Performance Review
The VanEck Emerging Markets Fund (the “Fund”) declined 25.90% during the first quarter of 2020, modestly underperforming its market index benchmark, the Morgan Stanley Capital International Emerging Markets Investable Market Index (“MSCI EM IMI”), which lost 24.40% for the same period. Clearly, the emergence of a global pandemic affected all markets but this significant market turbulence disproportionately affected small- and mid-cap stocks in the emerging markets space.

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

<table>
<thead>
<tr>
<th></th>
<th>1Q20</th>
<th>1 Yr</th>
<th>3 Yr</th>
<th>5 Yr</th>
<th>10 Yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A: NAV</td>
<td>-25.90</td>
<td>-16.64</td>
<td>-0.61</td>
<td>-1.13</td>
<td>2.32</td>
</tr>
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<td>(Inception 12/20/93)</td>
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<tr>
<td>Class A: Maximum 5.75% load</td>
<td>-30.16</td>
<td>-21.42</td>
<td>-2.54</td>
<td>-2.29</td>
<td>1.72</td>
</tr>
<tr>
<td>MSCI EM IMI</td>
<td>-24.40</td>
<td>-18.91</td>
<td>-2.53</td>
<td>-0.90</td>
<td>0.47</td>
</tr>
<tr>
<td>MSCI EM Index</td>
<td>-23.60</td>
<td>-17.69</td>
<td>-1.62</td>
<td>-0.37</td>
<td>0.68</td>
</tr>
</tbody>
</table>

The table presents past performance which is no guarantee of future results and which may be lower or higher than current performance. Returns reflect applicable fee waivers and/or expense reimbursements. Had the Fund incurred all expenses and fees, investment returns would have been reduced. Investment returns and Fund share values will fluctuate so that 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 net asset value (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 or by visiting vanec.com.

Expenses: Class A: Gross 1.50%; Net 1.50%. Expenses are capped contractually until 05/01/21 at 1.60% for Class A. Caps exclude acquired fund fees and expenses, interest, trading, dividends, interest payments of securities sold short, taxes and extraordinary expenses.

Market Review
As the beginning of the year and the quarter unfolded, so did the global reach of COVID-19 and its impact on emerging markets’ economies. Looking at some of the countries in which we invest, China remains an important case study. Economic activity dropped dramatically but there are clear, tangible signs of recovery, although “back to work” is much more robust than “back to play.” India had some challenges to overcome, particularly in its financials sector, even before the costs of the pandemic are considered. The shutdown and the impact on the economy and credit costs will exacerbate the situation. Whilst the Fund does have the financials exposure in India, it is focused on what we believe are “best of breed” companies, like HDFC Bank (1.96% of Fund net assets*), that ultimately benefit from these tough times. In Brazil, political noise has become louder and the market has been volatile.

Fund Review
The philosophical underpinning of our Fund has worked reasonably well in this environment. Stock-specific impact varies but less immediate economic sensitivity provides comfort, as long as the mid- to longer-term delta of growth for emerging markets equity stocks has not been significantly impacted. The size differentiator was very important in the first quarter, with both small- and mid-cap stocks underperforming large-cap emerging markets stocks by more than 9%. We do not believe that fundamentals have deteriorated by market capitalization and that poorer relative performance of small- and mid-cap stocks in emerging markets is principally a function of a rating decline driven by risk aversion. We have seen this a number of times before and we observe that this unwinds when risk reverts to more normal levels. Meanwhile, stock picking tends to improve, as markets “throw the baby out with the bathwater.”
On a sector level, Consumer Discretionary, Industrials and Energy contributed the most to the Fund’s relative performance, while Financials, Healthcare and Real Estate detracted. On a country level, issuers from China, South Africa and Germany (e.g., Delivery Hero (1.53% of Fund net assets*)—listed in Germany, but primarily operating in emerging markets countries) helped the Fund’s performance on a relative basis, whereas India, Brazil and UAE detracted. The Fund continues to have a higher percentage of investments in China than the index and, yet again, stock selection has been positive there. In Brazil, stock selection for the quarter was not positive but we believe that quality companies have been unfairly sold down and we have modestly increased our positioning there. An example of that would be Rumo (1.16% of Fund net assets*), a railway logistics operator, which is principally engaged in the transportation of soft commodities within the country.

## Top Performers

Top contributors to returns during the quarter came predominantly from China.

- **A-Living Services** (4.24% of Fund net assets*) is a top 10 property manager in China, primarily focusing on residential property management. The company’s structural growth themes include the following: it operates in a consolidating industry, benefitting from increased urbanization and limited management contracts; A-Living has experienced a recent, substantial increase in square meters under management from parent companies, M&A activity and third-party business; and as the industry consolidates, property management fees are expected to increase. In the first quarter, the company benefited from further recognition not only of the sustainability of its earnings and the good use to which it has been putting its cash, but also the soundness of the industry in which it operates. It continues to add property management projects, including third-party acquisitions, and has proven that accretive M&A expands the opportunity set.

- **GDS Holdings** (2.10% of Fund net assets*) is a leading developer and operator of high-performance data centers in China. Cloud and digital technologies are transforming China and creating opportunities scarcely imaginable 10 years ago. As enterprises seek to address these opportunities, GDS provides the platforms they need to grow and fulfill their potential by delivering solutions with a new kind of large scale, high performance data center. Due to the virus outbreak, the move to remoteness and social distancing has led to a significant increase in online demand, as well as the need for data storage and speed—therefore, accelerating the growth trajectory for exceptional companies like GDS.

- **Tencent Holdings** (6.35% of Fund net assets*), a longtime holding of the Fund, is a leading Internet company in China with the largest online community, focusing on social networking, chat and online gaming. In China, Internet is a structural growth theme with extensive untapped potential and it continues to increase in demand from current users. Based on its strong customer base, Tencent is well positioned to monetize its enormous base of users through value-add advertising and cloud and payment management services. During the quarter, the company benefited from increased usage of its gaming assets and saw some potential stabilization of its market share in digital advertising, together with an easier environment around the games approval process.

- **Ping An Healthcare and Technology Company** (1.39% of Fund net assets*), based in China, is the largest healthcare technology platform by users globally. As of December 31, 2019, Ping An Good Doctor (PAGD) had 269 million registered users and 66.9 million monthly active users (MAU) on its platform. The company’s structural growth themes include the following: the platform uses the Internet + artificial intelligence (AI) to provide cost-efficient access to medical services in China and it is also expanding internationally. PAGD’s network provides convenient access to quality healthcare with minimal wait time through a phone app, versus the inconvenience, cost and risk of a hospital visit, which is the norm in China. During the quarter, the global move to remoteness and social distancing has led to a surge in healthcare in general, and telemedicine in particular.

- Finally, **Fu Shou Yuan International Group** (1.71% of Fund net assets*) is the largest private death care service provider in China. The company develops long-term (typically 70 years) leaseholds for cemeteries and offers funeral services associated with those cemeteries. Originally from Shanghai, Fu Shou Yuan now operates in 17 cities across the country. Its structural growth themes are driven by newly supportive government policy, greater affluence and an aging population. Land is scarce for new cemeteries, as licenses are difficult to obtain. For Fu Shou Yuan, recurring services (i.e., maintenance, etc.) currently comprise approximately 30% of total revenue and organic growth is expected to be in the mid-double digits, before the impact of mergers and acquisitions is even taken into account. During the quarter, the company performed well and was simply unaffected by the virus situation.
Manager Commentary March 2020

Bottom Performers
The Fund was hurt by its positions in Brazil, as well Indian financials and micro/unsecured lenders in Indonesia and South Africa.

- **Movida Participações** (0.76% of Fund net assets*) is the second largest car rental company in Brazil, with a primary focus on car rental (approximately 75,000 cars), fleet rental and used car sales lines of business. We have been invested in this company due to its strong market growth trend in an underpenetrated industry and an attractive valuation profile. Like all travel-related companies, Movida has suffered from an anticipation of substantially less demand. We believe the effect, whilst substantial, has been more than reflected in the share price movement.

- **Bank Tabungan Pensiunan Nasional Syariah** (BTPS) (0.86% of Fund net assets*) is a micro-lending company that is empowering rural impoverished women in Indonesia. Its business model is to lend to groups of women for productive uses but involves a high element of sociability, both in terms of financial education before a loan is extended to the group, but also during the lifetime of the loan. This bank has been impacted not only by fears of elevated credit costs but also potential difficulty in implementing the social aspect of its business model. Again, we think the market movement has exaggerated these issues.

- **NMC Health** (0.11% of Fund net assets*)—the situation regarding this Middle Eastern hospital and clinic operator is an unfortunate corporate governance issue. It appears that substantial unauthorized loans were taken out, which were not disclosed to the board of directors, the auditors or investors. Despite multiple meetings that we and other global investors have had with the company, the existence of these "off book" loans was never mentioned, despite direct questioning. This is very disappointing but we learn from this incident and the Fund has already marked down the value of its investment appropriately.

- **IRB Brasil Resseguros** (0.49% of Fund net assets*) is the largest reinsurance company in Brazil, with 40% market share. The company remains a high conviction name in our portfolio because of very low penetration on insurance and reinsurance in Brazil; IRB’s dominant position in the market, long track record and existing relationship with clients; and what we view as strong management and balance sheets. During the quarter, some questions have been raised about some of the company’s accounting treatments and selective disclosures. We believe that these concerns are exaggerated and we continue to have conviction in the company’s business model.

- **HDFC Bank** (1.96% of Fund net assets*) is a high quality consumer bank in India, leveraging the structurally growing and emerging consumer with a significant and visible runway to growth. HDFC Bank underperformed during the quarter as a result of the COVID-19 virus, as well as growing concerns around the economic hard landing. Yet, HDFC remains a high conviction name in our portfolio, as it has strong fundamentals and balance sheet, healthy liability franchisees and we believe should be able to bounce back and become a natural outperformer versus other financials when normal times return.

Outlook
We are not in normal times. The consequences of a global pandemic juxtaposed with truly unprecedented monetary and fiscal stimuli will be with us for many years to come. Emerging markets have traditionally underperformed in a risky environment but, in general, we believe the behavior of the asset class has not been as bad as many might have predicted. A large part of the negative outcome was generated by the abnormal strength of the U.S. dollar, driven by a global “shortage” of dollars. This has started to normalize and we continue to have a reasonable hope for U.S. dollar stability in the coming quarters. Whilst it may not matter in the short term, emerging markets currencies are cheap, particularly versus the U.S. dollar.

Whilst the overall impact of the pandemic has been very negative across all equity asset classes, there is some silver lining in a very dark cloud. The Fund has always been forward looking, focusing on sectors and industries that form the future of emerging markets rather than the past. It is clear that the golden era of globalization has gone and concentrated supply chains will be increasingly questioned. The “business model” of many emerging countries as they progress from low to middle income was predicated on cheap labor and the comparative advantage that this endowed. Either that or as a supplier of significant commodity resources. We believe both “models” will be increasingly challenged in the future and successful emerging markets economies will be based on innovation, education, domestic demand and consumption. The Fund continues to be heavily invested in the future of emerging markets, in industries that, we believe, match the likely route that the best economies may take. Industries such as healthcare, e-commerce and education may be the most fruitful areas of investment going forward, we believe. And one consequence of the pandemic is that it accelerates trends in some of these areas and changes behaviors towards increased consumption of certain parts of these industries.
We believe the Fund is well positioned for that future. Once the short-term distress and volatility recede as global government responses flow through the financial system, we expect bottom-up stock selection to drive alpha once again in emerging markets countries around the world.

Concurrent with their forward-looking business models, exceptional structural growth companies tend to have robust balance sheets, a feature which not only helps them to weather this particular storm but also take advantage of opportunities as the clouds lift.

Investing in emerging markets is for the long haul, and whilst we can’t say when business will resume, but we can say, with conviction, that the Fund is very well positioned when it does.

*All country and company weightings are as of March 31, 2020. Any mention of an individual security is not a recommendation to buy or to sell the security. Fund securities and holdings may vary.

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. Certain indices may take into account withholding taxes. An index’s performance is not illustrative of the Fund’s performance. Indices are not securities in which investments can be made.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets countries. The MSCI Emerging Markets Investable Market Index (IMI) is a free float-adjusted market capitalization index that is designed to capture large-, mid- and small-cap representation across emerging markets countries.

MSCI Emerging Markets Investable Market Index (IMI) captures large, mid and small cap representation across emerging markets (EM) countries. The index covers approximately 99% of the free float-adjusted market capitalization in each country.

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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. The Fund is subject to the risks associated with its investments in Chinese issuers, direct investments, emerging market securities which tends to be more volatile and less liquid than securities traded in developed countries, foreign currency transactions, foreign securities, other investment companies, Stock Connect, management, market, operational, sectors and small- and medium-capitalization companies risks. 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, or political, economic or social instability.

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. Investing involves risk, including possible loss of principal. An investor should consider the Fund’s investment objective, risks, charges and expenses carefully before investing. The prospectus and summary prospectus contain this as well as other information. Please read them carefully before investing.