

What's the Opportunity Cost of Holding NVDA?

SMH/SMHX

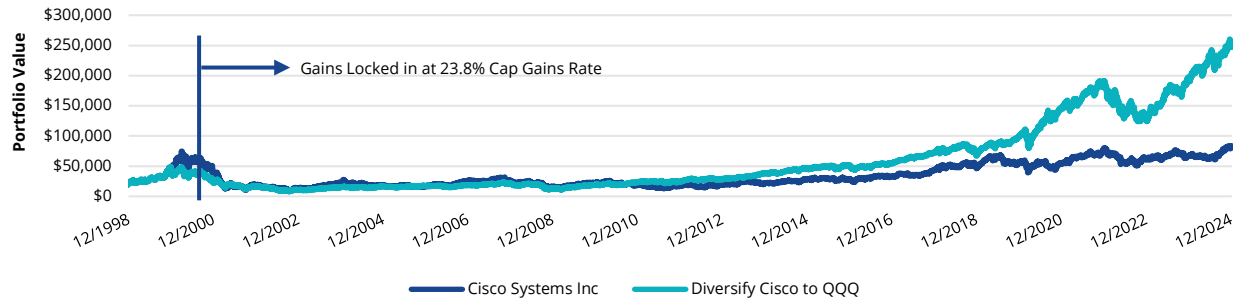
VanEck Semiconductor ETF & VanEck Fabless Semiconductor ETF

- Locking in NVDA gains and diversifying into SMH or SMHX reduces single-stock risk while keeping Nvidia exposure.
- Selling at strong valuations isn't about predicting the top, it's about managing risk and having exposure to long-term growth.
- Diversifying into a more broad ETF like SMH or SMHX allows investors to stay invested in the theme while reducing single stock risk

The Dot-Com Boom: A Cautionary Tale

Cisco was a dominant tech leader, but after peaking, it collapsed and took decades to recover. Locking in gains and diversifying into broader tech helped capture long-term growth and avoid prolonged losses

Buy & Hold Cisco vs. Lock in Gains & Diversify into Broader Tech

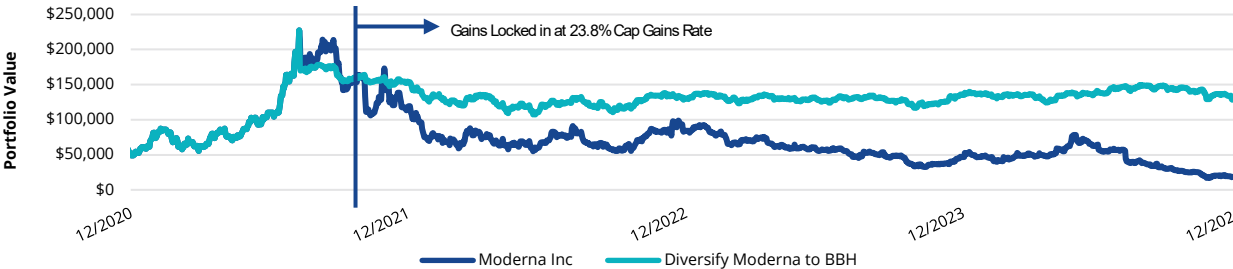


Case Study	Starting Investment	Initial Investment Date	Sell Date (Prior to Peak)	Cap Gains Paid (23.8%)	Reinvested in ETF	Final Value (EOY 2024)
Cisco -> QQ	\$10,000	03/24/98	12/24/99	\$11,516	\$36,871	\$247,270
Buy & Hold Cisco	\$10,000	03/24/98	N/A	N/A	N/A	\$81,599

Moderna's Surge and the Case for Diversification

Moderna surged during the pandemic but fell sharply as vaccine demand declined. Selling near peak valuations and reallocating into biotech ETFs reduced risk while maintaining sector exposure.

Buy & Hold Moderna vs. Lock in Gains & Diversify into Broader Biotech



Case Study	Starting Investment	Initial Investment Date	Sell Date (Prior to Peak)	Cap Gains Paid (23.8%)	Reinvested in ETF	Final Value (EOY 2024)
Moderna -> BBH	\$10,000	03/02/20	08/09/21	\$54,133	\$173,317	\$129,452
Buy & Hold Moderna	\$10,000	03/02/20	N/A	N/A	N/A	\$19,521

Source: Morningstar, Data as of 12/31/2024. **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. Performance may be lower or higher than performance data quoted.** See important disclosures and index descriptions at end. This is not an offer to buy or sell, or recommendation to buy or sell any of the securities mentioned herein. Futures carry additional risks and are not suitable for all investors.

Quarter End Returns (%) as of 12.31.2024

Ticker	Fund Name	Fund Type (Active/Passive)	Investment Objective		YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception	Inception Date	Expense Ratio	
SMH	VanEck Semiconductor ETF	Passive	Seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the MVIS® US Listed Semiconductor 25 Index (MVSMHTR).	NAV	39.10	39.10	17.04	28.77	25.78	25.33	12/20/2011	Gross	0.35
				Market Price	39.08	39.08	17.04	28.79	25.77	25.30		Net	0.35
SMHX	VanEck Fabless Semiconductor ETF	Passive	Seeks to track as closely as possible, before fees and expenses, the price and yield performance of the MarketVector™ US Listed Fabless Semiconductor Index (MVS MHXTR).	NAV	--	--	--	--	--	15.63	8/27/2024	Gross	0.35
				Market Price	--	--	--	--	--	15.87		Net	0.35
BBH	VanEck Biotech ETF	Passive	Seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the MVIS® US Listed Biotech 25 Index (MVBHTR).	NAV	-4.38	-4.38	-5.53	2.84	3.56	12.53	12/20/2011	Gross	0.35
				Market Price	-4.30	-4.30	-5.53	2.86	3.56	12.54		Net	0.35
QQQ	Invsco QQQ Trust	Passive	Invsco QQQ is an exchange-traded fund based on the Nasdaq-100 Index®. The Fund will, under most circumstances, consist of all of stocks in the Index.	NAV	25.58	25.58	9.46	19.94	18.28	10.04	3/10/1999	Gross	0.20
				Market Price	25.56	25.56	9.41	19.98	18.28	10.03		Net	0.20

Source: Morningstar, Data as of 12/31/2024.

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. 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. The NAV is not necessarily the same as the ETF's intraday trading value. Investors should not expect to buy or sell shares at NAV. Index returns assume reinvestment of all income and do not reflect any management fees or brokerage expenses associated with fund returns. Returns for actual fund investors may differ from what is shown because of differences in timing, the amount invested and fees and expenses. You cannot invest directly in an index.

MVIS® US Listed Semiconductor 25 Index (MVSMHTR): seeks to track the overall performance of companies involved in semiconductor production and equipment.

Market Vector US Listed Fabless Semiconductor Index (MVS MHXTR): tracking the performance of US-listed companies that specialize in the semiconductor industry and operate as fabless semiconductor companies.

MVIS® US Listed Biotech 25 Index (MVBHTR): is intended to track the overall performance of companies involved in the development and production, marketing and sales of drugs based on genetic analysis and diagnostic equipment.

NASDAQ 100 Index: intends to track 100 of the largest non-financial companies listed on the Nasdaq stock market.

*Moderna Inc (MRNA US) comprised 2.17% of BBH's NAV as of 2/19/2025

An investment in the VanEck Semiconductor ETF (SMH) and VanEck Fabless Semiconductor ETF (SMHX) may be subject to risks which include, among others, risks related to investing in the semiconductor industry, special risk considerations of investing in Taiwanese issuers, equity securities, small-, medium and large-capitalization companies, foreign securities, emerging market issuers, foreign currency, depository receipts, issuer-specific changes, market, operational, index tracking, authorized participant concentration, new fund, no guarantee of active trading market, trading issues, passive management, fund shares trading, premium/discount and liquidity of fund shares, non-diversified, and index-related concentration risks, all of which may adversely affect the Fund. Small, medium and large-capitalization companies may be subject to elevated risks. 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.

An investment in the VanEck Biotech ETF (BBH) may be subject to risks which include, among others, risks related to investing in the biotechnology industry, equity securities, life sciences tools and services industry, depository receipts, medium-capitalization companies, issuer-specific changes, market, operational, index tracking, authorized participant concentration, no guarantee of active trading market, trading issues, passive management, fund shares trading, premium/discount risk and liquidity of fund shares, non-diversified, and index-related concentration risks, all of which may adversely affect the Fund. Medium-capitalization companies may be subject to elevated risks.

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. Please read the prospectus and summary prospectus carefully before investing.

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CORPRO (10.2022)

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