

MAAX Seeks Shelter in High Quality

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MAAX VanEck Vectors® Municipal Allocation ETF

Municipal Allocation ETF Overview

The VanEck Vectors® Municipal Allocation ETF (“MAAX”) returned -0.30% vs. -1.26% for its benchmark for the month.

A significant allure of municipal bond investing, besides the tax preferences, is that default rates have historically been low relative to other fixed income investments. However, the forced shutdown of the economy has led to a severe decline in revenues for state and local governments. The longer the shutdown continues, the more pressure will be applied to municipalities to meet their obligations. Default rates have been rising and, without help from the federal government or a quick resolution to COVID-19, the situation is expected to worsen.

Average Annual Total Returns (%) as of April 30, 2020

	1 Mo [†]	YTD [†]	1 Yr	Life (05/15/19)
MAAX (NAV)	-0.30	-9.30	-	-6.13
MAAX (Share Price)	-1.92	-9.92	-	-6.70
Bloomberg Barclays Municipal Bond Index*	-1.26	-1.88	2.16	1.21

Average Annual Total Returns (%) as of March 31, 2020

	1 Mo [†]	YTD [†]	1 Yr	Life (05/15/19)
MAAX (NAV)	-12.09	-9.03	-	-5.85
MAAX (Share Price)	-11.18	-8.15	-	-4.87
Bloomberg Barclays Municipal Bond Index*	-3.63	-0.63	3.85	2.50

[†]Returns less than a year are not annualized.

Expenses: Gross 0.38%; Net 0.38%. Van Eck Associates Corporation (the “Adviser”) will pay all expenses of the Fund, except for the fee payment under the investment management agreement, acquired fund fees and expenses, interest expense, offering costs, trading expenses, taxes and extraordinary expenses. Expenses are based on estimated amounts for the current fiscal year. Cap excludes acquired fund fees and expenses, interest expense, trading expenses, taxes and extraordinary expenses.

The table presents past performance which is no guarantee of future results and which may be lower or higher than current performance. Returns reflect temporary contractual fee waivers and/or expense reimbursements. Had the ETF incurred all expenses and fees, investment returns would have been reduced. Investment returns and ETF share values will fluctuate so that investors’ shares, when redeemed, may be worth more or less than their original cost. ETF returns assume that distributions have been reinvested in the Fund at “Net Asset Value” (NAV). NAV is determined at the close of each business day, and represents the dollar value of one share of the fund; it is calculated by taking the total assets of the fund, subtracting total liabilities, and dividing by the total number of shares outstanding. The NAV is not necessarily the same as the ETF’s intraday trading value. VanEck Vectors ETF investors should not expect to buy or sell shares at NAV.

*Bloomberg Barclays Municipal Bond Index is considered representative of the broad market for investment grade, tax-exempt municipal bonds with a maturity of at least one year.

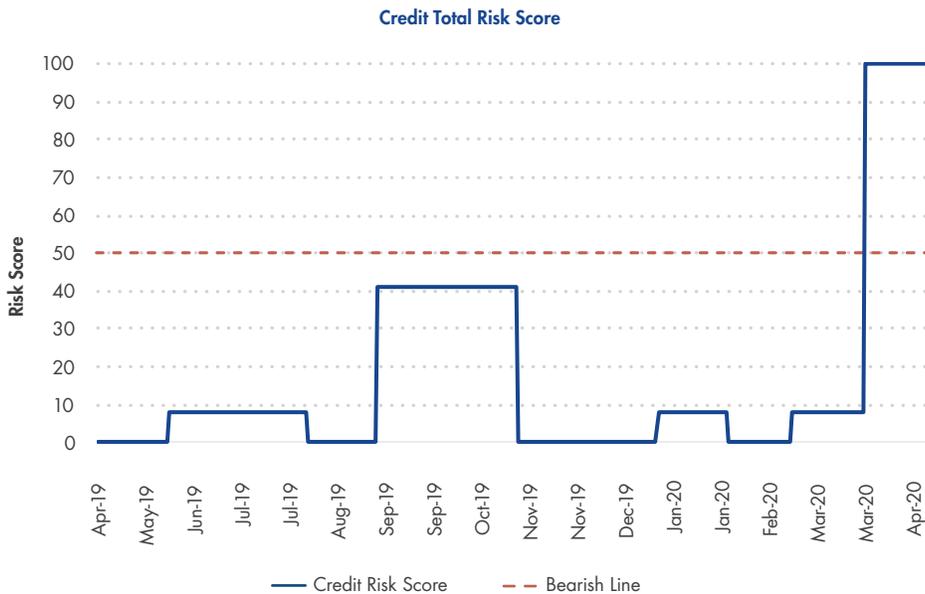
In the beginning of April, MAAX gradually exited its positions in high yield, long and intermediate duration and moved into short duration investment grade. The muni market got off to a bumpy start in April. There was a rapid price decline on the first trading day, followed by a short rally that lasted until April 9, and then prices continued to fall for the rest of the month. Within MAAX’s universe of ETFs, high yield bonds and short-term investment grade were the top performers in April. The VanEck Vectors High Yield Municipal Index ETF (HYD) had a market price return of 5.23% and the VanEck Vectors AMT-Free Short Municipal Index ETF (SMB) had a market price return of 1.35%. The bottom performing ETFs within its investment universe for April were the VanEck Vectors AMT-Free Long Municipal ETF (MLN), with a market price return of -2.85%, and the Vectors AMT-Free Intermediate Municipal ETF (ITM), with a market price return of -2.11%.

The markets have stabilized significantly in the past two months. MAAX is adapting to the lower risk regime by re-investing in investment grade bonds with intermediate and longer-term durations. However, the model remains defensively positioned by avoiding investments in high yield bonds. The following section of the commentary explains why.

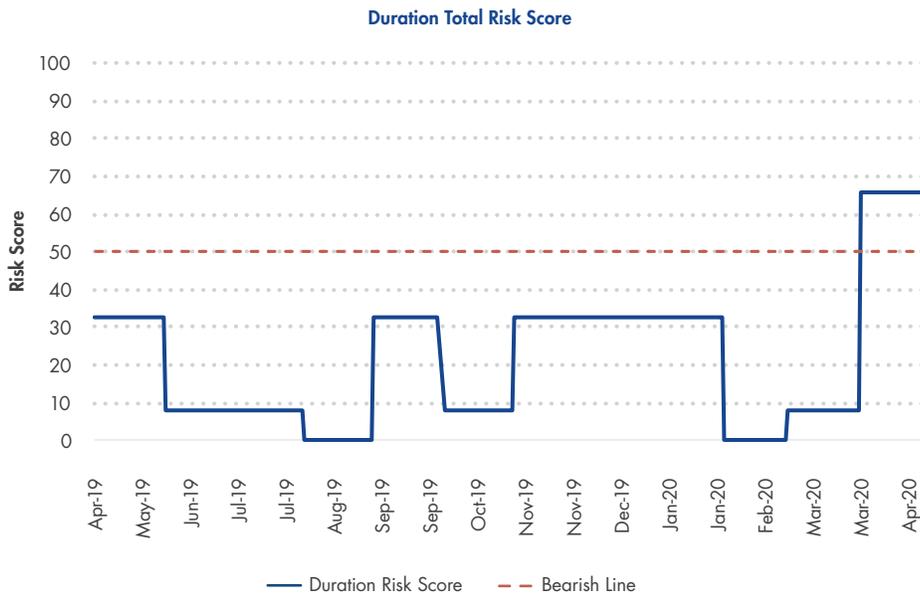
Muni Risk Factors

The model indicates a period of continued high risk in the municipal fixed income market. This results from measuring credit and duration risk using stability in price levels, volatility and historical relationships.

Risk is scored from 0 to 100. A score of 50 or lower implies that risk is low and a score of 50 or higher implies that risk is high. The current credit risk score remains at 100. This extreme score reflects falling prices, high volatility and various fixed income spread measures that indicate a period of near-term instability in assets with credit risk.



The duration risk score fell from 66 to 41 as the markets continue to stabilize.



The volatility of key global interest rate benchmarks has fallen as central banks around the world aggressively combat the economic turmoil caused by the virus. This was the catalyst for MAAX re-investing in both intermediate and longer-term duration investment grade bonds. While the duration risk score is below the critical level of 50, it remains elevated due to continued downward pricing pressure on municipal bonds with longer durations.

This is a period of great uncertainty for the markets. Risk may continue to abate and offer investors a great buying opportunity in high yield, or it may worsen and high yield prices may fall further from here. We believe that the fund is positioned to perform well in either scenario.

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Investing involves substantial risk and high volatility, including possible loss of principal. Bonds and bond funds will decrease in value as interest rates rise. An investor should consider the investment objective, risks, charges and expenses of the Fund carefully before investing. To obtain a prospectus and summary prospectus, which contains this and other information, call 800.826.2333 or visit vaneck.com. Please read the prospectus and summary prospectus carefully before investing.

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