What August's Gold Rally Means for Gold Mining Equities

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August Gold Market Review

Gold had a strong August, gaining 9.67% for the month and closing at $4,437.38 on August 31 – its best monthly performance since January. The month saw two distinct legs higher: an initial jump in early August driven by hopes around a resolution in the Strait of Hormuz and the implications for the Fed's policy path, and a second move following Treasury Secretary Bessent's August 19 announcement of plans to significantly expand buybacks of longer-dated bonds, which pushed longer-dated Treasury yields lower and weighed on the U.S. dollar, providing a tailwind for gold. The broader backdrop remained supportive as well, with news that the People's Bank of China extended its gold buying streak to a 21st consecutive month in July, reinforcing the structural central bank demand story, while growing market concern over U.S. federal debt hitting a record $40 trillion kept the debasement theme in focus.

Gold reached a monthly high of $4,657 on August 25 before giving up gains, as Fed Chair Kevin Warsh's remarks at the Jackson Hole symposium – where he signaled the Fed would "have work to do" if inflation wasn't clearly moving back toward its 2% target – sent rate hike expectations for the September 16 FOMC meeting sharply higher, pressuring gold.

Average Annual Total Returns (%) as of August 31, 2026

	1 MO†	1 YR	5 YRS	10 YRS
Class A: NAV (Inception (2/10/56)	29.33	69.87	28.21	16.20
Class A: Maximum 5.75% load	21.89	60.10	26.70	15.51
MVGDXTR Index	32.94	59.81	27.06	16.08

Average Annual Total Returns (%) as of June 30, 2026

	1 MO†	1 YR	5 YRS	10 YRS
Class A: NAV (Inception (2/10/56)	-14.38	58.50	21.20	12.63
Class A: Maximum 5.75% load	-19.30	49.39	19.77	11.96
MVGDXTR Index	-15.54	47.33	19.41	12.04

Source: VanEck

The performance data quoted represents past performance. Past performance is not a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than performance data quoted. Please call 800.826.2333 or visit vaneck.com for performance current to the most recent month ended.

The "Net Asset Value" (NAV) of a Fund 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. Investors should not expect to buy or sell shares at NAV.

†Monthly returns are not annualized. Please note that precious metals prices may swing sharply in response to cyclical economic conditions, political events or the monetary policies of various countries.

Expenses: Class A: Gross 1.31%; Net 1.31%. Expenses are capped contractually until 05/01/27 at 1.45% for Class A. Caps exclude acquired fund fees and expenses, interest, trading, dividends, and interest payments of securities sold short, taxes and extraordinary expenses.

Gold mining equities participated in the August rally, with the MarketVector Global Gold Miners Index (MVGDXTR)[1] up 32.94% for the month, significantly outperforming the metal as leverage kicked in.

We recently shared our views on what we think are some of the steps gold mining companies can take to help put gold equities on the radar of global investors – how to make the case compelling enough, and consistent enough, that the broader investment community starts to see what we see: That owning the miners is worth it despite all the additional complexity and risk.

At the heart of it, we were talking about the need to build trust in gold equities as the right vehicle to get exposure to the gold market. Many of these companies have already done, and continue to do, the hard work of rebuilding that trust. The question now is whether investors have done the work to understand this complex and demanding sector.

Investing in Gold Mining Equities: Risks, Rewards and Long-Term Value

Gold mining equities are not the same as owning gold – they are leveraged, operationally complex businesses where rising gold prices can amplify returns significantly, but where company-specific risks, jurisdiction, management quality, and cost structure all play a critical role in outcomes. For investors considering exposure to this sector, the principles that separate informed investors from the rest go well beyond watching the gold price.

The Sector Has Done The Work – And Valuations Remain Discounted

August's rally offered a glimpse of what this sector can do, but the longer-term case for gold mining equities rests on something more durable. The sector is, in our view, in the strongest shape ever. By most valuation metrics – price to cash flow, price to net asset value, relative to their own history, relative to gold and relative to the broader equity market – gold mining equities remain deeply discounted at a moment when the underlying businesses are generating some of the strongest levels of free cash flow in their histories.

There's a reasonable case that the market is still pricing these companies based on who they were rather than who they are. That may persist for a while, but we don't think it will persist indefinitely. At some point, we expect the valuation gap to narrow. For investors willing to engage with it thoughtfully, the gold mining sector looks as compelling as ever.

All company, sector, and sub-industry weightings as of August 31, 2026 unless otherwise noted.

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[1]MarketVector Global Gold Miners Index (MVGDXTR) tracks the overall performance of companies involved in the gold mining industry.

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Investments in commodities can be very volatile and direct investment in these markets can be very risky, especially for inexperienced investors.

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About VanEck International Investors Gold Fund: 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 risks which may include, but are not limited to, risks associated with active management, commodities and commodity-linked instruments, commodities and commodity-linked instruments tax, derivatives, direct investments, emerging market issuers, ESG investing strategy, foreign currency, foreign securities, gold and silver mining companies, market, non-diversified, operational, regulatory, investing in other funds, small- and medium-capitalization companies, special risk considerations of investing in Australian and Canadian issuers, subsidiary investment risk, and tax risks (with respect to investments in the Subsidiary), all of which may adversely affect the Fund. Emerging market issuers and foreign securities may be subject to securities markets, political and economic, investment and repatriation restrictions, different rules and regulations, less publicly available financial information, foreign currency and exchange rates, operational and settlement, and corporate and securities laws risks. Small- and medium-capitalization companies may be subject to elevated risks. Derivatives may involve certain costs and risks such as liquidity, interest rate, and the risk that a position could not be closed when most advantageous. Investments in the gold industry can be significantly affected by international economic, monetary and political developments. The Fund's overall portfolio may decline in value due to developments specific to the gold industry.

Diversification does not assure a profit or protect against loss.

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

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