



SEMI-ANNUAL REPORT
June 30, 2018
(unaudited)

VanEck VIP Trust

VanEck VIP Unconstrained Emerging Markets Bond Fund

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The information contained in this shareholder letter represents the opinion of the investment adviser and may change at any time. This information is not intended to be a forecast of future events, a guarantee of future results or investment advice. Current market conditions may not continue. Also, unless otherwise specifically noted, any discussion of the Fund’s holdings, the Fund’s performance, and the views of the investment adviser are as of June 30, 2018.

Dear Shareholders:

We are pleased to present this semi-annual report, which affords us the opportunity to provide a review of the economic backdrop for the first half of the year. But first, in light of the many developments that occurred across global markets during the first half of 2018, we want to reemphasize VanEck's corporate mission and its implications to you as our valued shareholders.

As you may know, VanEck has a history of looking beyond the financial markets to identify historical, political, and/or technological trends that are likely to create or impact investment opportunities. We were one of the first U.S. asset managers to offer investors access to international markets, which set the tone for our drive to identify promising asset classes and trends. In this respect, our unconventional (at the time) efforts to introduce investors to gold investing in 1968, emerging markets (including China) in 1993, and ETFs in 2006, are now considered mainstream, permanently shaping the investment management industry as we now know it.

Today, we offer both active and passive strategies with compelling exposures supported by well-designed investment processes. Our firm's capabilities range from strategies designed to strengthen core investment allocations to more specialized exposures that enhance portfolio diversification and reduce volatility.

Putting clients' interests first in all market environments is at the heart of the firm's mission and has been since our founding in 1955. We will, as always, continue to seek out and evaluate the most attractive opportunities for you as shareholders.

As we wrote in our *Market Insights* research, which can be found at www.vaneck.com/blogs/market-insights, we began 2018 by noting that global growth had gone from "ticking up" to "firmly in place" and that, while central banks were tightening, Europe remained "two years" behind the U.S. in this trend and had a trickier task. Further, our base case was for 10-year interest rates to rise to 3.5% with the curve not inverting. In its third longest bull market ever, we remained bullish on U.S. equities in the short-term, but were prepared for a correction. And, finally, we believed that investors should not be underweight commodities as global growth was supporting the bullish "grind trade" narrative from supply cutbacks.

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

(unaudited) (continued)

Over the last six months we have seen interest rates in the U.S. rise as expected and, as a consequence, the U.S. dollar has strengthened. These events, along with both inflation fears and concern about trade and tariffs, have resulted not only in an increasingly evident decoupling of the U.S. dollar and emerging markets local currencies, but also significant outflows from emerging markets themselves (in May, for example, outflows were evenly split between equities and debt). From a regional perspective, countries in Latin America and Europe (e.g. Argentina and Turkey) rather than in Asia, have been the primary sources of emerging markets outflows. We still believe that credit exposure in high yield and emerging markets is still better than in governments, which have pure interest rate risk with no offset.

The biggest change in our outlook from six months ago is that global growth appears to be less synchronized—more relevant to the U.S. and China—with Europe uncertain and Africa, South America, and the Middle East struggling. In Europe, for example, economic growth has started to slow and weaker bank balance sheets remain an obstacle to monetary policy normalization. Despite these growing concerns, supply discipline has continued to support the bullish “grind trade” in commodities, with increasing chances of commodities and natural resources ending 2018 as the best performing area of the market.

To keep you informed on an ongoing basis, we encourage you to stay in touch with us through the videos, email subscriptions, and research blogs available on our website, vaneck.com. Should you have any questions regarding fund performance, please contact us at 800.826.2333 or visit vaneck.com.

We sincerely thank you for investing in VanEck's investment strategies. On the following pages, you will find financial statements for the Fund for the six-month period ended June 30, 2018. As always, we value your continued confidence in us and look forward to helping you meet your investment goals in the future.



*Jan F. van Eck
CEO and President
VanEck VIP Trust*

July 17, 2018

Investing involves substantial risk and high volatility, including possible loss of principal. An investor should consider the investment objective, risks, charges and expenses of the Fund carefully before investing. To obtain a prospectus, which contains this and other information, call 800.826.2333 or visit vaneck.com. Please read the prospectus carefully before investing.

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

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, 2018 to June 30, 2018.

Actual Expenses

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

Hypothetical Example for Comparison Purposes

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

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

	Beginning Account Value January 1, 2018	Ending Account Value June 30, 2018	Expenses Paid During the Period* January 1, 2018 - June 30, 2018
VanEck VIP Unconstrained Emerging Market Bond Fund			
Actual	\$1,000.00	\$ 941.00	\$5.29
Hypothetical**	\$1,000.00	\$1,019.34	\$5.51

* Expenses are equal to the Fund's annualized expense ratio (for the six months ended June 30, 2018), of 1.10% multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year divided by the number of the days in the fiscal year (to reflect the one-half year period).

** Assumes annual return of 5% before expenses.

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

SCHEDULE OF INVESTMENTS

June 30, 2018 (unaudited)

Principal Amount		Value
CORPORATE BONDS: 45.6%		
Argentina: 4.1%		
USD 284,000	Cia General de Combustibles SA 9.50%, 11/07/19 (c) Reg S	\$ 279,740
122,000	Generacion Mediterranea SA 9.63%, 07/27/20 (c) Reg S	121,999
32,000	9.63%, 07/27/20 (c) 144A	32,000
131,000	Rio Energy SA / UGEN SA / UENSA SA 6.88%, 02/01/22 (c) 144A	109,385
190,000	Transportadora de Gas del Sur SA 6.75%, 05/02/22 (c) 144A	174,800
ARS 8,438,000	YPF SA 16.50%, 05/09/22 Reg S	222,072
		<u>939,996</u>
Austria: 1.4%		
USD 315,000	JBS Investments GmbH 7.75%, 07/30/18 (c) Reg S	321,694
Bermuda: 1.3%		
311,000	Geopark, Ltd. 6.50%, 09/21/21 (c) Reg S	299,848
Brazil: 1.4%		
441,000	Samarco Mineracao SA 5.75%, 10/24/23 (d) Reg S	324,135
Canada: 2.6%		
305,000	First Quantum Minerals Ltd. 7.50%, 04/01/20 (c) Reg S	302,148
308,000	Frontera Energy Corp. 9.70%, 06/25/21 (c) 144A	306,460
		<u>608,608</u>
Cayman Islands: 4.6%		
318,000	Agile Group Holdings Ltd. 5.13%, 08/14/20 (c) Reg S	297,912
300,000	China Evergrande Group 7.00%, 03/23/20 Reg S	296,398
226,842	EP PetroEcuador via Noble Sovereign Funding I Ltd. 7.97% (ICE LIBOR USD 3 Month+5.63%), 09/24/19 (f) Reg S	224,007
244,000	NagaCorp. Ltd. 9.38%, 05/21/20 (c) 144A	248,813
		<u>1,067,130</u>
Chile: 2.0%		
459,000	Enel Chile SA 4.88%, 06/12/28	462,947

See Notes to Financial Statements

Principal Amount		Value
Colombia: 2.6%		
272,000	Colombia Telecomunicaciones SA ESP 8.50% (USD Swap Semi 30/360 5 Year+6.96%), 03/30/20 (c) Reg S	\$ 284,920
312,000	Credivalores-Crediservicios SAS 9.75%, 07/27/20 (c) 144A	307,320
		<u>592,240</u>
Indonesia: 1.2%		
282,000	Bukit Makmur Mandiri Utama PT 7.75%, 02/13/20 (c) Reg S	274,154
22,633	Bumi Resources Tbk PT 0.00%, 12/11/22 ^ # (b) *	8,261
		<u>282,415</u>
Ireland: 1.4%		
327,000	Eurotorg LLC Via Bonitron DAC 8.75%, 10/30/22 144A	327,006
Luxembourg: 3.4%		
279,000	CSN Resources SA 6.50%, 07/21/20 Reg S	261,214
213,000	MHP Lux SA 6.95%, 04/03/26 144A	199,893
328,000	Topaz Marine SA 9.13%, 07/26/19 (c) 144A	332,431
		<u>793,538</u>
Malaysia: 1.1%		
MYR 993,000	Country Garden Real Estate Sdn Bhd 6.60%, 02/23/23	245,586
Mauritius: 0.9%		
USD 209,000	HTA Group Ltd. 9.13%, 03/08/19 (c) Reg S	200,640
Mexico: 0.0%		
120,000	Corp. GEO SAB de CV 9.25%, 08/13/18 (c) (d) *	30
Mongolia: 3.8%		
824,000	Trade & Development Bank of Mongolia LLC 9.38%, 05/19/20 Reg S	871,063
Netherlands: 1.7%		
301,000	Marfrig Holdings Europe BV 8.00%, 06/08/19 (c) Reg S	305,891
102,000	Metinvest BV 7.75%, 01/23/23 (c) 144A	95,936
		<u>401,827</u>

See Notes to Financial Statements

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

SCHEDULE OF INVESTMENTS

(unaudited) (continued)

Principal Amount		Value
Nigeria: 1.0%		
246,000	SEPLAT Petroleum Development Co. Plc 9.25%, 04/01/20 (c) 144A	\$ 241,080
Panama: 0.8%		
191,000	AES El Salvador Trust II 6.75%, 07/30/18 (c) Reg S	177,573
Peru: 2.9%		
118,000	Cia Minera Milpo SAA 4.63%, 03/28/23 Reg S	116,820
122,000	Hunt Oil Co. of Peru LLC 6.38%, 06/01/28 144A	124,592
330,000	Kallpa Generacion SA 4.13%, 05/16/27 (c) Reg S	301,125
111,000	Minsur SA 6.25%, 02/07/24 Reg S	116,550
		<u>659,087</u>
Singapore: 2.2%		
29,427	Eterna Capital Pte Ltd. 6.00% 07/30/18 (c) Reg S	29,611
219,799	8.00% 07/30/18 (c)	210,911
256,000	Indika Energy Capital III Pte Ltd. 5.88%, 11/09/21 (c) Reg S	228,461
67,000	Innovate Capital Pte Ltd. 6.00% 07/30/18 (c)	44,898
		<u>513,881</u>
South Africa: 0.3%		
ZAR 6,050,000	Eskom Holdings SOC Ltd. 0.00%, 12/31/32 (a) ^	68,520
Ukraine: 0.5%		
USD 123,000	Kernel Holding SA 8.75%, 01/31/22 Reg S	121,250
United Kingdom: 3.3%		
257,620	DTEK Finance Plc 10.75% 07/30/18 (c)	266,281
341,000	Petra Diamonds US\$ Treasury Plc 7.25%, 05/01/19 (c) Reg S	329,491
182,000	Tullow Oil Plc 7.00%, 03/01/21 (c) 144A	172,445
		<u>768,217</u>
United States: 1.1%		
269,000	CNOOC Finance 2015 USA LLC 3.50%, 05/05/25	259,691
Total Corporate Bonds		
(Cost: \$10,818,066)		<u>10,548,002</u>

See Notes to Financial Statements

Principal Amount		Value
FOREIGN GOVERNMENT OBLIGATIONS: 50.0%		
Angola: 3.3%		
	Angolan Government International Bonds	
512,000	9.38%, 05/08/48 144A	\$ 518,347
231,000	9.50%, 11/12/25 Reg S	252,720
		<u>771,067</u>
Argentina: 8.3%		
	Argentine Republic Government International Bonds	
375,000	6.88%, 01/11/48	282,566
514,000	7.63%, 04/22/46	417,368
ARS 1,906,000	40.00% (Argentina Central Bank 7D Repo Reference Rate+.00%), 06/21/20 (f)	68,471
7,840,000	Autonomous City of Buenos Aires Argentina 34.86% (Argentina Deposit Rates Badlar Private Banks ARS 30 to 35 Days+3.75%), 02/22/28 (f)	222,402
USD 267,000	Province of Santa Fe 6.90%, 11/01/27 Reg S	223,839
	Provincia de Buenos Aires 7.88%, 06/15/27 Reg S	222,640
ARS 8,560,000	35.19% (Argentina Deposit Rates Badlar Private Banks ARS 30 to 35 Days+3.83%), 05/31/22 (f)	250,125
USD 255,000	Provincia de la Rioja 9.75%, 02/24/25 Reg S	238,545
		<u>1,925,956</u>
Armenia: 1.5%		
339,000	Republic of Armenia International Bonds 6.00%, 09/30/20 Reg S	347,628
Belarus: 2.4%		
	Republic of Belarus International Bonds	
123,000	6.20%, 02/28/30 144A	116,648
421,000	6.88%, 02/28/23 Reg S	436,756
		<u>553,404</u>
Costa Rica: 2.0%		
	Costa Rica Government International Bonds	
245,000	7.00%, 04/04/44 Reg S	240,100
229,000	7.16%, 03/12/45 Reg S	227,282
		<u>467,382</u>
Dominican Republic: 3.1%		
	Dominican Republic International Bonds	
368,000	5.50%, 01/27/25 Reg S	366,094
233,000	5.95%, 01/25/27 Reg S	230,961
DOP 6,144,000	8.90%, 02/15/23 144A	125,921
		<u>722,976</u>

See Notes to Financial Statements

VANECK VIP UNCONSTRAINED
EMERGING MARKETS BOND FUND

SCHEDULE OF INVESTMENTS

(unaudited) (continued)

Principal Amount		Value
Ecuador: 2.2%		
USD 488,000	Ecuador Government International Bonds 10.50%, 03/24/20 Reg S	\$ 501,615
Egypt: 1.0%		
262,000	Egypt Government International Bonds 7.90%, 02/21/48 Reg S	239,290
El Salvador: 2.1%		
	El Salvador Government International Bonds	
245,000	5.88%, 01/30/25 Reg S	230,273
245,000	7.65%, 06/15/35 Reg S	240,757
		471,030
Georgia: 1.0%		
221,000	Georgia Government International Bonds 6.88%, 04/12/21 Reg S	235,798
Ghana: 2.1%		
	Ghana Government International Bonds	
250,000	7.63%, 05/16/29 144A	244,610
248,000	8.63%, 06/16/49 144A	242,081
		486,691
Nigeria: 2.9%		
	Nigeria Government International Bonds	
496,000	7.63%, 11/28/47 Reg S	453,417
229,000	7.88%, 02/16/32 Reg S	225,235
		678,652
Poland: 10.1%		
	Polish Government Bonds	
PLN 2,570,000	1.75%, 07/25/21	682,424
2,734,000	2.25%, 04/25/22	731,592
2,334,000	2.50%, 01/25/23	626,425
1,041,000	4.00%, 10/25/23	297,947
		2,338,388
Rwanda: 1.0%		
USD 229,000	Rwanda Government International Bonds 6.63%, 05/02/23 Reg S	228,402
South Korea: 4.7%		
	Export-Import Bank of Korea	
489,000	2.88% (ICE LIBOR USD 3 Month+.57%), 06/01/21 (f)	489,059
385,000	3.07% (ICE LIBOR USD 3 Month+.74%), 03/22/23 (f) Reg S	385,601
202,000	Korea Development Bank 3.05% (ICE LIBOR USD 3 Month+.72%), 07/06/22 (f)	201,861
		1,076,521
Uruguay: 1.1%		
UYU 8,193,000	Uruguay Monetary Regulation Bill 0.00%, 05/03/19 ^	241,733

See Notes to Financial Statements

Principal Amount	Value
Venezuela: 1.2%	
USD 316,500 Petroleos de Venezuela SA 8.50%, 10/27/20 (d) * Reg S	\$ 274,564
Total Foreign Government Obligations (Cost: \$12,212,007)	<u>11,561,097</u>
Number of Shares	
COMMON STOCK: 0.0%	
Mexico: 0.0% (Cost: \$0)	
MXN 3,236 Corp. GEO SAB de CV * #	<u>119</u>
MONEY MARKET FUND: 2.7% (Cost: \$619,547)	
619,547 AIM Treasury Portfolio – Institutional Class	<u>619,547</u>
Total Investments: 98.3% (Cost: \$23,649,620)	<u>22,728,765</u>
Other assets less liabilities: 1.7%	<u>382,991</u>
NET ASSETS: 100.0%	<u><u>\$23,111,756</u></u>

Definitions:

ARS	Argentine Peso
DOP	Dominican Peso
MXN	Mexican Peso
MYR	Malaysian Ringgit
PLN	Polish Zloty
USD	United States Dollar
UYU	Uruguayan Peso
ZAR	South African Rand

Footnotes:

- (a) All or a portion of these securities are segregated for foreign forward currency contracts.
- (b) Contingent Value Right
- (c) Callable Security – the redemption date shown is when the security may be redeemed by the issuer
- (d) Security in default of coupon payment
- (f) Floating Rate Bond - coupon reflects the rate in effect at the end of the reporting period
- ^ Zero Coupon Bond
- * Non-income producing
- # Security has been fair valued in good faith pursuant to guidelines established by the Board of Trustees. The aggregate value of fair valued securities is \$8,380 which represents 0.0% of net assets.
- Reg S Security was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration.

See Notes to Financial Statements

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

SCHEDULE OF INVESTMENTS

(unaudited) (continued)

144A Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended, or otherwise restricted. These securities may be resold in transactions exempt from registration, unless otherwise noted, and the value amounted to \$3,919,768, or 17.0% of net assets.

Schedule of Open Forward Foreign Currency Contracts June 30, 2018

Counterparty	Currency to be sold	Currency to be purchased	Settlement Dates	Unrealized Appreciation (Depreciation)
State Street Bank and Trust Company	TRY 1,434,007	USD 307,151	7/2/2018	\$(5,007)
State Street Bank and Trust Company	USD 221,583	BRL 874,147	7/2/2018	3,959
State Street Bank and Trust Company	USD 406,014	TRY 1,934,932	7/2/2018	15,187
State Street Bank and Trust Company	BRL 2,056,881	USD 551,250	7/2/2018	20,545
State Street Bank and Trust Company	TRY 1,094,247	USD 239,854	7/2/2018	1,656
State Street Bank and Trust Company	USD 312,232	BRL 1,182,734	7/2/2018	(7,069)
State Street Bank and Trust Company	EUR 1,988,957	USD 2,319,989	7/18/2018	(5,206)
State Street Bank and Trust Company	MYR 877,766	USD 218,736	7/20/2018	1,522
Net unrealized appreciation on forward foreign currency contracts				<u>\$25,587</u>

Definitions:

BRL	Brazilian Real
EUR	Euro
MYR	Malaysian Ringgit
TRY	Turkish Lira
USD	United States Dollar

Summary of Investments by Sector

	% of Investments	Value
Basic Materials	8.0%	\$ 1,820,448
Communications	2.1	485,560
Consumer, Cyclical	2.5	575,819
Consumer, Non-cyclical	4.2	948,728
Energy	13.1	2,974,082
Financial	8.9	2,018,279
Government	50.9	11,561,097
Industrial	2.5	561,041
Utilities	5.1	1,164,164
Money Market Fund	2.7	619,547
	<u>100.0%</u>	<u>\$22,728,765</u>

See Notes to Financial Statements

The summary of inputs used to value the Fund's investments as of June 30, 2018 is as follows:

	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value
Common Stocks*	\$ —	\$ 119	\$ —	\$ 119
Corporate Bonds*	—	10,548,002	—	10,548,002
Foreign Government Obligations*	—	11,561,097	—	11,561,097
Money Market Fund	<u>619,547</u>	<u>—</u>	<u>—</u>	<u>619,547</u>
Total	<u><u>\$619,547</u></u>	<u><u>\$22,109,218</u></u>	<u><u>\$ —</u></u>	<u><u>\$22,728,765</u></u>
Other Financial Instruments:				
Forward Foreign Currency Contracts	<u><u>\$ —</u></u>	<u><u>\$ 25,587</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 25,587</u></u>

* See Schedule of Investments for geographic sector breakouts.

During the period ended June 30, 2018, transfers of securities from Level 1 to Level 2 were \$209. These transfers resulted primarily from changes in certain foreign securities valuation methodologies between the last close of the securities' primary market (Level 1) and valuation by the pricing service (Level 2), which takes into account market direction or events occurring before the Fund's pricing time but after the last local close, as described in the Notes to Financial Statements

VANECK VIP UNCONSTRAINED
EMERGING MARKETS BOND FUND

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2018 (unaudited)

Assets:

Investments, at value (Cost \$23,649,620)	\$22,728,765
Cash denominated in foreign currency, at value (Cost \$7)	7
Receivables:	
Investments sold	1,197,082
Shares of beneficial interest sold	28,645
Dividends and interest	377,189
Prepaid expenses	928
Unrealized appreciation on forward foreign currency contracts	25,587
Other assets	2,374
Total assets	<u>24,360,577</u>

Liabilities:

Payables:	
Investments purchased	1,195,976
Shares of beneficial interest redeemed	602
Due to Adviser	10,155
Due to custodian	121
Deferred Trustee fees	10,042
Accrued expenses	31,925
Total liabilities	<u>1,248,821</u>

NET ASSETS \$23,111,756

Shares of beneficial interest outstanding 2,968,812

Net asset value, redemption and offering price per share \$ 7.78

Net Assets consist of:

Aggregate paid in capital	\$26,598,832
Net unrealized depreciation	(899,606)
Undistributed net investment income	580,007
Accumulated net realized loss	<u>(3,167,477)</u>
	<u>\$23,111,756</u>

**VANECK VIP UNCONSTRAINED
EMERGING MARKETS BOND FUND**

STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2018 (unaudited)

Income:

Dividends	\$ 6,339
Interest (net of foreign taxes withheld of \$3,437)	788,473
Total income	794,812

Expenses:

Management fees	\$127,415	
Transfer agent fees	10,132	
Custodian fees	12,421	
Professional fees	27,653	
Reports to shareholders	15,188	
Insurance	646	
Trustees' fees and expenses	1,892	
Interest	342	
Other	1,620	
Total expenses	197,309	
Waiver of management fees	(56,812)	
Net expenses	140,497	
Net investment income	654,315	

Net realized gain (loss) on:

Investments	(1,070,531)
Forward foreign currency contracts	337,659
Foreign currency transactions and foreign denominated assets and liabilities	(25,215)
Net realized loss	(758,087)

Net change in unrealized appreciation (depreciation) on:

Investments	(1,384,538)
Forward foreign currency contracts	25,587
Foreign currency transactions and foreign denominated assets and liabilities	(5,198)
Net change in unrealized appreciation (depreciation)	(1,364,149)

Net Decrease in Net Assets Resulting from Operations	\$(1,467,921)
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VANECK VIP UNCONSTRAINED
EMERGING MARKETS BOND FUND

STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2018	Year Ended December 31, 2017
	(unaudited)	
Operations:		
Net investment income	\$ 654,315	\$ 1,993,677
Net realized gain (loss)	(758,087)	917,329
Net change in unrealized appreciation (depreciation) . .	<u>(1,364,149)</u>	<u>321,979</u>
Net increase (decrease) in net assets resulting from operations	<u>(1,467,921)</u>	<u>3,232,985</u>
Dividends to shareholders from:		
Net investment income	<u>(1,862,609)</u>	<u>(641,416)</u>
Share transactions*:		
Proceeds from sale of shares	2,932,499	8,489,261
Reinvestment of dividends	1,862,609	641,416
Cost of shares redeemed	<u>(5,399,167)</u>	<u>(11,653,043)</u>
Net decrease in net assets resulting from share transactions	<u>(604,059)</u>	<u>(2,522,366)</u>
Total increase (decrease) in net assets	<u>(3,934,589)</u>	<u>69,203</u>
Net Assets:		
Beginning of period	<u>27,046,345</u>	<u>26,977,142</u>
End of period (including undistributed net investment income of \$580,007 and \$1,788,301, respectively)	<u>\$23,111,756</u>	<u>\$ 27,046,345</u>
* Shares of beneficial interest issued, reinvested and redeemed (unlimited number of \$.001 par value shares authorized):		
Shares sold	348,201	983,897
Shares reinvested	222,003	79,580
Shares redeemed	<u>(639,398)</u>	<u>(1,348,075)</u>
Net decrease	<u>(69,194)</u>	<u>(284,598)</u>

See Notes to Financial Statements

**VANECK VIP UNCONSTRAINED
EMERGING MARKETS BOND FUND**

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period:

	For the Six Months Ended June 30, 2018 (unaudited)	Initial Class Shares				
		Year Ended December 31,				
		2017	2016	2015	2014	2013
Net asset value, beginning of period	\$ 8.90	\$ 8.12	\$ 7.63	\$ 9.33	\$10.60	\$11.92
Income from investment operations:						
Net investment income	0.21(b)	0.60(b)	0.36	0.56	0.67	0.60
Net realized and unrealized gain (loss) on investments	(0.69)	0.37	0.13	(1.70)	(0.49)	(1.67)
Total from investment operations	(0.48)	0.97	0.49	(1.14)	0.18	(1.07)
Less dividends and distributions from:						
Net investment income	(0.64)	(0.19)	—	(0.56)	(0.56)	(0.25)
Net realized capital gains	—	—	—	(0.89)	—	(c)
Total dividends and distributions	(0.64)	(0.19)	—	(0.56)	(1.45)	(0.25)
Net asset value, end of period	<u>\$7.78</u>	<u>\$8.90</u>	<u>\$8.12</u>	<u>\$7.63</u>	<u>\$9.33</u>	<u>\$10.60</u>
Total return (a)	(5.90)%(d)	12.24%	6.42%	(13.09)%	2.18%	(9.17)%
Ratios/Supplemental Data						
Net assets, end of period (000's)	\$23,112	\$27,046	\$26,977	\$29,483	\$37,026	\$39,857
Ratio of gross expenses to average net assets	1.55%(e)	1.57%	1.34%	1.34%	1.20%	1.43%
Ratio of net expenses to average net assets	1.10%(e)	1.10%	1.10%	1.10%	1.10%	1.10%
Ratio of net expenses to average net assets excluding interest expense	1.10%(e)	1.10%	1.10%	1.10%	1.10%	1.10%
Ratio of net investment income to average net assets	5.14%(e)	7.04%	4.06%	6.38%	6.34%	4.87%
Portfolio turnover rate	155%(d)	586%	595%	572%	441%	483%

(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. Total returns do not include fees and expenses imposed under your variable annuity contract and/or life insurance policy. If these amounts were reflected, the returns would be lower than those shown.

(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

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 (unaudited)

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

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

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

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

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

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

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

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

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

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 net investment income to its shareholders. Therefore, no federal income tax provision is required.

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

D. Dividends and Distributions to Shareholders—Dividends to shareholders from net investment income and distributions from net realized capital gains,

if any, are declared and paid annually. Income dividends and capital gain distributions are determined in accordance with U.S. income tax regulations, which may differ from such amounts determined in accordance with GAAP.

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

Forward Foreign Currency Contracts—The Fund is subject to foreign currency risk in the normal course of pursuing its investment objectives. The Fund may buy and sell forward foreign currency contracts to settle purchases and sales of foreign denominated securities, gain currency exposure or to hedge foreign denominated assets. Realized gains and losses from forward foreign currency contracts, if any, are included in realized gain (loss) on forward foreign currency contracts in the Statement of Operations. The Fund may incur additional risk from investments in forward foreign currency contracts if the counterparty is unable to fulfill its obligation or there are unanticipated movements of the foreign currency relative to the U.S. dollar. The Fund held forward foreign currency contracts for six months during the period ended June 30, 2018 with an average unrealized appreciation of \$6,374. Forward foreign currency contracts held at June 30, 2018 are reflected in the Schedule of Open Forward Foreign Currency Contracts.

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

At June 30, 2018, the Fund held the following derivative instruments:

	<u>Asset derivatives</u>
	<u>Foreign currency risk</u>
Forward foreign currency contracts ¹ . . .	\$25,587

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

The impact of transactions in derivative instruments during the period ended June 30, 2018, was as follows:

	<u>Foreign Currency Risk</u>
Realized gain (loss):	
Forward foreign currency contacts ² . .	\$337,659
Net change in unrealized appreciation (depreciation):	
Forward foreign currency contracts ³ . .	25,587

² Statement of Operations location: Net realized gain (loss) on forward foreign currency contracts

³ Statement of Operations location: Net change in unrealized appreciation (depreciation) on forward foreign currency contracts

F. Offsetting Assets and Liabilities—In the ordinary course of business, the Fund enters into transactions subject to enforceable master netting or other similar agreements. Generally, the right of setoff in those agreements allows the Fund to set off any exposure to a specific counterparty with any collateral received or delivered to that counterparty based on the terms of the agreements. The Fund may pledge or receive cash and/or securities as collateral for derivative instruments. Collateral, if any, held at June 30, 2018 is presented in the Schedule of Investments.

The table below presents both gross and net information about the derivative instruments eligible for offset in the Statement of Assets and Liabilities subject to master netting or similar agreements, as well as financial collateral received or pledged (including cash collateral) as of June 30, 2018. The total amount of collateral reported, if any, is limited to the net amounts of financial assets and liabilities presented in the Statement of Assets and Liabilities for the respective financial instruments. In general, collateral received or pledged exceeds the net amount of the unrealized gain/loss or market value of financial instruments.

	<u>Gross Amount of Recognized Assets</u>	<u>Gross Amount Offset in the Statement of Assets and Liabilities</u>	<u>Net Amount of Assets Presented in the Statement of Assets and Liabilities</u>	<u>Financial Instruments and Collateral Received</u>	<u>Net Amount</u>
Forward foreign currency contracts	<u>\$42,869</u>	<u>\$(17,282)</u>	<u>\$25,587</u>	<u>\$(25,587)</u>	<u>\$ —</u>

	<u>Gross Amount of Recognized Liabilities</u>	<u>Gross Amount Offset in the Statement of Assets and Liabilities</u>	<u>Net Amount of Liabilities Presented in the Statement of Assets and Liabilities</u>	<u>Financial Instruments and Collateral Pledged</u>	<u>Net Amount</u>
Forward foreign currency contracts	<u>\$(17,282)</u>	<u>\$17,282</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

G. Other—Security transactions are accounted for on trade date. Dividend income is recorded on the ex-dividend date. Interest income, including amortization of premiums and discounts, is accrued as earned. Realized gains and losses are calculated on the identified cost basis. Estimated foreign taxes that are expected to be withheld from proceeds at the sale of certain foreign investments are accrued by the Fund and decrease the unrealized gain on investments.

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

Note 3—Investment Management and Other Agreements—The Adviser is the investment adviser to the Fund. The Adviser receives a management fee, calculated daily and payable monthly based on an annual rate of 1.00% of the first \$500 million of average daily net assets, 0.90% of the next \$250 million of average daily net assets and 0.70% of the average daily net assets in excess of \$750 million. The Adviser has agreed, until at least May 1, 2019, to waive management fees and assume expenses to prevent the Fund’s total annual operating expenses (excluding acquired fund fees and expenses, interest expense, trading expenses, dividend and interest payments on securities sold short, taxes, and extraordinary expenses) from exceeding 1.10% of the Fund’s average daily net assets. Refer to the Statement of Operations for the amounts waived/assumed by the Adviser for the period ended June 30, 2018.

VANECK VIP UNCONSTRAINED
EMERGING MARKETS BOND FUND

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

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

Note 4—Investments—For the period ended June 30, 2018, the cost of purchases and proceeds from sales of investments, excluding U.S. government securities and short-term obligations, aggregated to \$37,259,671 and \$37,351,719, respectively.

Note 5—Income Taxes—As of June 30, 2018, for Federal income tax purposes, the identified cost of investments owned, net unrealized appreciation, gross appreciation, and gross appreciation of investments were as follows:

<u>Cost of Investments</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation (Depreciation)</u>
\$23,909,347	\$218,402	\$(1,398,984)	\$(1,180,582)

The tax character of dividends and distributions paid to shareholders during the year ended December 31, 2017 was as follows:

Ordinary income	\$641,416
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The tax character of current year distributions will be determined at the end of the current fiscal year.

At December 31, 2017, the Fund had capital loss carryforwards available to offset future capital gains as follows:

<u>Short-Term Capital Losses With No Expiration</u>	<u>Long-Term Capital Losses With No Expiration</u>	<u>Total</u>
\$(2,159,719)	\$—	\$(2,159,719)

Realized gains or losses attributable to fluctuations in foreign exchange rates on investments and other foreign currency denominated assets and liabilities result in permanent book to tax differences which may affect the tax character of distributions and undistributed net investment income at the end of the Fund’s fiscal year. For the period January 1, 2017 to June 30, 2018, the Fund’s net realized losses from foreign currency translations were \$584,739.

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. However, the Fund is subject to foreign taxes on the appreciation in value of certain investments. The Fund provides for such taxes, if any, on both realized and unrealized appreciation.

The Fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended June 30, 2018, the Fund did not incur any interest or penalties.

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

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

At June 30, 2018, the aggregate shareholder accounts of 4 insurance companies owned approximately 50%, 20%, 10%, and 8% of the Fund's outstanding shares of beneficial interest.

A more complete description of risks is included in the Fund's Prospectus and Statement of Additional Information.

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

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

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

Note 8—Bank Line of Credit—The Trust participates with VanEck Funds (collectively the “VE/VIP Funds”) in a \$30 million committed credit facility (the “Facility”) to be utilized for temporary financing until the settlement of sales or purchases of portfolio securities, the repurchase or redemption of shares of the Fund and other temporary or emergency purposes. The participating VE/VIP Funds have agreed to pay commitment fees, pro rata, based on the unused but available balance. Interest is charged to the VE/VIP Funds at rates based on prevailing market rates in effect at the time of borrowings. During the period ended June 30, 2018, the average daily loan balance during the three day period of which a loan was outstanding amounted to \$603,456 and the average interest rate was 2.81%. At June 30, 2018, the Fund had no outstanding borrowings under the Facility.

Note 9—Recent Accounting Pronouncements—The Financial Accounting Standards Board issued an Accounting Standards Update ASU 2017-08, *Receivables—Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities*, that shortens the amortization period for certain purchased callable debt securities held at premium to the earliest call date. The new guidance does not change the accounting for purchased callable debt securities held at a discount. The guidance is effective for public business entities for fiscal years beginning after 15 December 2018, and interim periods within those years. Early adoption is permitted. Management is currently evaluating the potential impact of this new guidance to the financial statements.

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 UNCONSTRAINED EMERGING
MARKETS BOND FUND
(the “Fund”)**

The Investment Company Act of 1940, as amended (the “1940 Act”), provides, in substance, that an investment advisory agreement between a fund and its investment adviser may be entered into only if it is approved, and may continue in effect from year to year after an initial two-year period only if its continuance is approved, at least annually by the fund’s board of trustees, including by a vote of a majority of the trustees who are not “interested persons” of the fund as defined in the 1940 Act (the “Independent Trustees”), cast in person at a meeting called for the purpose of considering such approval. On June 12, 2018, 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 May 14, 2018 and June 12, 2018 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;

APPROVAL OF ADVISORY AGREEMENT

June 30, 2018 (unaudited) (continued)

- Information regarding the qualifications, education and experience of the investment professionals responsible for portfolio management, investment research and trading activities for the Fund, the structure of their compensation and the resources available to support these activities;
- A report prepared by an independent consultant comparing the Fund's investment performance (including, where relevant, total returns, standard deviations, Sharpe ratios, information ratios, beta and alpha) with respect to a representative class of shares of the Fund for the one-, three-, five- and ten-year periods (as applicable) ended March 31, 2018 with those of (i) a universe of mutual funds selected by the independent consultant with similar portfolio holding characteristics, share class attributes and other operational characteristics as the Fund (the "Category"), (ii) a subgroup of funds selected from the Category by the independent consultant further limited to approximate more closely the Fund's investment style, expense structure and asset size (the "Peer Group"), and (iii) an appropriate benchmark index;
- A report prepared by an independent consultant comparing the advisory fees and other expenses of a representative class of shares of the Fund during its fiscal year ended December 31, 2017 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;

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

APPROVAL OF ADVISORY AGREEMENT

June 30, 2018 (unaudited) (continued)

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

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

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

The Board considered the fact that the Adviser is managing other investment products, including exchange-traded funds, private funds, separate accounts and UCITSS, one or more of which may invest in

the same financial markets and may be managed by the same investment professionals according to a similar investment objective and/or strategy as the Fund. The Board concluded that the management of these products contributes to the Adviser's financial stability and is helpful to the Adviser in attracting and retaining quality portfolio management personnel for the Fund. In addition, the Board concluded that the Adviser has established appropriate procedures to monitor conflicts of interest involving the management of the Fund and the other products and for resolving any such conflicts of interest in a fair and equitable manner.

The performance data and the advisory fee and expense ratio data described below for the Fund is based on data for a representative class of shares of the Fund. The performance data is net of expenses for periods on an annualized basis ended March 31, 2018, and the advisory fee and expense ratio data is as of the Fund's fiscal year end of December 31, 2017.

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

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

APPROVAL OF ADVISORY AGREEMENT

June 30, 2018 (unaudited) (continued)

noted that the Adviser makes use of a complex and unique proprietary strategy for managing the Fund's portfolio and that the Adviser has agreed to waive fees or pay expenses of the Fund through April 2019 to the extent necessary to prevent the expense ratio of the Fund from exceeding a specified maximum amount (subject to certain exclusions).

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

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

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

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

This report is intended for the Fund's shareholders. It may not be distributed to prospective investors unless it is preceded or accompanied by the Fund's prospectus, which includes more complete information. Investing involves substantial risk and high volatility, including possible loss of principal. An investor should consider the investment objective, risks, charges and expenses of the Fund carefully before investing. To obtain a prospectus, which contains this and other information, call 800.826.2333 or visit vaneck.com. 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 <https://www.sec.gov>.

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

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