and others such as MV Index Solutions GmbH.
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none">■ VanEck does not share with nonaffiliates so they can market to you.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none">■ Our joint marketing partners include financial services companies.
Other important information	
<p>California Residents—In accordance with California law, we will not share information we collect about California residents with nonaffiliates except as permitted by law, such as with the consent of the customer or to service the customer's accounts. We also will limit the sharing of information about you with our affiliates to the extent required by applicable California law.</p> <p>Vermont Residents—In accordance with Vermont law, we will not share information we collect about Vermont residents with nonaffiliates except as permitted by law, such as with the consent of the customer or to service the customer's accounts. We will not share creditworthiness information about Vermont residents among VanEck's affiliates except with the authorization or consent of the Vermont resident.</p>	

Dear Shareholder:

The Initial Class shares of the VanEck VIP Global Hard Assets Fund (the “Fund”) gained 43.71% for the 2016 calendar year, outperforming the S&P® North American Natural Resources Sector Index (SPGINRTR)¹ which gained 30.87%.

As 2016 unfolded, there were increasing signs that the global economy and equity markets had become accustomed to rolling economic and geopolitical risks and, by year-end, had begun to discount incipient signs and hopes of a more robust global GDP outlook. As the year drew to a close, the deflation/inflation “conversation” shifted from being strongly deflationary to including a degree of valid concern about the prospect of forthcoming inflation. Taken together with the continued rebalancing of supply and demand (particularly for oil and gas), all these factors proved, for the most part, positive for commodities.

Several key contributors of Fund performance were positions in the energy sector and metals and mining industry. Perhaps most notable was the Fund’s contributions from strategic allocations to gold equities – positions which comprised 12% of the Fund’s net assets at the beginning of the year to just over 22% by mid-year. While this exposure was eventually reduced to under 9% by year end, this marked one of the highest weightings to the space since the Fund’s inception and was also a top driver of Fund performance on the year.

Market Overview

Energy

Placing OPEC’s (Organization of Petroleum Exporting Countries) November meeting in context, we believe it could well be described as “historic.” Until the meeting in November, OPEC was essentially defunct as an effective institution and, while it may have brought it to its knees originally, it was the Saudis who resurrected it. In the short term, \$40/barrel oil had become unbearable, with OPEC’s members unable to meet their own fiscal obligations, and Saudi Arabia suffering the most. In the longer term, \$40/barrel oil provided the majors and national oil companies, in particular, little incentive to establish any sort of stable, longer-term oil supply to support demand growth or avoid future oil price spikes.

Despite the balance of risks and data that came out in 2016 leaning to the down side, demand for crude oil and gasoline remained resilient in the face of both anemic global GDP and GDP outlook. The U.S., the largest consumer of crude oil and petroleum products, was particularly robust

VANECK VIP GLOBAL HARD ASSETS FUND

(unaudited) (continued)

with recent weekly gasoline consumption figures reaching all-time record levels – remarkable for the “non-driving season” month of December.

Metals and Mining

Despite strong share price performance, the global mining sector continued its corporate-level restructuring, with the strengthening of balance sheets and reduction of operating costs the main focus.

However, signs are now becoming apparent that at least some companies are starting to focus again on growth.

Base metals remained more or less strong over the course of the year. Following somewhat of a stuttering start, they strengthened into the end of the year, reflecting some of the production cuts that were part of the continuing multi-year restructuring in the industry. Among the base metals, zinc’s supply and demand came into better alignment, not least because Glencore (4.3% of Fund net assets[†]) significantly reduced production of the metal at one of its major mines and demand remained solid. Copper, too, had a good year in 2016.

Gold had a roller-coaster of a year in 2016. For the first half, it benefited from continued monetary easing, stimulus policies, and the erosion of confidence in the ability of central banks to deliver global growth. However, this, then, turned around when it became very apparent that the Fed was going to raise rates and the U.S. dollar started to strengthen.

Agriculture

A very healthy corn and wheat crop in North America put pressure both on prices and companies engaged in activities ancillary to these commodities – be they related either to input or output.

While these prices may have been, in part, helpful and stimulative for proteins, they too had their own supply issues with cattle markets, in particular, under pressure from oversupply. The U.S. cattle herd, having dropped in number drastically three or four years ago, has now completely rebounded.

Fund Review

The Fund’s top contributors were all metals and mining companies. Glencore, a diversified mining company, and First Quantum (3.4% of Fund net assets[†]), a copper producer, benefited from both commodity price support and continued, and expanded, strategic structural optimization. Gold company Agnico Eagle Mines (2.2% of Fund net assets[†]), together with robust gold prices earlier in the year, benefited

from its continued focus on cost reduction and strong operational performance.

The Fund's top detractors were: CF Industries Holdings (2.0% of Fund net assets[†]), a fertilizer and agricultural chemicals company which was hit by softer pricing related to nitrogen oversupply; 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 new purchases by the Fund were made in the gold and oil and gas exploration and production sub-industries including new positions in Newmont Mining (2.2% of Fund net assets[†]) and PDC Energy (3.0% of Fund net assets[†]). The Fund's largest sales during the period included oil and gas exploration and production company Anadarko Petroleum and oil and gas refining and marketing company Valero Energy (both fully exited before year-end).

Outlook

As we have always said, our fund does not necessarily need economic and market winds at our back to deliver performance, we just need gale-force winds in our face to dissipate. While we believe the balance of risks at the beginning of the year paid homage to past fears, as the year progressed, markets began underwriting a more positive tilt, seeing a glass half-full rather than half-empty.

As we look out over 2017, and even further ahead, we believe it is extremely important to keep in mind that the depths of gloom plumbed in February 2016 marked the low point in probably one of the deepest and certainly longest downturns in history in the commodity markets. However, as these markets improve, we expect their emergence and rebound not to be short lived. Indeed, we consider that the fundamentals of a commodity bull market are, essentially, all now firmly anchored in place.

The supply response to massive, multi-year capital underinvestment is already apparent and will become ever more so, with lasting production implications. However, the deep corporate restructuring that we have seen over the last couple of years is improving both operating and financial performance.

We think it is difficult to overemphasize that when it comes to the deep corporate restructuring that has been, and continues to be, undertaken in response to weak commodity prices, companies have responded in an almost unprecedented fashion. Since debt levels had raised existential

VANECK VIP GLOBAL HARD ASSETS FUND

(unaudited) (continued)

risks, companies unabashedly pursued an all-of-the-above approach to balance sheet repair, including the elimination of dividend distributions and share repurchase programs, as well as issuing equity and using other novel financial engineering. In our view, this could lead to much stronger operational and financial results as companies emerge from this historical down-turn.

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
January 23, 2017



Charles T. Cameron
Deputy Portfolio Manager

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 December 31, 2016.

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.

VANECK VIP GLOBAL HARD ASSETS FUND

TOP TEN EQUITY HOLDINGS*

December 31, 2016 (unaudited)

Halliburton Co.	4.4%
Glencore plc	4.3%
Nabors Industries Ltd.	4.3%
Diamondback Energy, Inc.	3.9%
Parsley Energy, Inc.	3.7%
Patterson-UTI Energy, Inc.	3.7%
Pioneer Natural Resources Co.	3.5%
Cimarex Energy Co.	3.5%
EOG Resources, Inc.	3.5%
Schlumberger NV	3.5%

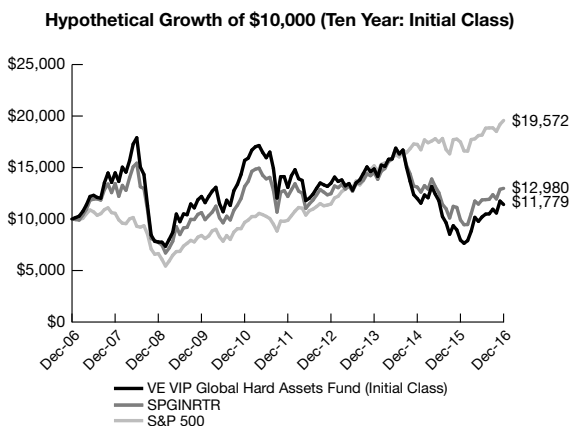
* Percentage of net assets. Portfolio is subject to change.

PERFORMANCE COMPARISON

December 31, 2016 (unaudited)

This chart shows the value of a hypothetical \$10,000 investment in the Fund over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The result is compared with the Fund's benchmark, and may include a broad-based market index.

Performance of Class S shares will vary from that of the Initial Class shares due to differences in class specific fees and any applicable sales charges.



Average Annual Total Return 12/31/16

	Fund Initial Class	SPGINRTR	S&P 500
One Year	43.71%	30.87%	11.96%
Five Year	(2.43)%	1.26%	14.66%
Ten Year	1.65%	2.64%	6.95%

Average Annual Total Return 12/31/16

	Fund Class S	SPGINRTR	S&P 500
One Year	43.41%	30.87%	11.96%
Five Year	(2.68)%	1.26%	14.66%
Ten Year	1.33%	2.64%	6.95%

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. Performance information current to the most recent month end is available by calling 800.826.2333 or by visiting vaneck.com.

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 that are not reflected in this report or in the Fund's performance, since they are not direct expenses of the Fund. 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.

VANECK VIP GLOBAL HARD ASSETS FUND

PERFORMANCE COMPARISON

(unaudited) (continued)

All indices listed are unmanaged indices 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.

The S&P® North American Natural Resources Sector (SPGINRTR) Index includes mining, energy, paper and forest products, and plantation-owning companies.

The S&P 500® Index consists of 500 widely held common stocks covering industrial, utility, financial and transportation sectors.

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, July 1, 2016 to December 31, 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.

VANECK VIP GLOBAL HARD ASSETS FUND

EXPLANATION OF EXPENSES

(unaudited) (continued)

		Beginning Account Value July 1, 2016	Ending Account Value December 31, 2016	Expenses Paid During the Period* July 1, 2016 - December 31, 2016
VanEck VIP Global Hard Assets Fund				
Initial Class	Actual	\$1,000.00	\$1,119.70	\$5.49
	Hypothetical**	\$1,000.00	\$1,019.96	\$5.23
Class S	Actual	\$1,000.00	\$1,118.40	\$6.76
	Hypothetical**	\$1,000.00	\$1,018.75	\$6.44

* Expenses are equal to the Fund's annualized expense ratio (for the six months ended December 31, 2016), of 1.03% on Initial Class Shares, and 1.27% 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

SCHEDULE OF INVESTMENTS

Number of Shares	Value	Number of Shares	Value
COMMON STOCKS: 96.7%		United Kingdom: 1.1%	
Bermuda: 0.7%		57,300	Randgold Resources Ltd. (ADR) <u>\$ 4,374,282</u>
116,500	Golar LNG Ltd. (USD) <u>\$ 2,672,510</u>	United States: 70.0%	
Canada: 14.2%		262,000	Callon Petroleum Co. * 4,026,940
27,822	Agnico-Eagle Mines Ltd. 1,169,740	247,000	CF Industries Holdings, Inc. 7,775,560
183,600	Agnico-Eagle Mines Ltd. (USD) 7,711,200	101,700	Cimarex Energy Co. 13,821,030
76,500	Agrium, Inc. (USD) 7,692,075	100,550	Concho Resources, Inc. * 13,332,930
276,100	Barrick Gold Corp. (USD) 4,412,078	476,300	Consol Energy, Inc. 8,682,949
1,355,200	First Quantum Minerals Ltd. 13,474,785	152,600	Diamondback Energy, Inc. * 15,421,756
324,100	Goldcorp, Inc. (USD) 4,407,760	135,900	EOG Resources, Inc. 13,739,490
688,400	Kinross Gold Corp. (USD) * 2,140,924	327,100	Freeport-McMoRan Copper & Gold, Inc. * 4,314,449
563,000	New Gold, Inc. (USD) * 1,970,500	176,600	Green Plains Renewable Energy, Inc. 4,918,310
667,100	Teck Resources Ltd. (USD) <u>13,362,013</u>	273,500	Gulfport Energy Corp. * 5,918,540
	<u>56,341,075</u>	320,600	Halliburton Co. 17,341,254
France: 0.6%		143,500	Hess Corp. 8,938,615
335,200	Vallourec SA * # <u>2,303,176</u>	665,100	Laredo Petroleum, Inc. * 9,404,514
Kuwait: 1.5%		353,700	Louisiana-Pacific Corp. * 6,695,541
3,890,609	Kuwait Energy Plc (GBP) * # \$ ø <u>6,069,240</u>	1,035,500	Nabors Industries Ltd. 16,982,200
Luxembourg: 1.1%		297,650	Newfield Exploration Co. * 12,054,825
119,600	Tenaris SA (ADR) <u>4,270,916</u>	252,200	Newmont Mining Corp. 8,592,454
Monaco: 0.5%		420,900	Parsley Energy, Inc. * 14,832,516
430,300	Scorpio Tankers, Inc. (USD) <u>1,949,259</u>	550,800	Patterson-UTI Energy, Inc. 14,827,536
South Africa: 0.8%		163,300	PDC Energy, Inc. * 11,852,314
1,746,945	Petra Diamonds Ltd. (GBP) * # <u>3,353,557</u>	77,600	Pioneer Natural Resources Co. 13,973,432
Switzerland: 6.2%			
5,048,665	Glencore Xstrata Plc (GBP) * # 17,058,848		
1,477,800	Weatherford International Plc (USD) * <u>7,374,222</u>		
	<u>24,433,070</u>		

See Notes to Financial Statements

VANECK VIP GLOBAL HARD ASSETS FUND

SCHEDULE OF INVESTMENTS

(continued)

<u>Number of Shares</u>	<u>Value</u>	<u>Number of Shares</u>	<u>Value</u>
United States: (continued)		REAL ESTATE INVESTMENT TRUST: 0.2%	
90,800 RSP Permian, Inc. *	\$ 4,051,496	(Cost: \$976,798)	
163,500 Schlumberger Ltd.	13,725,825	United States: 0.2%	
252,500 SM Energy Co.	8,706,200	49,500 Hannon Armstrong Sustainable Infrastructure Capital, Inc.	\$ 940,005
220,000 Steel Dynamics, Inc.	7,827,600	MONEY MARKET FUND: 3.3%	
228,000 Sunrun, Inc. *	1,210,680	(Cost: \$12,853,994)	
440,600 Superior Energy Services, Inc.	7,437,328	12,853,994 AIM Treasury Portfolio — Institutional Class	12,853,994
53,500 Tyson Foods, Inc.	3,299,880	Total Investments: 100.2%	
40,000 Union Pacific Corp.	4,147,200	(Cost: \$349,838,730) 397,414,448	
	<u>277,853,364</u>	Liabilities in excess of other assets: (0.2)% (617,686)	
Total Common Stocks (Cost: \$336,007,938)	<u>383,620,449</u>	NET ASSETS: 100.0% <u>\$396,796,762</u>	
		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 \$28,784,821 which represents 7.3% of net assets.

§ Illiquid Security — the aggregate value of illiquid securities is \$6,069,240 which represents 1.5% of net assets.

o Restricted Security — the aggregate value of restricted securities is \$6,069,240, or 1.5% of net assets.

See Notes to Financial Statements

Restricted securities held by the Fund as of December 31, 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	\$6,069,240	1.5%

Summary of Investments by Sector (unaudited)

	% of Investments	Value
Consumer Staples	0.8%	\$ 3,299,880
Energy	65.1	258,629,323
Financials	0.2	940,005
Industrials	1.4	5,357,880
Materials	29.3	116,333,366
Money Market Fund	3.2	12,853,994
	<u>100.0%</u>	<u>\$397,414,448</u>

The summary of inputs used to value the Fund's investments as of December 31, 2016 is as follows:

	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value
Common Stocks				
Bermuda	\$ 2,672,510	\$ —	\$ —	\$ 2,672,510
Canada	56,341,075	—	—	56,341,075
France	—	2,303,176	—	2,303,176
Kuwait	—	—	6,069,240	6,069,240
Luxembourg	4,270,916	—	—	4,270,916
Monaco	1,949,259	—	—	1,949,259
South Africa	—	3,353,557	—	3,353,557
Switzerland	7,374,222	17,058,848	—	24,433,070
United Kingdom	4,374,282	—	—	4,374,282
United States	277,853,364	—	—	277,853,364
Real Estate Investment Trust*	940,005	—	—	940,005
Money Market Fund	12,853,994	—	—	12,853,994
Total	<u>\$368,629,627</u>	<u>\$22,715,581</u>	<u>\$6,069,240</u>	<u>\$397,414,448</u>

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

There were no transfers between levels during the year ended December 31, 2016.

VANECK VIP GLOBAL HARD ASSETS FUND

SCHEDULE OF INVESTMENTS

(continued)

The following table reconciles the valuation of the Fund's Level 3 investment securities and related transactions during the year ended December 31, 2016:

	Common Stocks	
	Brazil	Kuwait
Balance as of December 31, 2015	\$ 0	\$3,457,955
Realized gain (loss)	(508,890)	—
Net change in unrealized appreciation (depreciation)	508,890	2,611,285
Purchases	—	—
Sales	0	—
Transfers in and/or out of level 3	—	—
Balance as of December 31, 2016	<u>\$ —</u>	<u>\$6,069,240</u>

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 December 31, 2016:

	Value as of December 31, 2016	Valuation Technique	Unobservable Input Description⁽¹⁾	Unobservable Input	Impact to Valuation from an Increase in Input⁽²⁾
Common Stocks					
Kuwait	\$6,069,240	Guideline Public Companies	Entitlement Multiple Working Interest Multiple Marketability Discount	5.50x-10.25x 0.40x-3.00x 10%	Increase Increase 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

December 31, 2016

Assets:

Investments, at value (Cost \$349,838,730)	\$397,414,448
Cash	21,079
Cash denominated in foreign currency, at value (Cost \$20)	20
Receivables:	
Investments sold	23,052
Shares of beneficial interest sold	466,180
Dividends	256,048
Prepaid expenses	8,147
Total assets	398,188,974

Liabilities:

Payables:	
Investments purchased	46,019
Shares of beneficial interest redeemed	625,956
Due to Adviser	342,377
Due to Distributor	37,182
Deferred Trustee fees	127,727
Accrued expenses	212,951
Total liabilities	1,392,212

NET ASSETS **\$396,796,762**

Initial Class Shares:

Net Assets	\$224,611,824
Shares of beneficial interest outstanding	9,303,455
Net asset value, redemption and offering price per share	\$ 24.14

Class S Shares:

Net Assets	\$172,184,938
Shares of beneficial interest outstanding	7,379,941
Net asset value, redemption and offering price per share	\$ 23.33

Net Assets consist of:

Aggregate paid in capital	\$445,991,016
Net unrealized appreciation	47,575,748
Accumulated net investment loss	(127,727)
Accumulated net realized loss	(96,642,275)
	\$396,796,762

VANECK VIP GLOBAL HARD ASSETS FUND

STATEMENT OF OPERATIONS

For the Year Ended December 31, 2016

Income:

Dividends (net of foreign taxes withheld of \$81,517) \$ 2,796,508

Expenses:

Management fees \$3,417,965

Distribution fees — Class S Shares 346,091

Transfer agent fees — Initial Class Shares 27,139

Transfer agent fees — Class S Shares 11,705

Custodian fees 3,734

Professional fees 60,756

Reports to shareholders 55,043

Insurance 22,021

Trustees' fees and expenses 5,807

Other 14,429

Total expenses 3,964,690

Net investment loss (1,168,182)

Net realized loss on:

Investments (43,167,552)

Foreign currency transactions and foreign denominated
assets and liabilities (1,229)

Net realized loss (43,168,781)

Net change in unrealized appreciation (depreciation) on:

Investments 164,245,213

Foreign currency transactions and foreign
denominated assets and liabilities 119

Net change in unrealized appreciation (depreciation) 164,245,332

Net Increase in Net Assets Resulting

from Operations \$119,908,369

STATEMENT OF CHANGES IN NET ASSETS

	Year Ended December 31, 2016	Year Ended December 31, 2015
Operations:		
Net investment income (loss)	\$ (1,168,182)	\$ 1,263,161
Net realized loss	(43,168,781)	(43,267,357)
Net change in unrealized appreciation (depreciation) . .	<u>164,245,332</u>	<u>(93,377,920)</u>
Net increase (decrease) in net assets resulting from operations	<u>119,908,369</u>	<u>(135,382,116)</u>
Dividends to shareholders from:		
Net investment income		
Initial Class Shares	(800,315)	(76,223)
Class S Shares	<u>(456,585)</u>	<u>(33,963)</u>
Total dividends	<u>(1,256,900)</u>	<u>(110,186)</u>
Share transactions*:		
Proceeds from sale of shares		
Initial Class Shares	53,363,374	76,350,511
Class S Shares	<u>90,975,754</u>	<u>45,544,897</u>
	<u>144,339,128</u>	<u>121,895,408</u>
Reinvestment of dividends		
Initial Class Shares	800,315	76,223
Class S Shares	<u>456,585</u>	<u>33,963</u>
	<u>1,256,900</u>	<u>110,186</u>
Cost of shares redeemed		
Initial Class Shares	(77,331,352)	(85,135,234)
Class S Shares	<u>(57,842,110)</u>	<u>(26,916,943)</u>
	<u>(135,173,462)</u>	<u>(112,052,177)</u>
Net increase in net assets resulting from share transactions	<u>10,422,566</u>	<u>9,953,417</u>
Total increase (decrease) in net assets	<u>129,074,035</u>	<u>(125,538,885)</u>
Net Assets:		
Beginning of year	<u>267,722,727</u>	<u>393,261,612</u>
End of year (including undistributed (accumulated) net investment income (loss) of \$(127,727) and \$1,135,927, respectively)	<u>\$396,796,762</u>	<u>\$267,722,727</u>
* Shares of beneficial interest issued, reinvested and redeemed (unlimited number of \$.001 par value shares authorized):		
Initial Class Shares:		
Shares sold	2,574,457	3,387,554
Shares reinvested	49,586	3,123
Shares redeemed	<u>(3,754,331)</u>	<u>(3,801,553)</u>
Net decrease	<u>(1,130,288)</u>	<u>(410,876)</u>
Class S Shares:		
Shares sold	4,535,734	2,106,383
Shares reinvested	29,212	1,433
Shares redeemed	<u>(2,788,791)</u>	<u>(1,298,862)</u>
Net increase	<u>1,776,155</u>	<u>808,954</u>

See Notes to Financial Statements

VANECK VIP GLOBAL HARD ASSETS FUND

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each year:

	Initial Class Shares				
	Year Ended December 31,				
	2016	2015	2014	2013	2012
Net asset value, beginning of year	\$16.88	\$25.37	\$31.39	\$29.13	\$30.75
Income from investment operations:					
Net investment income (loss)	(0.05)	0.10	0.06	0.08(b)	0.15(b)
Net realized and unrealized gain (loss) on investments	<u>7.39</u>	<u>(8.58)</u>	<u>(6.05)</u>	<u>2.95</u>	<u>1.00</u>
Total from investment operations	<u>7.34</u>	<u>(8.48)</u>	<u>(5.99)</u>	<u>3.03</u>	<u>1.15</u>
Less dividends and distributions from:					
Net investment income	(0.08)	(0.01)	(0.03)	(0.20)	(0.18)
Net realized capital gains . . .	<u>—</u>	<u>—</u>	<u>—</u>	<u>(0.57)</u>	<u>(2.59)</u>
Total dividends and distributions	<u>(0.08)</u>	<u>(0.01)</u>	<u>(0.03)</u>	<u>(0.77)</u>	<u>(2.77)</u>
Redemption fees	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—(c)</u>
Net asset value, end of year . . .	<u>\$24.14</u>	<u>\$16.88</u>	<u>\$25.37</u>	<u>\$31.39</u>	<u>\$29.13</u>
Total return (a)	43.71%	(33.45)%	(19.10)%	10.53%	3.39%

Ratios/Supplemental Data

Net assets, end of year (000's)	\$224,612	\$176,087	\$275,099	\$336,763	\$354,487
Ratio of gross expenses to average net assets	1.06%	1.05%	1.06%	1.09%	1.03%
Ratio of net expenses to average net assets	1.06%	1.05%	1.06%	1.09%	1.03%
Ratio of net expenses, excluding interest expense, to average net assets	1.06%	1.05%	1.06%	1.09%	1.03%
Ratio of net investment income (loss) to average net assets . . .	(0.24)%	0.43%	0.19%	0.27%	0.50%
Portfolio turnover rate	45%	21%	31%	31%	29%

(a) Total return is calculated assuming an initial investment made at the net asset value at the beginning of the year, 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 year. 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

See Notes to Financial Statements

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each year:

	Class S Shares				
	Year Ended December 31,				
	2016	2015	2014	2013	2012
Net asset value,					
beginning of year	<u>\$16.35</u>	<u>\$24.64</u>	<u>\$30.55</u>	<u>\$28.38</u>	<u>\$30.10</u>
Income from investment operations:					
Net investment income (loss)	(0.09)	0.04	(0.02)	0.01(b)	0.13(b)
Net realized and unrealized gain (loss) on investments	<u>7.15</u>	<u>(8.32)</u>	<u>(5.89)</u>	<u>2.88</u>	<u>0.92</u>
Total from investment operations	<u>7.06</u>	<u>(8.28)</u>	<u>(5.91)</u>	<u>2.89</u>	<u>1.05</u>
Less dividends and distributions from:					
Net investment income	(0.08)	(0.01)	—	(0.15)	(0.18)
Net realized capital gains	—	—	—	<u>(0.57)</u>	<u>(2.59)</u>
Total dividends and distributions	<u>(0.08)</u>	<u>(0.01)</u>	<u>—</u>	<u>(0.72)</u>	<u>(2.77)</u>
Redemption fees	—	—	—	—	—(c)
Net asset value, end of year	<u>\$23.33</u>	<u>\$16.35</u>	<u>\$24.64</u>	<u>\$30.55</u>	<u>\$28.38</u>
Total return (a)	43.41%	(33.62)%	(19.35)%	10.30%	3.11%

Ratios/Supplemental Data

Net assets,					
end of year (000's)	\$172,185	\$91,635	\$118,163	\$122,407	\$86,241
Ratio of gross expenses to average net assets	1.30%	1.31%	1.32%	1.34%	1.34%
Ratio of net expenses to average net assets	1.30%	1.31%	1.32%	1.34%	1.34%
Ratio of net expenses, excluding interest expense, to average net assets	1.30%	1.31%	1.32%	1.34%	1.34%
Ratio of net investment income (loss) to average net assets	(0.50)%	0.17%	(0.06)%	0.03%	0.47%
Portfolio turnover rate	45%	21%	31%	31%	29%

(a) Total return is calculated assuming an initial investment made at the net asset value at the beginning of the year, 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 year. 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

See Notes to Financial Statements

VANECK VIP GLOBAL HARD ASSETS FUND

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

Note 1—Fund Organization—VanEck VIP Trust (the “Trust”) (formerly Van Eck VIP 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 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 of these securities. Depending on the relative significance of valuation inputs, these securities may be classified either as Level 2 or Level 3 in the fair value hierarchy. The price which the Fund may realize upon sale of an investment may differ materially from the value presented in the Schedule of Investments.

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

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

VANECK VIP GLOBAL HARD ASSETS FUND

NOTES TO FINANCIAL STATEMENTS

(continued)

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 year ended December 31, 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. Interest income, including amortization of premiums and discounts, is accrued as earned. Realized gains and losses are calculated on the specific identified cost basis. 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

VANECK VIP GLOBAL HARD ASSETS FUND

NOTES TO FINANCIAL STATEMENTS

(continued)

be made against the Fund that have not yet occurred. However, the Adviser believes the risk of loss under these arrangements to be remote.

Note 3—Investment Management and Other Agreements—The Adviser is the investment adviser to the Fund. The Adviser receives a management fee, calculated daily and payable monthly based on an annual rate of 1.00% of the first \$500 million of average daily net assets, 0.90% of the next \$250 million of average daily net assets and 0.70% of the average daily net assets in excess of \$750 million. The Adviser has agreed, until at least May 1, 2017, to voluntarily 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 1.20% for Initial Class Shares and 1.45% for Class S Shares. For the year ended December 31, 2016, no management fees were waived nor were any expenses assumed by the Adviser.

In addition, Van Eck Securities Corporation, an affiliate of the Adviser, acts as the Fund's distributor (the "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 year ended December 31, 2016, the cost of purchases and proceeds from sales of investments, excluding U.S. government securities and short-term obligations, aggregated to \$152,037,608 and \$147,718,149, respectively.

Note 6—Income Taxes—For Federal income tax purposes, the identified cost of investments owned at December 31, 2016 was \$365,373,037 and net unrealized appreciation aggregated to \$32,041,411, of which \$99,222,455 related to appreciated securities and \$67,181,044 related to depreciated securities.

At December 31, 2016, the components of accumulated earnings, on a tax basis, were as follows:

Undistributed ordinary income	\$ —
Accumulated capital losses	(81,107,970)
Other temporary differences	(127,725)
Unrealized appreciation	<u>32,041,441</u>
Total	<u>\$(49,194,254)</u>

The tax character of dividends and distributions paid to shareholders was as follows:

	Year Ended December 31, 2016	Year Ended December 31, 2015
Ordinary income	<u>\$1,256,900</u>	<u>\$110,186</u>

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
\$74,232,956	\$6,875,014

During the year ended December 31, 2016, as a result of permanent book to tax differences, the Fund decreased accumulated net investment loss by \$1,161,428, increased accumulated net realized loss on investments by \$17 and decreased aggregated paid in capital by \$1,161,411. Net assets were not affected by this reclassification. These differences are primarily due to foreign currency transactions and net operating losses.

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 year ended December 31, 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

VANECK VIP GLOBAL HARD ASSETS FUND

NOTES TO FINANCIAL STATEMENTS

(continued)

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 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.

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.

At December 31, 2016, the aggregate shareholder accounts of three insurance companies owned approximately 52%, 22%, and 8% of the Initial Class Shares and four insurance companies owned approximately 40%, 32%, 13%, and 6% 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” 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 year ended December 31, 2016, the Fund had no outstanding borrowings under the Facility.

Note 10—Recent Accounting Pronouncements and Regulatory Requirements— The Fund adopted Accounting Standards Update No. 2014-15 (“ASU 2014-15”), *Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern*, which requires management to assess the Fund’s ability to continue as a going concern and to provide related disclosures in certain circumstances. Under the new standard, disclosures are required when conditions give rise to substantial doubt about a company’s ability to continue as a going concern within one year from the financial statement issuance date. Based on management’s evaluation, there are no conditions or events that could adversely affect the Fund’s ability to meet its obligations within one year after the date the financial statements are issued. Accordingly, no disclosures are required specific to going concern uncertainties in the Fund’s financial statements.

In October 2016, the Securities and Exchange Commission (the “SEC”) released its Final Rule on Investment Company Reporting Modernization (the “Rule”). The Rule, which introduces two new regulatory reporting forms for investment companies – Form N-PORT and Form N-CEN – also contains amendments to Regulation S-X which impact financial statement presentation, particularly the presentation of derivative investments. Although still evaluating the impact of the Rule, management believes that many of the Regulation S-X amendments are consistent with the Fund’s current financial statement presentation and expects that the Fund will be able to comply with the Rule’s Regulation S-X amendments by the August 1, 2017 compliance date.

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.

REPORT OF INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM

**The Board of Trustees of VanEck VIP Trust and
Shareholders of VanEck VIP Global Hard Assets Fund**

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of VanEck VIP Global Hard Assets Fund (one of the series constituting VanEck VIP Trust) (the "Fund") as of December 31, 2016, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Fund's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2016, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of VanEck VIP Global Hard Assets Fund (one of the series constituting VanEck VIP Trust) at December 31, 2016, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

New York, New York
February 15, 2017

TAX INFORMATION

(unaudited)

For the 2016 fiscal year, 100% of the ordinary income dividends paid by the Fund qualified for the Corporate Dividends Received Deduction.

VANECK VIP TRUST

BOARD OF TRUSTEES AND OFFICERS

December 31, 2016 (unaudited)

Trustee's Name, Address ⁽¹⁾ and Year of Birth	Position(s) Held With Trust, Term of Office ⁽²⁾ and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Portfolios In Fund Complex ⁽³⁾ Overseen By Trustee	Other Directorships Held Outside The Fund Complex ⁽³⁾ During The Past Five Years
Independent Trustees:				
Jon Lukomnik 1956 (A)(G)	Trustee since March 2006	Managing Partner, Sinclair Capital LLC (consulting firm), 2000 to present; Executive Director, Investor Responsibility Research Center Institute, 2008 to present.	12	Member of the Deloitte Audit Quality Advisory Committee; Chairman of the Advisory Committee of Legion Partners; Member of the Standing Advisory Group to the Public Company Accounting Oversight Board; formerly Chairman of the Board of the New York Classical Theatre; formerly Director of The Governance Fund, LLC.
Jane DiRenzo Pigott 1967 (A)(G)	Trustee since July 2007; Currently, Chairperson of the Governance Committee	Managing Director, R3 Group LLC (consulting firm), 2002 to present.	12	Formerly, Director and Chair of Audit Committee of 3E Company (environmental services); formerly Director of MetLife Investment Funds, Inc.
Wayne H. Shaner 1947 (A)(G)	Trustee since March 2006	Managing Partner, Rockledge Partners LLC, 2003 to present (investment adviser); Public Member of the Investment Committee, Maryland State Retirement System, 1991 to 2014.	12	Director, The Torrey Funds (1 portfolio), since 1993 (Chairman of the Board since December 2005).

Trustee's Name, Address ⁽¹⁾ and Year of Birth	Position(s) Held With Trust, Term of Office ⁽²⁾ and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Portfolios In Fund Complex ⁽³⁾ Overseen By Trustee	Other Directorships Held Outside The Fund Complex ⁽³⁾ During The Past Five Years
R. Alastair Short 1953 (A)(G)	Trustee since June 2004; Currently, Vice Chairperson of the Board and Chairperson of the Audit Committee	President, Apex Capital Corporation (personal investment vehicle), January 1988 to present; Vice Chairman, W.P. Stewart & Co., Ltd. (asset management firm), September 2007 to September 2008.	70	Chairman and Independent Director, EULAV Asset Management; Independent Director, Tremont offshore funds; Director, Kenyon Review; formerly Director of The Medici Archive Project.
Richard D. Stamberger 1959 (A)(G)	Trustee since 1995; Currently, Chairperson of the Board	Director, President and CEO, SmartBrief, Inc. (business media company), 1999 to present.	70	Director, SmartBrief, Inc.; Director, Food and Friends, Inc.
Robert L. Stelzl 1945 (A)(G)	Trustee since July 2007	President, Rivas Capital, Inc. (real estate property management services company), 2004 to present; Co-Trustee, the estate of Donald Koll, 2012 to present; Trustee, Robert D. MacDonald Trust, 2015 to present; Trustee, Joslyn Family Trusts, 2003 to 2014.	12	Director and Chairman, Brookfield Properties, Inc. and Brookfield Residential Properties, Inc.

(1) The address for each Trustee and officer is 666 Third Avenue, 9th Floor, New York, New York 10017.

(2) Each Trustee serves until resignation, death, retirement or removal. The Board established a mandatory retirement policy applicable to all Independent Trustees, which provides that Independent Trustees shall resign from the Board on December 31 of the year such Trustee reaches the age of 75.

(3) The Fund Complex consists of VanEck Funds, VanEck VIP Trust and VanEck Vectors ETF Trust.

(A) Member of the Audit Committee.

(G) Member of the Governance Committee.

VANECK VIP TRUST

BOARD OF TRUSTEES AND OFFICERS

December 31, 2016 (unaudited) (continued)

Officer's Name, Address⁽¹⁾ And Year of Birth	Position(s) Held With Trust	Term of Office And Length of Time Served⁽²⁾	Principal Occupations During The Past Five Years
Matthew A. Babinsky, 1983	Assistant Vice President and Assistant Secretary	Since 2016	Assistant Vice President and Assistant General Counsel of the Adviser, Van Eck Securities Corporation (VESC) and Van Eck Absolute Return Advisers VEARA (since 2016); Associate, Clifford Chance US LLP (October 2011 to April 2016); Officer of other investment companies advised by the Adviser.
Russell G. Brennan, 1964	Assistant Vice President and Assistant Treasurer	Since 2008	Assistant Vice President of the Adviser (since 2008); Officer of other investment companies advised by the Adviser.
Charles T. Cameron, 1960	Vice President	Since 1996	Director of Trading (since 1995) and Portfolio Manager (since 1997) for the Adviser; Officer of other investment companies advised by the Adviser.
John J. Crimmins, 1957	Vice President, Treasurer, Chief Financial Officer and Principal Accounting Officer	Since 2009 (Treasurer); since 2012 (Vice President, Chief Financial Officer and Principal Accounting Officer)	Vice President of Portfolio Administration of the Adviser (since 2009); Vice President of Van Eck Securities Corporation (VESC) and Van Eck Absolute Return Advisers (VEARA) (since 2009); Officer of other investment companies advised by the Adviser.
Susan C. Lashley, 1955	Vice President	Since 1998	Vice President of the Adviser and VESC; Officer of other investment companies advised by the Adviser.
Laura I. Martínez, 1980	Assistant Vice President and Assistant Secretary	Since 2008	Vice President (since 2016), Associate General Counsel and Assistant Secretary of the Adviser, VESC and VEARA (since 2008); Officer of other investment companies advised by the Adviser.
James Parker, 1969	Assistant Treasurer	Since 2014	Manager, Portfolio Administration of the Adviser, VESC and VEARA (since 2010); Vice President of J.P. Morgan Financial Reporting and Fund Administration (2002-2010).

Officer's Name, Address ⁽¹⁾ And Year of Birth	Position(s) Held With Trust	Term of Office And Length of Time Served ⁽²⁾	Principal Occupations During The Past Five Years
Jonathan R. Simon, 1974	Vice President, Secretary and Chief Legal Officer	Since 2006 (Vice President and until 2014, also Assistant Secretary); since 2014 (Secretary and Chief Legal Officer)	Senior Vice President (since 2016), General Counsel and Secretary (since 2014) of the Adviser, VESC and VEARA; Associate General Counsel and Assistant Secretary of the Adviser, VESC and VEARA (2006-2014); Officer of other investment companies advised by the Adviser.
Bruce J. Smith, 1965	Senior Vice President	Since 1985	Senior Vice President, Chief Financial Officer, Treasurer and Controller of the Adviser, VESC and VEARA (since 1997); Director of the Adviser, VESC and VEARA (since October 2010); Officer of other investment companies advised by the Adviser.
Janet Squitieri, 1961	Chief Compliance Officer	Since 2013	Vice President, Global Head of Compliance of the Adviser, VESC and VEARA (since September 2013); Chief Compliance Officer and Senior Vice President of HSBC Global Asset Management North America (August 2010-September 2013); Chief Compliance Officer of Babcock & Brown LP North America (July 2008-June 2010).
Jan F. van Eck, 1963	Chief Executive Officer and President	Since 2005 (serves as Chief Executive Officer and President since 2010, prior thereto, served as Executive Vice President)	President, Director and Owner of the Adviser (since July 1993); Executive Vice President of the Adviser (January 1985-October 2010); Director (since November 1985), President (since October 2010) and Executive Vice President (June 1991-October 2010) of VESC; Director and President of VEARA (since May 1997); Trustee (since 2006), President and Chief Executive Officer of Market Vectors ETF Trust (since 2009); Officer of other investment companies advised by the Adviser.

(1) The address for each Executive Officer is 666 Third Avenue, 9th Floor, New York, NY 10017.

(2) Officers are elected yearly by the Board.

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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.

VanEckTM

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