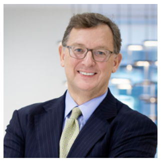
Power Demand Redefines Global Resources



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Commodities Diverge as Power Demand Accelerates

Risk appetite held up into year-end, supported by sustained enthusiasm for AI-related capex and expectations that policy rates could drift lower over time. At the same time, trade policy uncertainty and tariff dynamics remained recurring drivers of commodity price dislocations, most visibly in oil and copper.

Resource equities split along commodity lines. Metals and mining equities outperformed on strong copper and precious metals price action, while energy equities lagged as crude's downtrend and oversupply narrative weighed on confidence in forward earnings and capital allocation.

Sector Performance Recap

Oil & Gas:

- 2025 was a notably weak year for crude oil with WTI down ~19% (its largest annual decline since 2020). The fourth quarter largely reflected the same pressure points seen earlier in the year, ample supply versus only modest demand, keeping rallies short-lived despite periodic geopolitical headlines.
- Natural gas remained weather-sensitive in the near term, but the structural demand narrative strengthened, as the U.S. surpassed 100 million metric tons of liquid natural gas exports for the first time, supported by new capacity and sustained European demand. By the fourth quarter, gas was increasingly framed as a feedstock for global energy security, rather than solely a domestic heating and power fuel.
- With crude prices range-bound, capital discipline and durable return frameworks remained central to upstream positioning, favoring balance-sheet strength over growth.
- Gas-levered E&Ps and midstream operators benefited from firmer pricing and the AI-related power demand narrative linking gas supply to data center and grid infrastructure buildout.

Average Annual Total Returns (%) as of December 31, 2025

	4Q 25*	YTD	1 Yr	5 Yr	10 Yr
Class A: NAV (Inception 11/02/94)	6.52	36.11	36.11	10.14	7.90
Class A: Maximum 5.75% load	0.39	28.28	28.28	8.84	7.27
SPGNRUN Index[1]	6.71	28.86	28.86	10.61	10.38

The table (left) 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 NAV. Index returns assume that dividends from index constituents have been reinvested. Investing involves risk, including loss of principal; please see disclaimers on last page. Please call 800.826.2333 or visit vaneck.com for performance current to the most recent month end.

*Returns less than one year are not annualized.

Expenses: Class A: Gross 1.49%; Net 1.38%. Expenses are capped contractually until 05/01/26 at 1.38% for Class A. Caps exclude acquired fund fees and expenses, interest, trading, dividends, and interest payments of securities sold short, taxes and extraordinary expenses.

Renewables & Alternatives:

- Renewable energy delivered a stronger than expected fourth quarter and 2025 overall, particularly as financing conditions began to stabilize.
- The key macro driver remained the cost of capital: developers and yield-sensitive infrastructure improved as rate pressures eased, while utilities increasingly traded on load growth from data centers and the scale of required grid investment.
- Clean power procurement accelerated, with hyperscalers continuing to pull forward demand through long-term, structured supply arrangements.

Base & Industrial Metals:

- Copper was the standout cyclical bellwether, pushing to new highs in December amid tariff-driven trade distortions, mine disruptions, supply constraints and a demand narrative increasingly tied to electrification and AI-driven data center expansion.
- Copper producers and diversified miners traded on leverage to underlying prices, supported by solid project execution and longer-term supply scarcity driven by long lead times, permitting challenges and capital intensity across new supply.
- Steel markets were more mixed, with prices largely range-bound amid ample capacity and uneven global demand. Steel producers emphasized cost control, balance-sheet discipline and trade protection in the face of ongoing import pressure.

Gold & Precious Metals:

- Gold extended its 2025 rally into year-end, reaching new record highs in late December, supported by geopolitical risk, sustained central bank demand, ETF inflows and expectations for future Fed easing.
- Price action remained resilient, with the market consistently treating pullbacks as buying opportunities, reflecting late-cycle behavior as real-rate expectations softened and macro uncertainty persisted.
- Producers broadly benefited from the stronger price tape, though dispersion remained driven by cost inflation, mine sequencing, jurisdictional exposure and capital allocation decisions.
- Precious metals equities re-rated quickly in Q4, reinforcing their sensitivity to policy expectations and liquidity conditions rather than purely geopolitical developments.

Agriculture:

- The 2025 agricultural backdrop was defined by weak pricing and farm income stress, prompting the USDA to announce a $12B aid package in early December aimed at offsetting losses tied to low crop prices and trade disruptions.
- Processors and traders faced a challenging fourth quarter, with weak crush margins, cautious policy signals and less favorable selling conditions.
- Ag input suppliers showed mixed performance: fertilizer markets were relatively constructive on firmer pricing and security-of-supply narratives, while crop protection remained pressured by affordability constraints.

Paper & Forest Products:

- Pricing remained soft across forest products in the fourth quarter, with lumber largely range-bound after summer weakness and pulp prices still under pressure following their mid-year peak. End markets such as housing and packaging stabilized but did not meaningfully recover.
- Supply discipline dominated industry behavior, with curtailments, mill closures and restructuring actions aimed at rebalancing markets and protecting cash flow.
- Equity performance reflected macro sensitivity, as timber REITs lagged on housing and rate concerns, while private timberland transactions and strategic M&A highlighted long-term asset value despite cyclical weakness.

Portfolio Performance: Drivers and Detractors

Year-to-date, Global Resources Fund (Class A; excluding fees and expenses, the "Fund") continued to generate strong absolute and relative performance, returning 36.11% versus 28.86% for the S&P Global Natural Resources Index to round out the year. In the fourth quarter, the Fund returned 6.52%, compared with 6.71% for the Index. On an absolute basis, returns were driven primarily by exposure to Gold & Precious Metals, Base & Industrial Metals and Oil & Gas. On a relative basis, Gold & Precious Metals, Renewables & Alternatives and Industrials & Utilities were the largest contributors, while Agriculture, Oil & Gas and Base & Industrial Metals detracted.

Top absolute contributors included Gold & Precious Metals companies Barrick Mining (3.65% of Fund assets) and Pan American Silver (2.10% of Fund assets), both of which benefited from sustained rallies in gold and silver prices, as well as aluminum producer Alcoa (1.21% of Fund assets). Alcoa outperformed on the back of strong aluminum price appreciation, tight supply-demand fundamentals and rising demand expectations tied to power infrastructure and AI-related electrification.

Top detractors included fertilizer producers Mosaic (1.29% of Fund assets) and FMC Corp. (not held), as well as Gold & Precious Metals streaming and royalty company Franco-Nevada (2.11% of Fund assets). Fertilizer producers detracted amid weak farm economics, lower crop prices and concerns around new supply additions, while Franco-Nevada was negatively impacted by valuation sensitivity to interest rates and company-specific production and guidance headwinds.

Notable Adds:

Company	Sub-Sector	Fund Weight	Rationale
Packaging Corp of America	Paper & Forest	1.26%	North American manufacturer of containerboard and corrugated packaging products with continued revenue and earnings growth despite a challenging macro backdrop. The recent acquisition of a containerboard business should add capacity, enhance vertical integration and meaningfully expand margins as synergies are realized. This operational momentum underpins our favorable outlook for 2026.
Smurfit WestRock	Paper & Forest	1.26%	Packaging company serving food & beverage, e-commerce and industrial end markets. Formed through the merger of two industry leaders, the company represents a compelling self-help opportunity. While integration was initially challenging, we expect improving execution as efficiency gains are captured through network optimization, mill rationalization and procurement savings, supporting solid earnings growth and margin expansion.
International Paper	Paper & Forest	1.01%	Global leader in packaging solutions and the world's largest pulp and paper company. A recent acquisition strengthened its footprint across North American and EMEA packaging markets. We expect attractive earnings growth as the company integrates the acquisition, streamlines its portfolio and continues shifting toward higher-margin packaging and containerboard operations.

Notable Exits:

Company	Sub-Sector	Fund Weight	Rationale
Teck Resources	Base & Indust. Mtls.	(not held)	Exited the position due to concerns around potential downside risk to production volumes.
Ball Corp	Other Materials	(not held)	Exited the position after determining that, despite eight consecutive quarters of earnings beats, the market has not rewarded the company with multiple expansion. We believe this is unlikely to change until North American beer demand recovers to pre-COVID levels.
Rio Tinto	Base & Indust. Mtls.	(not held)	Exited the position amid growing concerns related to the ramp-up and ownership structure of the Simandou iron ore project, as well as ongoing bribery allegations in Mongolia.

Source: VanEck, FactSet. Data as of December 31, 2025. Not a recommendation to buy or sell any securities referenced herein. Estimated contributions are sourced from FactSet and are not intended as a predictor or guarantee of future results, and are for illustrative purposes only. Portfolio compositions are subject to change at any time.

Outlook

Heading into 2026, natural resources are being shaped by a dominant force: a structural power crunch. Global electricity demand is rising at its fastest pace in decades as AI data centers, widespread electrification, manufacturing re-shoring and ongoing urbanization drive unprecedented load growth. This wave of demand is colliding with energy systems built for a different era: security of resource supply, insufficient generation capacity, aging transmission networks and disruptive supply chains that are increasingly vulnerable to geopolitical pressure.

Energy availability and affordability have shifted from technical considerations to strategic determinants of economic competitiveness. Nations are now racing to secure fuels, critical minerals, grid equipment and next-generation power technologies. At the same time, multiple years of underinvestment across both energy and materials have created tight supply conditions in several markets, from natural gas to copper and other transition metals.

While policy uncertainty, interest-rate paths, China's growth trajectory and geopolitical tensions may heighten volatility, the broader setup remains supportive. Secular demand growth from electrification, grid expansion and data-center build-out intersects with slow, complex supply responses—particularly in mining, where multi-year permitting cycles and rising project costs constrain new production. Taken together, these forces underpin a constructive long-term outlook for natural resource equities.

The most compelling investment opportunities emerge where structural demand growth meets constrained supply.

In energy, natural gas remains a critical bridging fuel as grids struggle to accommodate accelerating load growth. Producers with low break-evens, disciplined capital allocation and well-positioned infrastructure continue to benefit from resilient demand patterns. Select oil and integrated energy companies also remain attractive given steady product margins, strong free-cash-flow generation and ongoing portfolio optimization. U.S. output has been responsible for almost all the global supply growth over the last 15 years. This will not be the case in 2026 and beyond and new sources of production will need to be found.

In metals and mining, copper is especially well positioned. Supply disruptions, limited project pipelines and long development timelines are intersecting with rising demand from EVs, grid investment and digital infrastructure. Companies with high-quality assets, clean balance sheets and visible production growth are poised to benefit from these durable trends.

Beyond traditional resource sectors, next-generation power technologies, including advanced nuclear, geothermal, hydrogen systems, long-duration energy storage and AI-optimized grid solutions, represent emerging areas of investment as countries pursue secure, scalable and affordable power.

Geopolitical Implications

Geopolitical risk insurance is a core tenet of VanEck's Global Resources Fund, and recent developments in Venezuela serve as a timely reminder of why exposure to natural resource equities remains an important component of a diversified investment portfolio. Whether it is Venezuela today, Syria and Nigeria last month, Iran over the summer or countless other flashpoints over the past several decades, geopolitical turbulence has consistently influenced the availability, affordability and security of natural resources and the companies that produce them. These factors are foundational to economic stability, industrial activity and national defense.

Venezuela, in particular, underscores that geopolitical risk is neither confined to the Middle East nor limited to the periphery of the former Soviet sphere. It also highlights how geopolitical events are rarely one-dimensional, often reflecting layered national and strategic priorities. The capture of Nicolás Maduro and subsequent arrangements to redirect Venezuelan crude toward U.S. markets demonstrate how quickly geopolitics can reshape traditional supply-and-demand dynamics, alter market expectations and influence investor sentiment.

These developments further reinforce the value of active management. Shifting geopolitical regimes inevitably create both winners and losers and an active investment approach is better positioned to respond to evolving fundamentals than passive, beta-oriented strategies. In this instance, Venezuela has once again illustrated how rapidly conditions can change and why flexibility matters.

Ultimately, this episode highlights the importance of incorporating geopolitical risk as one of the four pillars of our investment framework for this strategy: inflation protection, leverage to global growth, diversification and geopolitical risk insurance. While today's environment may feel unusually uncertain, such conditions are not the exception, they are the norm.

Important Disclosures

All holdings and data are as of December 31, 2025.

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The S&P Global Natural Resources (SPGNRUN)[1] Index (the "Index") includes 90 of the largest publicly-traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified and investable equity exposure across 3 primary commodity-related sectors: agribusiness, energy, and metals & mining.

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