

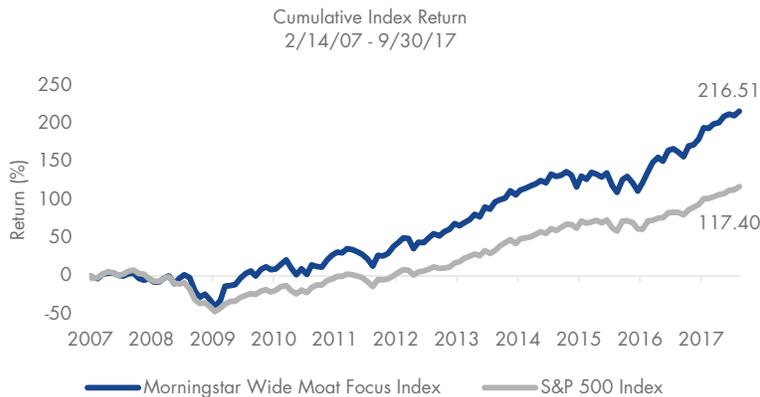


# Wide Moat Investing: A History of Outperformance

## MOAT<sup>®</sup> VanEck Vectors<sup>®</sup> Morningstar Wide Moat ETF

Morningstar's wide moat philosophy aims to identify companies with sustainable competitive advantages. MOAT offers investors access to Morningstar's equity research by tracking the Morningstar<sup>®</sup> Wide Moat Focus Index<sup>SM</sup> which features a proven track record.

### Morningstar Wide Moat Focus Index has outperformed the S&P 500<sup>®</sup> Index



Total Returns (%) As of 9/30/17	Morningstar Wide Moat Focus Index	S&P 500 Index
1 Mo	1.94	2.06
3 Mo	2.16	4.48
YTD	16.32	14.24
1 Yr	20.54	18.61
3 Yr	11.15	10.81
5 Yr	15.31	14.22

Source: Morningstar. Returns in table annualized for periods greater than one year. Effective June 20, 2016, Morningstar implemented several changes to the Morningstar Wide Moat Focus Index construction rules. Among other changes, the index increased its constituent count from 20 stocks to at least 40 stocks and modified its rebalance and reconstitution methodology. These changes may result in more diversified exposure, lower turnover, and longer holding periods for index constituents than under the rules in effect prior to this date. Past performance is no guarantee of future results.

### What are Moats?

Structural competitive advantages that Morningstar believes are more likely to earn above-average returns on capital for a company over a long period of time.

### Why MOAT?

Morningstar equity analysts identify quality companies they believe possess sustainable competitive advantages

Index intends to favor attractively valued companies

Proven index track record of generating significant excess returns relative to the overall market since inception (2/07)<sup>1</sup>

<sup>1</sup>Prior to April 24, 2012, the Fund had no operating history.

**Index performance is not illustrative of Fund performance. Fund performance current to the most recent month end is available by visiting [vaneck.com](http://vaneck.com) or by calling 800.826.2333. Historical performance is not indicative of future results. Indexes are unmanaged and are not securities in which an investment can be made.**

Index Risk Statistics 2/28/07 - 9/30/17	Morningstar Wide Moat Focus Index	S&P 500 Index
Annualized Return	11.68	7.95
Standard Deviation	19.53	14.88
Beta	1.15	1.00
Sharpe Ratio	0.63	0.55
Max Drawdown	-42.43	-50.95
Upside Capture	118.40	100.00
Downside Capture	105.43	100.00

Source: Morningstar. Based on monthly returns.

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DEFINITIONS: **Standard Deviation** is a historical measure of the variability of returns relative to the average annual return. A higher number indicates higher overall volatility. **Beta** analyzes the market risk of a fund by showing how responsive the fund is to the market. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse in down markets. Usually the higher betas represent riskier investments. **Sharpe Ratio** is a risk-adjusted measure that is calculated using standard deviation and excess return to determine reward per unit of risk. The higher the sharpe ratio, the better the fund's historical risk-adjusted performance. **Max Drawdown** measures the largest loss from peak to trough in a certain time period. **Upside Capture** measures whether an index outperformed a calculation benchmark index in periods of market strength. A ratio over 100 indicates an index has generally outperformed the calculation benchmark index during periods of positive returns for the calculation benchmark index. **Downside Capture** measures whether an index outperformed a calculation benchmark index in periods of market weakness. A ratio of less than 100 indicates that an index has lost less than its calculation benchmark index in periods of negative returns for the calculation benchmark index. **S&P 500® Index** consists of 500 widely held common stocks covering in the leading industries of the U.S. economy. **Morningstar Wide Moat Focus Index** is a rules-based, equal-weighted index that is intended to offer exposure to companies that have sustainable competitive advantages according to Morningstar analysts.

The Morningstar® Wide Moat Focus Index<sup>SM</sup> was created and is maintained by Morningstar, Inc. Morningstar, Inc. does not sponsor, endorse, issue, sell, or promote the VanEck Vectors Morningstar Wide Moat ETF and bears no liability with respect to that ETF or any security. Morningstar® is a registered trademark of Morningstar, Inc. Morningstar Wide Moat Focus Index is a service mark of Morningstar, Inc.

An investment in the Fund may be subject to risks which include, among others, investing in the health care, consumer discretionary, industrials, information technology and financial services sectors, medium-capitalization companies, equity securities, market, operational, high portfolio turnover, index tracking, authorized participant concentration, no guarantee of active trading market, trading issues, replication management, fund shares trading, premium/discount risk and liquidity of fund shares, non-diversified, and concentration risks, which may make these investments volatile in price or difficult to trade. Medium-capitalization companies may be subject to elevated risks. The Fund's assets may be concentrated in a particular sector and may be subject to more risk than investments in a diverse group of sectors.

Fund shares are not individually redeemable and will be issued and redeemed at their NAV only through certain authorized broker-dealers in large, specified blocks of shares called "creation units" and otherwise can be bought and sold only through exchange trading. Shares may trade at a premium or discount to their NAV in the secondary market.

**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 and summary prospectus, which contains this and other information, call 800.826.2333 or visit [vaneck.com](http://vaneck.com). Please read the prospectus and summary prospectus carefully before investing.**

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