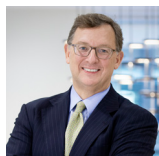


Inflation, Transition Keep Resources Relevant



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GHAAX | GHACX | GHAIX | GHAYX

Resource equities and commodities continued to grind higher during the second quarter of 2021, despite several macro-related events that slowed the pace of previous year-to-date gains through end-March. Among these events were, notably, the U.S. Federal Reserve Bank's (the Fed's) June announcement of its intentions to initiate several rounds of interest rate hikes beginning in 2023 and China's May announcement of its enhanced effort to combat higher metals prices in the near term.

The Fed's move came on the heels of an unexpected rise in both the personal-consumption expenditures (PCE) index and the consumer price index (CPI), which, according to the Commerce Department and Department of Labor saw year-over-year increases through May of 3.9% and 5.0%, respectively. These levels trounced the Fed's predictions for a year-over-year rise of 1.4% to 1.7% in the PCE in their June 2020 Federal Open Market Committee meeting. And, while still calling for "transitory" inflation, the Fed has conceded that potential interest rate hikes may soon be in order to slow the pace of growth.

Energy (Traditional) in the Vanguard

The largest movers in both the resource equity and commodity space were in oil and gas. West Texas Intermediary (WTI) crude oil saw a 24.2% rise in price to \$73.5 a barrel by the end of the quarter. And U.S. energy equities, broadly, were up some 13.2% (as measured by the S&P 500® Equal Weight Energy TR Index).

Average Annual Total Returns (%) as of June 30, 2021

	2Q21 [†]	YTD	1 Yr	5 Yr	10 Yr
Class A: NAV (Inception 2/10/56)	7.44	18.95	76.56	4.07	-2.39
Class A: Maximum 5.75% load	1.26	12.11	66.40	2.85	-2.97
SPGINRTR Index	8.29	32.72	45.92	2.03	-0.58

The tables above present 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.

[†] 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 1.62%; Net 1.38%. Expenses are capped contractually until 05/01/23 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.

While the U.S. crude oil rotary rig count increased steadily during the quarter, the rate of growth reflected the discipline that oil and gas exploration and production companies are exercising, on the whole, in not chasing higher oil prices. The last time that WTI was north of \$75 per barrel (in 2014), the rig count was approximately three times higher than current levels.

Meanwhile, renewable and alternative energy names continued to struggle—particularly in the solar energy space (down 3.7% as measured by the BlueStar Solar Energy Industry NTR Index), where supply constraints in polysilicon and semiconductors, as well as an increase in steel prices, weighed on panel manufacturers.

Metals Stay Firm Despite...

In an attempt to cool lofty year-to-date rises in metals prices, China strongly encouraged its state-owned miners to forego participation in speculative buying (in futures markets in order to hedge production) and, further, announced releases from its strategic metals reserves to shore up shortages.

This was the first time since 2005 that China has made such a move in an attempt to slow commodity price increases and, while potentially nullifying some of copper's meteoric rise year to date, both the red metal and iron ore prices ended up 7.3% and 19.4%, respectively, during the quarter.

Aluminum also had a good quarter, up some 14.8% over the three month period.

Gold Continues to Struggle

Gold and gold miners faced a less than ideal macro environment with the strengthening of the global economy. A strong U.S. dollar and the Fed's announcement of potential rate hikes all but wiped out modest quarter-to-date gains as June drew to a close. Gold ended the second quarter at around \$1,770 per ounce, eking out a 3.7% return over the three-month period after trading above \$1,900 per ounce in the first two days of June.

A Grain on Grains

Grains and associated equities, being short-cycle, experienced weather-related volatility during the period. Despite the volatility, soybean and corn prices still saw 11.4% and 27.6% gains, respectively, on the quarter. Fertilizer prices and fertilizer equities were also strong. We believe it is likely that U.S. and European geopolitical sanctions against one of the world's largest potash producers, Belarus, were largely responsible for driving up phosphate prices during the quarter.

Sector Performance Still Strong

Sector-level contribution was positive across the board in the second quarter of 2021. The largest contributions came from positions in traditional energy (i.e., oil and gas), copper and gold, which, together, accounted for over three fourths of the Fund's quarterly gross performance. Despite underlying commodity market weakness in gold & precious metals and paper & forest products, both were still positive contributors to the portfolio.

Underperformance relative to the S&P North American Natural Resources Sector Index (SPGINRTR) was predominately driven by the Fund's underweight positioning within traditional energy, where strong oil price gains helped boost sector performance during the quarter. Whereas SPGINRTR averaged an approximately 70% weighting to traditional energy, over the last three months, the Fund maintained a fairly even split between traditional energy and renewable & alternative energy (averaging an approximate 18% and 23% weighting to each, respectively).

Positioning

The majority of changes to the Fund's portfolio during the course of the quarter were concentrated in base & industrial metals and oil & gas. Notably, we added to our positioning in battery minerals and iron ore and increased exposure to several of our core U.S. oil & gas exploration & production (E&P) holdings. We also established a new position in ChampionX (1.1% of Fund net assets†), an oil field services (OFS) provider where we see a further upside in the company's growing international market share and underappreciated margin progression in its production chemicals segment.

Price weakness in the renewable & alternative energy space provided an ideal opportunity to build back some of our exposure there too. Not only did we established several new positions – solar inverter manufacturer Enphase (0.7% of Fund net assets†) and solid-state battery producer Solid Power (via merger with Decarbonization Plus Acquisition Corp., 0.1% of Fund net assets†) – but also increased our position to residential solar provider Sunrun (3.4% of Fund net assets†).

Exits during the quarter included Cabot Oil & Gas, an E&P producer experiencing recent asset degradation, and railroad company Kansas City Southern, a stock we believe to have been fully valued, for now, at its current share price.

Top Quarterly Contributors/Detractors

Winners		
Holding (% Weight)	Est. Contribution (%)	Performance Drivers
First Quantum Minerals (3.9%)	0.97%	Strong copper prices
Freeport-McMoRan (3.9%)	0.71%	Strong copper prices
Diamondback Energy (2.9%)	0.69%	Rebound in crude oil prices
Losers		
Lundin Mining (1.9%)	-0.26%	Production guidance down
Solaris Oilfield Infrastructure	-0.21%	Lower guidance than expected
Sunrun (3.4%)	-0.18%	Alternative and renewable energy “malaise”

Source: FactSet; VanEck. Data as of June 30, 2021. Contribution figures are gross of fees, non-transaction based and therefore estimates only. Figures may not correspond with published performance information based on NAV per share. Past performance is not indicative of future results. Portfolio holdings may change over time. These are not recommendations to buy or sell any security.

Going Forward?

We remain cautiously optimistic about the outlook for the oil and gas space in the near term. On one hand, U.S. oil and gas producers have shown, for nearly two years, their commitment to maintaining capital discipline—keeping expenditures in check and focusing primarily on generating what are, now, seemingly becoming record levels of free cash. On the other hand, WTI crude oil prices briefly eclipsed \$75 a barrel in July and certainly appear at risk from a potentially meaningful reversion amid ongoing OPEC+ disputes and increasing drilling activity in the U.S.

Regarding OPEC+, several of the cartel's key members (namely, Saudi Arabia, the United Arab Emirates and Russia) have recently reached yet another impasse on agreements over resumed production at pre-COVID-19 levels. Similar infighting last year, as may be recalled, eventually lead to an “opening of the spigots” with an accelerated crash in crude prices and sell off in associated equities.

While we believe the OPEC+ disputes are likely to linger on—particularly as oil and gas becomes increasingly phased out of the overall energy mix and participating countries take more of an individualized stance on how they should be handling their oil and gas assets—it remains a risk worthy of strong consideration, despite the fundamental attractiveness of oil names.

Longer term, however, the U.S. energy transition continues with the Biden Administration's introduction of a nearly \$1 trillion bipartisan deal, including money for the buildout of a national network of electric vehicle charging stations, purchases of electric buses and general upgrades to the U.S. power grid to allow for further integration of onshore wind and solar projects.

Inflation: Here now? Or to Come?

Imbedded within both higher energy prices and increased spending on the energy transition is none other than inflation!

The Fed's indication of potential interest rate hikes in 2023, in our view, perhaps discounts all of the current inflationary pressures that exist within the financial system and that are likely to continue supporting higher commodity prices in the near term. In addition, we may be underestimating the significance of potential supply constraints that currently exist within areas such as battery mineral that are of vital importance to the energy transition and taking center stage in U.S./China geopolitical arena.

Prior to May 1, 2020, the fund was known as the VanEck Global Hard Assets Fund.

All company, sector, and sub-industry weightings as of June 30, 2021 unless otherwise noted. This is not an offer to buy or sell, or a solicitation of any offer to buy or sell any of the securities mentioned herein. Fund holdings will vary.

All indices listed are unmanaged indices and include the reinvestment of 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. 1S&P North American Natural Resources Sector (SPGINRTR) provides investors with a benchmark that represents U.S. traded securities that are classified under the GICS® energy and materials sector excluding the chemicals industry; and steel sub-industry. Please note that the information herein represents the opinion of the author, but not necessarily those of VanEck, and this opinion may change at any time and from time to time. Non-VanEck proprietary information contained herein has been obtained from sources believed to be reliable, but not guaranteed. Not intended to be a forecast of future events, a guarantee of future results or investment advice. Historical performance is not indicative of future results. Current data may differ from data quoted. Any graphs shown herein are for illustrative purposes only. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission of VanEck.

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 associated with concentrating its investments in Canadian issuers, commodities and commodity-linked derivatives, commodities and commodity-linked derivatives tax, derivatives, direct investments, emerging market securities, foreign currency transactions, foreign securities, other investment companies, management, market, operational, small- and medium-capitalization companies and hard assets sectors risks, including, precious metals and natural resources, that can be significantly affected by events relating to these industries, including international political and economic developments, inflation, and other factors. The Fund's portfolio securities may experience substantial price fluctuations as a result of these factors, and may move independently of the trends of industrialized companies. 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, including the takeover of property without adequate compensation or imposition of prohibitive taxation.

Diversification does not assure a profit or protect against loss.

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. An investor should consider a 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.

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