DISCOVER THE NEXT GENERATION OF COMMODITY INVESTING WITH THE VAN ECK CM COMMODITY INDEX FUND



The Van Eck CM Commodity Index Fund is a passively managed mutual fund that seeks to track, before fees and expenses, the performance of the UBS Bloomberg Constant Maturity Commodity Total Return Index (the "CMCI")

- Fund's benchmark employs a methodology that seeks to minimize exposure to the front end of the futures curve and diversify across maturities; by spreading its exposure across multiple maturities, the Fund's benchmark seeks to mitigate the impacts of contango and negative roll yield
- Diversified across five commodity sectors and 28 commodity components; energy allocation typically around 35%
- In contrast with many "enhanced" commodity funds, offers "pure" commodity exposure by investing in commodity-linked derivative instruments and more conservative fixed income securities, such as U.S. Treasury Bills

This brochure is designed to give you a concrete understanding of the methodology behind the Fund's benchmark, the CMCI, and also provide you with an investment case for the concept of "constant maturity."

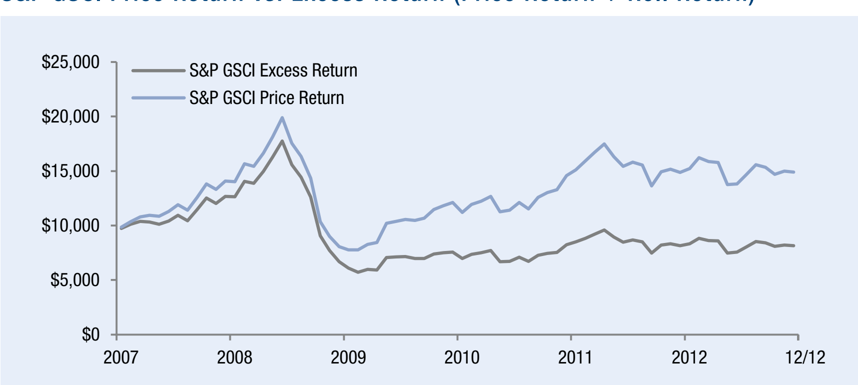
Strong Need for New Index Concept

Commodity indices, as described in this report, are indices that invest in commodity futures contracts. The performance of these indices, such as the S&P GSCI Index, can be categorized into three components: income return (interest earned on investment collateral), spot return (gain or loss on the commodity price) and roll return (gain or loss from rolling the futures contract forward). Commodity futures contracts, unlike stocks, expire monthly, or at another predetermined point in time. This expiration point is known as the contract's "maturity," or time to physical delivery. When traditional commodity indices roll their futures contracts from month to month, instances may occur where the next month's futures contract is purchased for more than expiring front-month futures contracts sold for, thus creating a roll loss and resulting in "negative roll yield."

Traditional Commodity Indices: Price Variance, Roll Loss

Ideally, investors would like to access returns that best reflect underlying commodity price trends, but futures index returns have lagged price index returns, as illustrated in the chart below. Unfortunately, traditional indices have recently shown their limitations in the significant roll loss component of their returns. This is largely due to short-term contract expirations, or maturities, as traditional indices focus almost entirely on front month contracts, repeatedly buying, holding and selling only short-term contracts of the same one-month maturity. Roll losses occur when the futures market for a particular commodity is in "contango," or when the price of a futures contract is above the expected future spot price at the time the contract expires (i.e., futures prices are falling, seller benefits). Contango tends to be especially pronounced at the near end of the market, where most traditional index futures are located.

S&P GSCI Price Return *vs.* Excess Return (Price Return + Roll Return)



Source: Van Eck Research, Pertrac, Bloomberg. Data calculated monthly from January 1, 2007 to December 31, 2012.

This chart is for illustrative purposes only. Historical information is not indicative of future results; current data may differ from data quoted. The index listed is an unmanaged index and does 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. An index is not a security in which an investment can be made. See page four for complete disclosures.

Commodities are assets that have tangible properties, such as oil, metals, and agriculture. Commodities and commodity-linked derivatives may be affected by overall market movements and other factors that affect the value of a particular industry or commodity such as weather, disease, embargos or political or regulatory developments.

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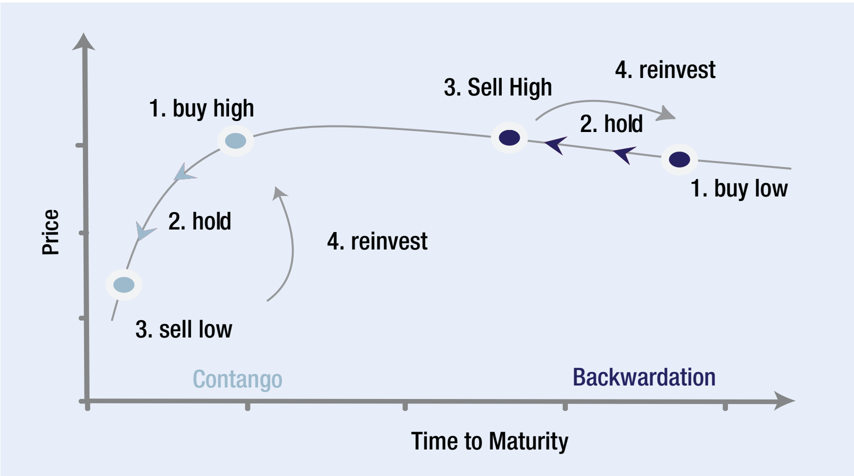
Problem with Traditional Indices: The Futures Curve

Futures curves graphically represent the prices of futures with increasing maturity dates relative to the current spot price. An upward sloping forward curve, or what we have previously described as contango, puts investors in the costly position of "buying high, selling low" each time a futures contract is rolled (assuming the futures curve stays the same). The steeper the futures curve, the larger the roll losses.



Contango *vs.* Backwardation

Understanding the markets

Contango

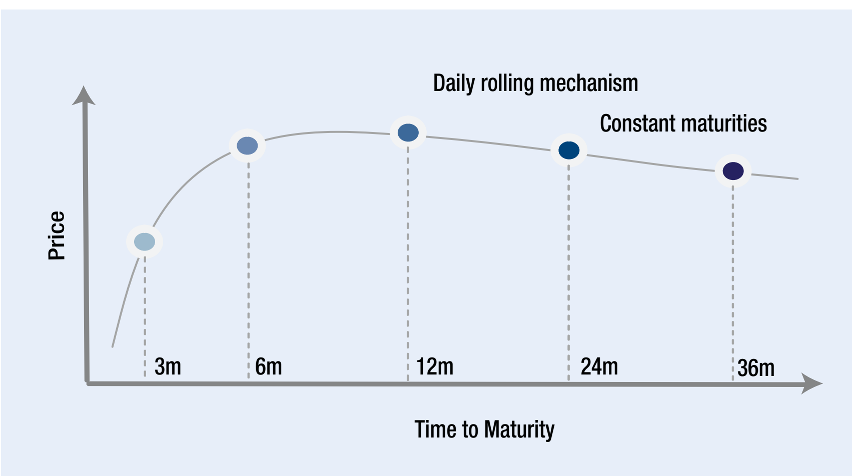
- "Buy high, sell low"
- Negative roll returns
- Results in a decreasing number of contracts in an index

Backwardation

- "Buy low, sell high"
- Positive roll returns
- Results in an increasing number of contracts in an index

A Potential Solution to Roll Loss: The UBS Bloomberg Constant Maturity Commodity Total Return Index

As a more modern commodity benchmark, the CMCI seeks to reduce roll losses in contango environments in order to achieve higher risk-adjusted returns. The CMCI diversifies across 28 commodity components and up to five maturities, and can efficiently adapt to the changing economic environment. The CMCI chooses between maturities of three, six and twelve months, as well as two- to three-year maturities for certain commodities. This can be done either selectively for individual commodities to diversify over time, or collectively for all those included in the index to diversify both across commodities and over time. In periods of persistent contango, this allows the index to place its exposure at more favorable (i.e. less sloping) sections of the futures curve and keep it there. This can prevent the investment from slipping into the steeper part of the curve, or the portion of the curve typically associated with higher roll losses.



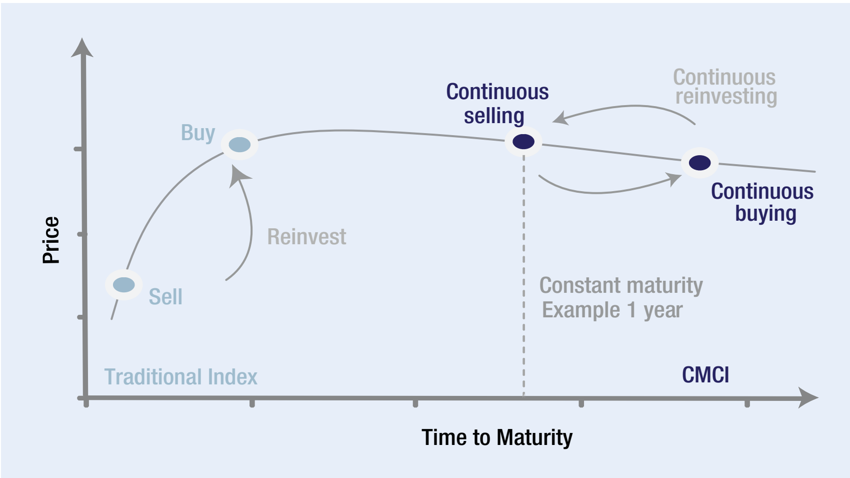
Index Methodology Highlights

- Diversification in all commodities and tradeable futures tenors (time to maturity)
- Constant maturities: daily rolling of a small proportion of underlying futures
- Potential for higher risk-adjusted returns than traditional commodity indices
- Monthly rebalancing: limited concentration risk in any one underlying commodity

With the CMCI, the maturity of each commodity component remains fixed at a predefined time interval from the current date at all times. The "constant maturity" concept is achieved by a continuous rolling process, where a weighted percentage of contracts are swapped for longer-dated contracts on a daily basis. This procedure produces a more continuous form of commodity exposure and provides a better balance of forward price behavior than with traditional commodity indices.

CHART SOURCES: Van Eck, UBS. UBS and Bloomberg own or exclusively license, solely or jointly as agreed between them all proprietary rights with respect to the Index. In no way do UBS or Bloomberg sponsor or endorse, nor are they otherwise involved in the issuance and offering of the Fund nor do either of them make any representation or warranty, express or implied, to the holders of the Fund or any member of the public regarding the advisability of investing in the Fund or commodities generally or in futures particularly, or as to results to be obtained from the use of the Index or from the Fund.

Futures Roll Process: Traditional Indices *vs* the CMCI



Traditional Indices

- Front month futures only
- Punctual roll (high volumes, announced transactions)

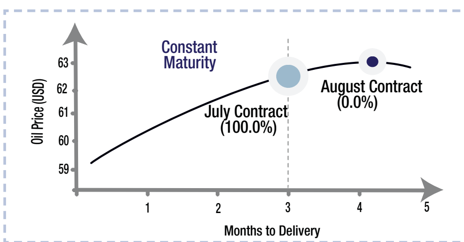
CMCI

- Diversified along entire curve: diversified exposure, no congestion
- Continuous roll: lower volumes, less influence, no "announced" transactions
- Five "constant maturities": three month and six month and one-, two- and three-year

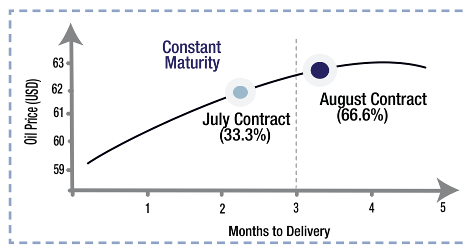
Understanding the Constant Maturity Approach

As stated earlier, the "constant maturity" concept is achieved by a continuous rolling process, where a weighted percentage of contracts are swapped for longer dated contracts on a daily basis. This not only gives more continuous exposure to the asset class, but also can minimize exposure to the negative effects of roll yield, making the index more representative of the underlying market price movements. Below is an illustration of the process, whereby the index holds a constant maturity through time such that the index rolls smoothly through markets. The index holds the two contracts surrounding the time to delivery in changing proportions such that the average equals the desired constant maturity. As time (a day) passes, the weights for the surrounding contracts shift in order to keep the average time constant.

1st of April



20 Days Later



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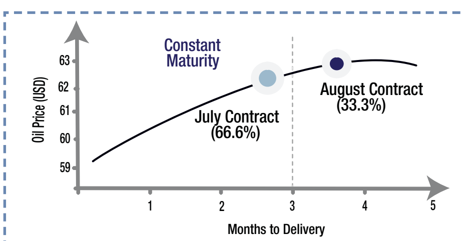

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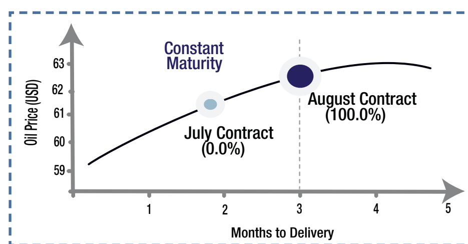

CMCI Weighting Engine

The CMCI is designed to reflect the economic significance and market liquidity for each commodity in the index. The index employs a two-step weighting approach:

- Economic indicators (consumer price inflation, producer price inflation, et al) are used to determine sector weights
- Global consumption data is used to calculate individual component weights

Combined with liquidity metrics, the index blends a fundamental approach with market dynamics. Individual component weights are capped at 20% to ensure diversification and compliance with regulatory standards. Components with weights lower than 0.60% are excluded. The weightings are revisited twice a year in May and November and the index is rebalanced monthly. **As of the 1H 2012, target weights were as follows: 35.1% energy, 28.7% agriculture, 26.3% industrial metals, 6.0% precious metals and 3.9% livestock.**

Conclusion: An Illustration of Historical Index Performance

- Strong performance with lower volatility
- Outperformed in contango environments and performed equally well in backwardated environments

Average Annual Returns as of December 31, 2012

	One Year (%)		Three Year (%)		CMCI Inception (%)	
	Return	Volatility (Risk)	Return	Volatility (Risk)	Return	Volatility (Risk)
DJ UBS Commodity Index	-1.06	14.58	0.07	17.66	-1.90	20.46
S&P GSCI Commodity Index	0.08	17.87	2.54	20.16	-2.32	25.95
UBS Bloomberg CMCI	2.80	13.69	4.16	17.26	3.67	20.13

CMCI live track record (inception) begins on January 1, 2007. Source: Van Eck Research, FactSet, Bloomberg. Data calculated monthly as of December 31, 2011. 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 and/or reimbursements 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 Van Eck CM Commodity Index Fund is a newly offered fund and has a limited operating history. The performance shown for the indices does not reflect fees and charges, which are assessed with the purchase and ownership of the fund. Past performance of various commodity indices is used in this report. This performance is historical and is provided to illustrate market trends. Indices do not charge management fees or brokerage expenses and no such fees or expenses were deducted from the performance shown. Investors cannot invest directly in an index.

All indices listed are unmanaged and are not securities in which investments can be made. All weightings and components are subject to change over time. The Dow Jones-UBS Commodity Index (DJUBS) is composed of futures contracts on 20 physical commodities covering energy, petroleum, precious metals, industrial metals, grains, livestock and softs. The S&P® Goldman Sachs Commodity Index (S&P GSCI) is a composite index of commodity sector returns, representing an unleveraged, long-only investment in commodity futures.

You can lose money by investing in the Fund. Any investment in the Fund should be part of an overall investment program, not a complete program. Commodities are assets that have tangible properties, such as oil, metals, and agriculture. Commodities and commodity-linked derivatives may be affected by overall market movements and other factors that affect the value of a particular industry or commodity such as weather, disease, embargoes or political or regulatory developments. The value of a commodity-linked derivative is generally based on price movements of a commodity, a commodity futures contract, a commodity index or other economic variables based on the commodity markets. Derivatives use leverage, which may exaggerate a loss. The Fund is subject to the risks associated with its investments in commodity-linked derivatives, risks of investing in wholly owned subsidiary, risk of tracking error, risks of aggressive investment techniques, leverage risk, derivatives risks, counterparty risks, non-diversification risk, credit risk, concentration risk and market risk. The use of commodity-linked derivatives such as swaps, commodity-linked structured notes and futures entails substantial risks, including risk of loss of a significant portion of their principal value, lack of a secondary market, increased volatility, correlation risk, liquidity risk, interest-rate risk, market risk, credit risk, valuation risk and tax risk. Gains and losses from speculative positions in derivatives may be much greater than the derivative's cost. At any time, the risk of loss of any individual security held by the Fund could be significantly higher than 50% of the security's value. Investment in commodity markets may not be suitable for all investors. The Fund's investment in commodity-linked derivative instruments may subject the fund to greater volatility than investment in traditional securities. For a description of these and other risk considerations, please refer to the Fund's prospectuses, which should be read carefully before you invest. Again, the Fund offers investors exposure to the broad commodity markets, currently, by investing in commodity-linked swaps.

Van Eck Associates Corporation (the "Adviser") has agreed to waive fees and/or pay Fund expenses to the extent necessary to prevent the operating expenses of the Fund (excluding acquired fund fees and expenses, interest expense, trading expenses, dividends on securities sold short, taxes and extraordinary expenses) from exceeding 0.95% for Class A, 0.65% for Class I, and 0.70% for Class Y of the Fund's average daily net assets per year until May 1, 2012. During such time, the expense limitation is expected to continue until the Board of Trustees acts to discontinue all or a portion of such expense limitation. In addition, the Adviser agreed to voluntarily reimburse the Fund for certain swap trading costs.

Please call 800.826.2333 or visit vaneck.com for performance information current to the most recent month end and for a free prospectus and summary prospectus. An investor should consider the Fund's investment objective, risks, and charges and expenses carefully before investing. The prospectus and summary prospectus contains this and other information. Please read it carefully before investing.

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