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9 March 2017

ASX Limited  
Market Announcements Office

**ASX CODE: CETF**  
**VANECK VECTORS CHINAAMC CSI 300 ETF**  
**US ANNUAL REPORT**

VanEck Investments Limited makes this announcement on behalf of VanEck Vectors ETF Trust. Attached is the annual report for certain US exchange traded funds including CETF (the fund trades on the New York Stock Exchange under the 'PEK' code) which has been issued by VanEck Vectors ETF Trust and lodged with the US Securities Exchange Commission. Information in the annual report not relating to PEK/CETF has been redacted or deleted. Financial information in the annual report is in US dollars, unless otherwise stated.

**For more information:**

- Call 1300 68 38 37
- Go to [vaneck.com.au](http://vaneck.com.au)

**IMPORTANT NOTICE:** Issued by VanEck Investments Limited ABN 22 146 596 116 AFSL 416755 ('VanEck'). VanEck is a wholly owned subsidiary of Van Eck Associates Corporation based in New York, United States. VanEck Vectors ETF Trust ARBN 604 339 808 ('the Trust') is the issuer of shares in the US domiciled VanEck Vectors ETFs ('US Funds'). The Trust and the US Funds are regulated by US laws which differ from Australian laws. Trading in the US Funds' shares on ASX will be settled by CHESS Depositary Interests ('CDIs') which are also issued by the Trust. The Trust is organised in the State of Delaware, US. Liability of investors is limited. Van Eck Associates serves as the investment advisor to the US Funds. VanEck, on behalf of the Trust, is the authorised intermediary for the offering of CDIs over the US Funds' shares and issuer in respect of the CDIs and corresponding Fund Shares traded on ASX.

This is general information only and not financial advice. It does not take into account any person's individual objectives, financial situation or needs. Investing in international markets has specific risks that are in addition to the typical risks associated with investing in the Australian market. These include currency/foreign exchange fluctuations, ASX trading time differences and changes in foreign laws and tax regulations. Before making an investment decision in relation to a US Fund you should read the PDS and with the assistance of a financial adviser consider if it is appropriate for your circumstances. The PDS is available at [www.vaneck.com.au](http://www.vaneck.com.au) or by calling 1300 68 38 37.

Past performance is not a reliable indicator of current or future performance. No member of the VanEck group of companies or the Trust gives any guarantee or assurance as to the repayment of capital, the performance, or any particular rate of return from the US Funds. Tax consequences of dividend distributions may vary based on individual circumstances. Investors should seek their own independent tax advice based on their individual circumstances.

## VANECK VECTORS™

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ChinaAMC CSI 300 ETF

PEK®

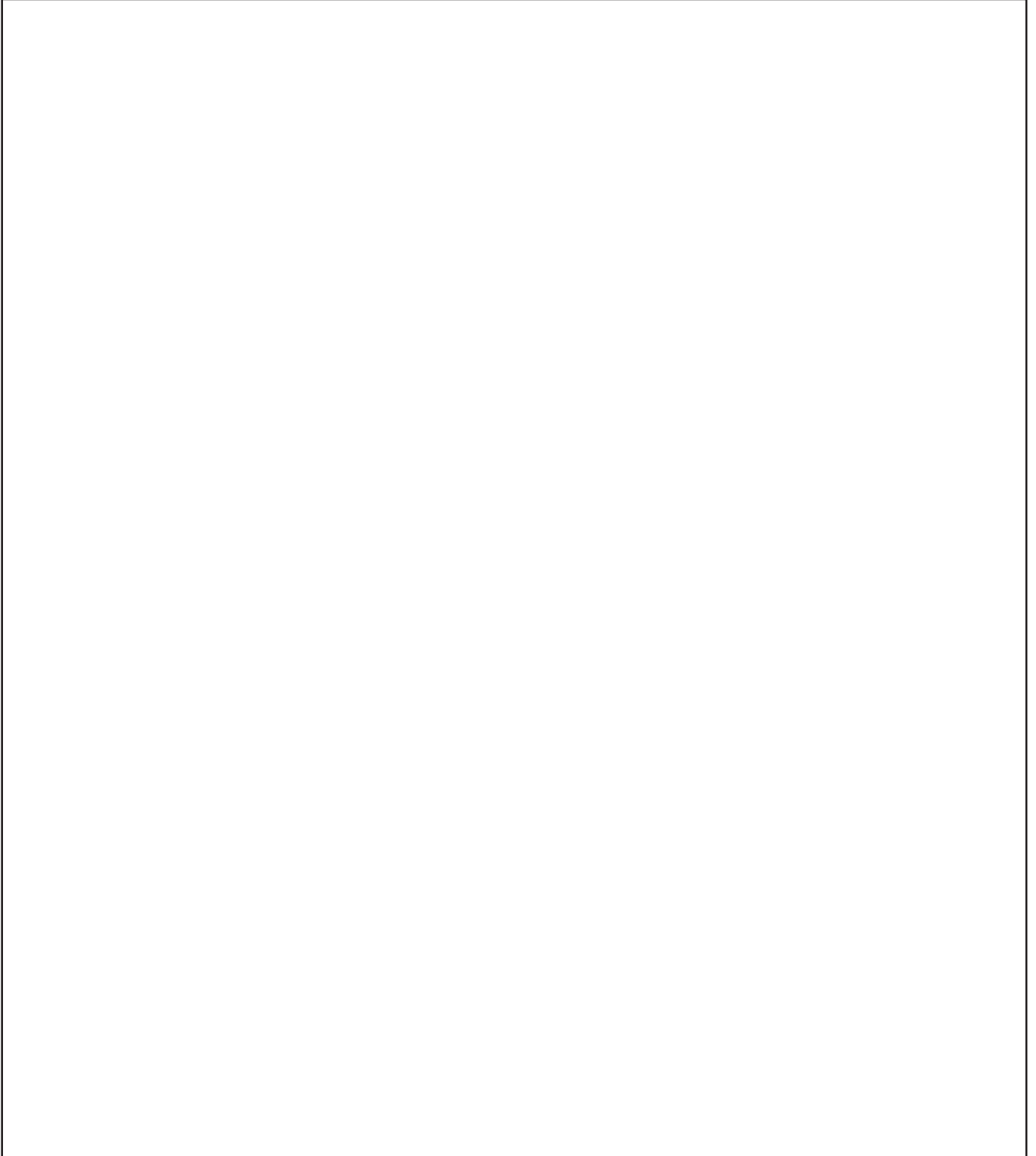
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The information contained in this shareholder letter represents the opinions of VanEck and may differ from other persons. This information is not intended to be a forecast of future events, a guarantee of future results or investment advice. The information contained herein regarding each index has been provided by the relevant index provider. Also, unless otherwise specifically noted, any discussion of the Funds' holdings and the Funds' performance, and the views of VanEck are as of December 31, 2016.

Dear Shareholder:

2016 was certainly not short on news and surprises. [REDACTED]



# VANECK VECTORS CHINAAMC CSI 300 ETF

## PERFORMANCE COMPARISON

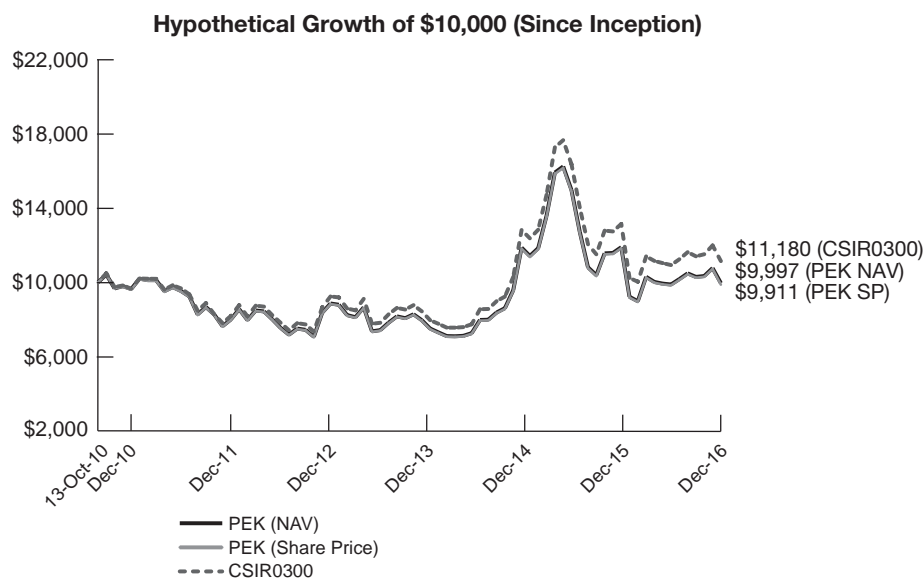
December 31, 2016 (unaudited)

|           | Average Annual Total Returns |          |                     | Cumulative Total Returns |          |                     |
|-----------|------------------------------|----------|---------------------|--------------------------|----------|---------------------|
|           | Share Price                  | NAV      | CSI300 <sup>1</sup> | Share Price              | NAV      | CSI300 <sup>1</sup> |
| One Year  | (15.23)%                     | (16.16)% | (15.17)%            | (15.23)%                 | (16.16)% | (15.17)%            |
| Five Year | 4.49%                        | 5.51%    | 7.43%               | 24.54%                   | 30.75%   | 43.07%              |
| Life*     | (0.14)%                      | (0.00)%  | 1.81%               | (0.89)%                  | (0.03)%  | 11.80%              |

\* Commencement of Fund: 10/13/10; First Day of Secondary Market Trading: 10/14/10

<sup>1</sup> CSI 300 Index (CSI300) is a modified free-float market capitalization weighted index comprised of the largest and most liquid stocks in the Chinese A-share market. Constituent stocks for the Index must have been listed for more than three months (unless the stock's average daily A-share market capitalization since its initial listing ranks among the top 30 of all A-shares) and must not be experiencing what the Index Provider believes to be obvious abnormal fluctuations or market manipulation.

This chart shows the value of a hypothetical \$10,000 investment in the Fund at NAV and at Share Price over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The result is compared with the Fund's benchmark.



**Past performance is no guarantee of future results. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares.**

See "About Fund Performance" on page 21 for more information.

# VANECK VECTORS ETF TRUST

## ABOUT FUND PERFORMANCE

(unaudited)

The price used to calculate market return (Share Price) is determined by using the closing price listed on its primary listing exchange. Since the shares of each Fund did not trade in the secondary market until after each Fund's commencement, for the period from commencement to the first day of secondary market trading in shares of each Fund, the NAV of each Fund is used as a proxy for the secondary market trading price to calculate market returns.

**The performance data quoted represents past performance. Past performance is not a guarantee of future results.** Performance information for each Fund reflects temporary waivers of expenses and/or fees. Had each Fund incurred all expenses, investment returns would have been reduced. These returns do not reflect the deduction of taxes that a shareholder would pay on Fund dividends and distributions or the sale of Fund shares.

**Investment return and value of the shares of each Fund will fluctuate so that an investor's shares, when sold, may be worth more or less than their original cost. Performance may be lower or higher than performance data quoted. Performance current to the most recent month-end is available by calling 800.826.2333 or by visiting vaneck.com.**

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.

The "Net Asset Value" (NAV) of a VanEck Vectors exchange-traded fund (ETF) 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. VanEck Vectors ETF investors should not expect to buy or sell fund shares at NAV.

Index returns assume the reinvestment of all income and do not reflect any management fees or brokerage expenses associated with Fund returns. Investors cannot invest directly in the Index. Returns for actual Fund investors may differ from what is shown because of differences in timing, the amount invested and fees and expenses.

[REDACTED]  
[REDACTED]  
[REDACTED] The CSI 300 Index is published by China Securities Index Co., Ltd. [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] CSI 300 Index, [REDACTED] are "Index Providers." The Index Providers do not sponsor, endorse, or promote the Funds and bear no liability with respect to the Funds or any security.

Premium/discount information regarding how often the closing trading price of the Shares of each Fund were above (i.e., at a premium) or below (i.e., at a discount) the NAV of the Fund for each of the four previous calendar quarters and the immediately preceding five years (if applicable) can be found at [www.vaneck.com](http://www.vaneck.com).

## VANECK VECTORS ETF TRUST

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### EXPLANATION OF EXPENSES

(unaudited)

#### **Hypothetical \$1,000 investment at beginning of period**

As a shareholder of a Fund, you incur operating expenses, including management fees and other Fund expenses. This disclosure is intended to help you understand the ongoing costs (in dollars) of investing in your Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The disclosure is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, July 1, 2016 to December 31, 2016.

#### **Actual Expenses**

The first line in the table below provides information about account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During the Period."

#### **Hypothetical Example for Comparison Purposes**

The second line in the table below provides information about hypothetical account values and hypothetical expenses based on your Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in your Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as program fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

|                      | Beginning<br>Account<br>Value<br>July 1, 2016 | Ending<br>Account<br>Value<br>December 31, 2016 | Annualized<br>Expense<br>Ratio<br>During Period | Expenses Paid<br>During the Period*<br>July 1, 2016-<br>December 31, 2016 |
|----------------------|---|---|---|---|
|                      |   |   |   |   |
| ChinaAMC CSI 300 ETF |   |   |   |   |
| Actual               | \$1,000.00                                    | \$1,008.00                                      | 0.70%   | \$3.53  |
| Hypothetical**       | \$1,000.00                                    | \$1,021.62                                      | 0.70%   | \$3.56  |

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\* Expenses are equal to the Fund's annualized expense ratio (for the six months ended December 31, 2016), multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year divided by the number of days in the fiscal year (to reflect the one-half year period).

\*\* Assumes annual return of 5% before expenses





| Number of Shares                    | Value  | Number of Shares                                  | Value  |
|-------------------------------------|--|---|--|
| <b>Consumer Services: 0.7%</b>      |  | <b>Food &amp; Staples Retailing: 0.4%</b>         |  |
| 31,600                              | China International Travel Service Corp. Ltd. #                    | 51,900  | Shanghai Bailian Group Co. Ltd. * # \$ 106,816                             |
|                                     | \$ 196,389   | 43,900  | Shenzhen Agricultural Products Co. Ltd. # 77,802                           |
| 10,400                              | Shanghai Jinjiang International Hotels Development Co Ltd # 43,874 | 247,456   | Yonghui Superstores Co. Ltd. # 174,224                                     |
| 212,220                             | Shenzhen Overseas Chinese Town Co. Ltd. # 211,324                  |   | 358,842  |
| 37,600                              | Songcheng Performance Development Co. Ltd. # 112,740               | <b>Food, Beverage &amp; Tobacco: 5.5%</b>         |  |
|                                     | 564,327  | 132,575   | Beijing Dabeinong Technology Group Co. Ltd. # 134,788                      |
| <b>Diversified Financials: 9.5%</b> |  | 66,300  | COFCO Tunhe Co. Ltd. # 118,421   |
| 57,200                              | Anxin Trust Co. Ltd. # 193,759                                     | 28,700  | Fujian Sunner Development Co. Ltd. * # 87,261                              |
| 290,186                             | AVIC Capital Co. Ltd. # 254,179                                    | 63,967  | Henan Shuanghui Investment & Development Co. Ltd. # 191,953                |
| 121,100                             | Bohai Financial Investment Holding Co. Ltd. * 124,288              | 392,100   | Inner Mongolia Yili Industrial Group Co. Ltd. # 988,746                    |
| 147,900                             | China Merchants Securities Co. Ltd. # 345,539                      | 38,999  | Jiangsu Yanghe Brewery Joint-Stock Co. Ltd. # 394,619                      |
| 508,800                             | CITIC Securities Co. Ltd. # 1,168,768                              | 32,526  | Kweichow Moutai Co. Ltd. # 1,558,649                                       |
| 71,300                              | Dongxing Securities Co. Ltd. # 204,756                             | 45,293  | Luzhou Laojiao Co. Ltd. # 214,129  |
| 126,271                             | Everbright Securities Co. Ltd. # 288,906                           | 120,600   | MeiHua Holdings Group Co. Ltd. # 112,626                                   |
| 15,600                              | First Capital Securities Co. Ltd. # 77,599                         | 26,700  | Muyuan Foodstuff Co Ltd # 89,051   |
| 266,150                             | Founder Securities Co. Ltd. # 289,461                              | 134,700   | New Hope Liuhe Co. Ltd. # 155,437  |
| 295,750                             | Guotai Junan Securities Co. Ltd. # 787,298                         | 11,600  | Shanghai Bairun Investment Holding Group Co. Ltd. * # 33,615               |
| 159,030                             | Guoyuan Securities Co. Ltd. # 353,786                              | 122,700   | Wuliangye Yibin Co. Ltd. # 606,422   |
| 523,135                             | Haitong Securities Co. Ltd. # 1,179,248                            |   | 4,685,717  |
| 211,204                             | Huatai Securities Co. Ltd. # 539,263                               | <b>Health Care Equipment &amp; Services: 0.9%</b> |  |
| 303,018                             | Industrial Securities Co. Ltd. # 332,067                           | 26,041  | Aier Eye Hospital Group Co. Ltd. # 111,558                                 |
| 201,300                             | Orient Securities Co. Ltd. # 447,402                               | 15,678  | Huadong Medicine Co. Ltd. # 161,988  |
| 440,635                             | Pacific Securities Co. Ltd. # 324,857                              | 46,465  | Searainbow Holding Corp. * # 280,220                                       |
| 71,600                              | SDIC Essence Holdings Co. Ltd. # 160,005                           | 74,573  | Shanghai Pharmaceuticals Holding Co. Ltd. # 209,002                        |
| 389,038                             | Shenwan Hongyuan Group Co. Ltd. # § 349,147                        |   | 762,768  |
| 136,900                             | Sinolink Securities Co. Ltd. # 255,236                             | <b>Household &amp; Personal Products: 0.1%</b>    |  |
| 135,800                             | SooChow Securities Co. Ltd. # 257,482                              | 47,100  | By-health Co. Ltd. # 80,559  |
| 182,428                             | Southwest Securities Co. Ltd. # 186,273                            | <b>Insurance: 6.0%</b>                            |  |
|                                     | 8,119,319  | 107,711   | China Life Insurance Co. Ltd. # 371,793                                    |
| <b>Energy: 2.4%</b>                 |  | 203,217   | China Pacific Insurance Group Co. Ltd. # 807,916                           |
| 137,076                             | China Merchants Energy Shipping Co. Ltd. # 96,962                  | 53,976  | New China Life Insurance Co. Ltd. # 338,387                                |
| 679,600                             | China Petroleum & Chemical Corp. # 526,767                         | 700,300   | Ping An Insurance Group Co. of China Ltd. # 3,554,768                      |
| 127,910                             | China Shenhua Energy Co. Ltd. # 296,508                            |   | 5,072,864  |
| 202,500                             | Guanghui Energy Co. Ltd. * # 135,478                               | <b>Materials: 6.1%</b>                            |  |
| 142,880                             | Offshore Oil Engineering Co. Ltd. # 150,936                        | 425,100   | Aluminum Corporation of China Ltd. * # 256,702                             |
| 314,000                             | PetroChina Co. Ltd. # 357,757                                      | 129,300   | Anhui Conch Cement Co. Ltd. # 314,162                                      |
| 118,607                             | Shaanxi Coal Industry Co. Ltd. * # 82,298                          | 319,100   | Baoshan Iron & Steel Co. Ltd. # 289,855                                    |
| 101,900                             | Shanxi Xishan Coal & Electricity Power Co. Ltd. # 123,156          | 159,536   | Beijing Kangde Xin Composite Material Co. Ltd. # 436,972                   |
| 116,800                             | Sinopec Oilfield Service Corp. * # 68,541                          | 38,300  | Beijing Sanju Environmental Protection and New Material Co. Ltd. # 253,861 |
| 321,310                             | Wintime Energy Co. Ltd. # 184,693                                  | 76,200  | China Hainan Rubber Industry Group Co. Ltd. * # 75,858                     |
| 24,900                              | Yanzhou Coal Mining Co. Ltd. # 38,735                              | 251,200   | China Molybdenum Co. Ltd. # 133,993  |
|                                     | 2,061,831  | 140,970   | China Northern Rare Earth Group High-Tech Co. Ltd. # 247,533               |
| <b>Financials: 2.0%</b>             |  | 274,600   | Hebei Iron & Steel Co. Ltd. # 131,453                                      |
| 214,500                             | Changjiang Securities Co. Ltd. # 314,119                           | 82,600  | Hubei Biocause Pharmaceutical Co Ltd # 90,536                              |
| 191,356                             | GF Securities Co. Ltd. # 461,763                                   |   |  |
| 76,200                              | Guoyuan Securities Co. Ltd. # 216,862                              |   |  |
| 90,748                              | Northeast Securities Co. Ltd. # 160,637                            |   |  |
| 192,622                             | Sealand Securities Co. Ltd. # § 190,781                            |   |  |
| 73,200                              | Shanxi Securities Co. Ltd. # 125,870                               |   |  |
| 90,408                              | Western Securities Co. Ltd. # 268,784                              |   |  |
|                                     | 1,738,816  |   |  |

See Notes to Financial Statements

# VANECK VECTORS CHINAAMC CSI 300 ETF

## SCHEDULE OF INVESTMENTS

(continued)

| Number<br>of Shares                         |   | Value            | Number<br>of Shares                                |   | Value            |
|---|---|------------------|--|---|------------------|
| <b>Materials: (continued)</b>               |   |                  | <b>Pharmaceuticals, Biotechnology: (continued)</b> |   |                  |
| 163,616                                     | Inner Mongolia Junzheng Energy & Chemical Industry Co. Ltd. # | \$ 108,810       | 46,300   | Jilin Aodong Medicine Industry Groups Co. Ltd. #              | \$ 205,445       |
| 631,500                                     | Inner Mongolian Baotou Steel Union Co. Ltd. * #               | 252,508          | 191,858  | Kangmei Pharmaceutical Co. Ltd. #                             | 491,002          |
| 53,700                                      | Jiangxi Copper Co. Ltd. #                                     | 128,395          | 33,800   | Shandong Dong-E E-Jiao Co. Ltd. #                             | 260,876          |
| 62,600                                      | Jinduicheng Molybdenum Co. Ltd. * #                           | 68,512           | 65,000   | Shanghai Fosun Pharmaceutical Group Co. Ltd. #                | 215,471          |
| 101,500                                     | Kingenta Ecological Engineering Group Co. Ltd. #              | 114,873          | 64,160   | Shanghai RAAS Blood Products Co. Ltd. #                       | 212,439          |
| 19,200                                      | Luxin Venture Capital Group Co. Ltd. #                        | 62,168           | 41,936   | Tasly Pharmaceutical Group Co. Ltd. #                         | 249,402          |
| 48,016                                      | Qinghai Salt Lake Industry Co. Ltd. #                         | 131,056          | 64,351   | Tonghua Dongbao Pharmaceutical Co. Ltd. #                     | 202,346          |
| 48,000                                      | Shandong Gold Mining Co. Ltd. #                               | 247,737          | 29,560   | Yunnan Baiyao Group Co. Ltd. #                                | 322,566          |
| 100,100                                     | Shenzhen Zhongjin Lingnan Nonfemet Co. Ltd. #                 | 158,867          |  |   | <u>3,530,346</u> |
| 141,705                                     | Sinopec Shanghai Petrochemical Co. Ltd. #                     | 130,549          | <b>Real Estate: 5.6%</b>                           |   |                  |
| 38,600                                      | Tianqi Lithium Industries, Inc. #                             | 179,202          | 66,700   | Beijing Capital Development Co. Ltd. #                        | 112,943          |
| 432,700                                     | Tongling Nonferrous Metals Group Co. Ltd. * #                 | 190,776          | 57,274   | China Fortune Land Development Co. Ltd. #                     | 196,293          |
| 69,875                                      | Wanhua Chemical Group Co. Ltd. #                              | 215,549          | 153,259  | China Merchants Shekou Industrial Zone Co. Ltd. #             | 361,105          |
| 326,300                                     | Wuhan Iron & Steel Co. Ltd. * #                               | 159,267          | 440,100  | China Vanke Co. Ltd. #  | 1,305,468        |
| 141,360                                     | Xinxing Ductile Iron Pipes Co. Ltd. #                         | 104,649          | 77,300   | Financial Street Holdings Co. Ltd. #                          | 114,228          |
| 147,200                                     | Zhejiang Longsheng Group Co. Ltd. #                           | 194,075          | 58,400   | Future Land Holdings Co Ltd                                   | 98,499           |
| 111,546                                     | Zhongjin Gold Corp. Ltd. * #                                  | 190,829          | 145,501  | Gemdale Corp. #   | 271,651          |
| 715,200                                     | Zijin Mining Group Co. Ltd. #                                 | 340,216          | 157,300  | Greenland Holdings Corp. Ltd. #                               | 196,799          |
|   |   | <u>5,208,963</u> | 460,004  | Poly Real Estate Group Co. Ltd. #                             | 603,323          |
| <b>Media: 2.3%</b>                          |   |                  | 84,300   | RiseSun Real Estate Development Co. Ltd. #                    | 95,067           |
| 56,920                                      | Beijing Enlight Media Co. Ltd. #                              | 79,627           | 47,840   | Shanghai Lujiazui Finance & Trade Zone Development Co. Ltd. # | 151,389          |
| 45,000                                      | Beijing Gehua CATV Network Co. Ltd. #                         | 98,723           | 100,290  | Shanghai SMI Holding Co. Ltd. * # §                           | 284,660          |
| 35,600                                      | Chinese Universe Publishing and Media Co. Ltd. #              | 102,974          | 50,101   | Shanghai Zhangjiang High-Tech Park Development Co. Ltd. #     | 127,324          |
| 177,350                                     | CITIC Guoan Information Industry Co. Ltd. #                   | 232,925          | 78,500   | Suning Universal Co. Ltd. #                                   | 97,208           |
| 130,400                                     | Huawen Media Investment Group Corp. #                         | 210,757          | 104,700  | Sunshine City Group Co Ltd #                                  | 83,733           |
| 108,054                                     | Huayi Brothers Media Corp. #                                  | 170,270          | 222,400  | Xinhu Zhongbao Co. Ltd. #                                     | 132,736          |
| 73,300                                      | Hunan TV & Broadcast Intermediary Co. Ltd. #                  | 150,928          | 99,253   | Youngor Group Co. Ltd. #                                      | 198,824          |
| 100,480                                     | Jiangsu Broadcasting Cable Information Network Corp. Ltd. * # | 162,621          | 176,000  | Zhejiang China Commodities City Group Co. Ltd. #              | 218,298          |
| 49,400                                      | Jiangsu Phoenix Publishing and Media Corp. Ltd. #             | 74,100           | 143,900  | Zhongtian Urban Development Group Co. Ltd. # §                | 129,069          |
| 84,913                                      | Shanghai Oriental Pearl Media Co. Ltd. #                      | 283,428          |  |   | <u>4,778,617</u> |
| 30,400                                      | Wanda Cinema Line Co. Ltd. #                                  | 235,495          | <b>Retailing: 1.1%</b>                             |   |                  |
| 37,030                                      | Wasu Media Holding Co. Ltd. #                                 | 94,933           | 106,700  | China Grand Automotive Services Co Ltd * #                    | 130,839          |
| 45,140                                      | Zhejiang Huace Film & TV Co. Ltd. #                           | 73,381           | 79,100   | Liaoning Cheng Da Co. Ltd. * #                                | 203,421          |
|   |   | <u>1,970,162</u> | 302,100  | Pang Da Automobile Trade Co. Ltd. * #                         | 119,935          |
| <b>Pharmaceuticals, Biotechnology: 4.1%</b> |   |                  | 240,800  | Suning Commerce Group Co. Ltd. #                              | 394,921          |
| 29,800                                      | Aurora Optoelectronics Co. Ltd. * #                           | 115,104          | 74,240   | Wuchan Zhongda Group Co. Ltd. #                               | 109,818          |
| 35,500                                      | Beijing Tongrentang Co. Ltd. #                                | 159,624          |  |   | <u>958,934</u>   |
| 179,700                                     | Guangxi Wuzhou Zhongheng Group Co. Ltd. * #                   | 117,922          | <b>Semiconductor: 0.4%</b>                         |   |                  |
| 36,361                                      | Guangzhou Baiyunshan Pharmaceutical Holdings Co. Ltd. #       | 124,887          | 131,823  | Sanan Optoelectronics Co. Ltd. #                              | 252,902          |
| 27,400                                      | Guizhou Bailing Group Pharmaceutical Co. Ltd. #               | 74,305           | 71,880   | Tianjin Zhonghuan Semiconductor Joint-Stock Co. Ltd. # §      | 90,584           |
| 36,060                                      | Hualan Biological Engineering, Inc. #                         | 184,653          |  |   | <u>343,486</u>   |
| 91,056                                      | Jiangsu Hengrui Medicine Co. Ltd. #                           | 594,304          |  |   |                  |

See Notes to Financial Statements

| Number of Shares                                 | Value   | Number of Shares                           | Value   |
|--|---|--|---|
| <b>Software &amp; Services: 3.9%</b>             |   | <b>Telecommunication Services: 1.0%</b>    |   |
| 71,600   | Aisino Co. Ltd. # \$ 204,610                                  | 548,178                                    | China United Network Communications Ltd. # \$ 574,242 |
| 59,120   | Anhui USTC iFlytek Co. Ltd. # 229,225                         | 73,128                                     | Dr Peng Telecom & Media Group Co. Ltd. # 229,639      |
| 66,300   | Beijing Jetsen Technology Co Ltd # 97,943                     |  | 803,881   |
| 20,706   | Beijing Shiji Information Technology Co. Ltd. # 72,277        | <b>Transportation: 2.9%</b>                |   |
| 88,700   | Beijing Ultrapower Software Co. Ltd. # 117,414                | 165,300                                    | Air China Ltd. # 170,633                              |
| 60,900   | DHC Software Co. Ltd. # 203,672                               | 246,800                                    | China COSCO Holdings Co. Ltd. * # 185,188             |
| 17,800   | Digital China Information Service Co Ltd # 54,029             | 190,200                                    | China Eastern Airlines Corp. Ltd. # 192,821           |
| 138,040  | East Money Information Co. Ltd. # 334,331                     | 53,500                                     | China High-Speed Railway Technology Co Ltd * # 71,486 |
| 13,900   | Hithink RoyalFlush Information Network Co. Ltd. # 136,743     | 205,100                                    | China Shipping Container Lines Co. Ltd. * # 119,768   |
| 17,000   | Hundsun Technologies, Inc. # 114,552                          | 227,000                                    | China Southern Airlines Co. Ltd. # 228,368            |
| 15,000   | Hundsun Technologies, Inc. # 101,076                          | 384,491                                    | Daqin Railway Co. Ltd. # 390,005                      |
| 62,900   | Leshi Internet Information and Technology Corp. # § 323,231   | 219,200                                    | Guangshen Railway Co. Ltd. # 159,220                  |
| 64,342   | Neusoft Corp. # 181,249                                       | 425,100                                    | Hainan Airlines Co. Ltd. * # 198,760                  |
| 125,423  | Ourpalm Co. Ltd. # 166,018                                    | 16,600                                     | Juneyao Airlines Co. Ltd. # 55,384                    |
| 35,700   | People.cn Co. Ltd. # 90,336                                   | 255,467                                    | Ningbo Port Co. Ltd. # 185,354                        |
| 62,500   | Shanghai 2345 Network Holding Group Co. Ltd. # 101,344        | 62,300                                     | Shanghai International Airport Co. Ltd. # 236,811     |
| 17,700   | Shenzhen Infogem Technologies Co. Ltd. # 52,893               | 209,700                                    | Shanghai International Port Group Co. Ltd. # 154,000  |
| 32,400   | Shenzhen Kingdom Sci-Tech Co. Ltd. # 116,463                  | 15,500                                     | Spring Airlines Co. Ltd. # 81,617                     |
| 30,669   | Wangsu Science & Technology Co. Ltd. # 235,663                |  | 2,429,415   |
| 46,800   | Wonders Information Co. Ltd. # 135,537                        | <b>Utilities: 2.8%</b>                     |   |
| 47,364   | Yonyou Network Technology Co. Ltd. # 141,132                  | 155,800                                    | Beijing Capital Co. Ltd. # 91,765                     |
| 22,300   | Youzu Interactive Co Ltd # 84,464                             | 301,899                                    | China National Nuclear Power Co. Ltd. # 305,507       |
|  | 3,294,202   | 426,700                                    | China Yangtze Power Co. Ltd. # 775,004                |
| <b>Technology Hardware &amp; Equipment: 4.5%</b> |   | 762,200                                    | GD Power Development Co. Ltd. # 346,484               |
| 94,500   | Beijing Xinwei Telecom Technology Group Co. Ltd. # § 196,935  | 29,000                                     | Guangdong Golden Dragon Development, Inc. # 97,293    |
| 1,536,400  | BOE Technology Group Co. Ltd. # 629,796                       | 263,200                                    | SDIC Power Holdings Co. Ltd. # 251,604                |
| 50,300   | China Security & Fire Co Ltd # § 125,847                      | 55,306                                     | Shanghai Electric Power Co. Ltd. # 96,120             |
| 121,300  | Dongxu Optoelectronic Technology Co. Ltd. # 195,625           | 76,900                                     | Shenzhen Energy Group Co. Ltd. # 75,712               |
| 33,822   | Fiberhome Telecommunication Technologies Co Ltd # 122,080     | 142,300                                    | Sichuan Chuantou Energy Co. Ltd. # 177,459            |
| 39,500   | Focus Media Information Technology Co. Ltd. # 80,729          | 263,810                                    | Zhejiang Zheneng Electric Power Co. Ltd. # 205,380    |
| 59,200   | GoerTek, Inc. # 224,721                                       |  | 2,422,328   |
| 52,300   | GRG Banking Equipment Co. Ltd. # 99,534                       | <b>Total Common Stocks</b>                 |   |
| 111,000  | Guangzhou Haige Communications Group, Inc. Co. # 185,392      | (Cost: \$85,669,579) <u>85,048,845</u>     |   |
| 118,376  | Hangzhou Hikvision Digital Technology Co. Ltd. # 403,545      | <b>Principal Amount</b>                    |   |
| 38,800   | Inspur Electronic Information Industry Co. Ltd. # 117,866     | <b>FOREIGN DEBT OBLIGATION: 0.0%</b>       |   |
| 63,000   | Jiangsu Protruly Vision Technology Group Co. Ltd. * # 119,421 | (Cost: \$17,231)                           |   |
| 49,160   | Shenzhen O-film Tech Co. Ltd. # 241,312                       | <b>Software &amp; Services: 0.0%</b>       |   |
| 110,600  | Suzhou Victory Precision Manufacture Co. Ltd. # 131,007       | \$107,000                                  | Aisino Corp. 0.50%, 06/12/21 § 16,711                 |
| 23,500   | Tongfang Guoxin Electronics Co. Ltd. # 110,910                | <b>Total Investments: 99.7%</b>            |   |
| 115,000  | Tsinghua Tongfang Co. Ltd. # 227,980                          | (Cost: \$85,686,810) <u>85,065,556</u>     |   |
| 9,400  | Tsinghua Unisplendour Co Ltd # 77,199                         | <b>Other assets less liabilities: 0.3%</b> |   |
| 93,695   | Zhejiang Dahua Technology Co. Ltd. # 183,668                  | <u>224,522</u>                             |   |
| 153,820  | ZTE Corp. # 351,657   | <b>NET ASSETS: 100.0%</b>                  |   |
|  | 3,825,224   | <u><u>\$85,290,078</u></u>                 |   |

See Notes to Financial Statements

# VANECK VECTORS CHINAAMC CSI 300 ETF

## SCHEDULE OF INVESTMENTS

(continued)

- \* Non-income producing  
 # Indicates a fair valued security which has been valued in good faith pursuant to guidelines established by the Board of Trustees. The aggregate value of fair valued securities is \$84,697,502 which represents 99.3% of net assets.  
 § Illiquid Security — the aggregate value of illiquid securities is \$2,253,036 which represents 2.6% of net assets.

### Summary of Investments by Sector (unaudited)

|                            | <u>% of Investments</u> | <u>Value</u>        |
|----------------------------|-------------------------|---------------------|
| Consumer Discretionary     | 10.7%                   | \$ 9,064,259        |
| Consumer Staples           | 6.0                     | 5,125,118           |
| Energy                     | 2.4                     | 2,061,831           |
| Financials                 | 35.4                    | 30,148,480          |
| Health Care                | 5.1                     | 4,293,114           |
| Industrials                | 16.1                    | 13,679,342          |
| Information Technology     | 8.8                     | 7,479,623           |
| Materials                  | 6.1                     | 5,208,963           |
| Real Estate                | 5.6                     | 4,778,617           |
| Telecommunication Services | 0.9                     | 803,881             |
| Utilities                  | 2.9                     | 2,422,328           |
|                            | <u>100.0%</u>           | <u>\$85,065,556</u> |

The summary of inputs used to value the Fund's investments as of December 31, 2016 is as follows:

|                                    | <u>Level 1<br/>Quoted<br/>Prices</u> | <u>Level 2<br/>Significant<br/>Observable<br/>Inputs</u> | <u>Level 3<br/>Significant<br/>Unobservable<br/>Inputs</u> | <u>Value</u>        |
|------------------------------------|--------------------------------------|--|--|---------------------|
| Common Stocks                      |                                      |  |  |                     |
| Automobiles & Components           | \$ 44,908                            | \$ 2,278,307   | \$ —   | \$ 2,323,215        |
| Banks                              | —                                    | 15,217,481   | —  | 15,217,481          |
| Capital Goods                      | 83,648                               | 10,154,787   | —  | 10,238,435          |
| Commercial & Professional Services | —                                    | 1,011,492  | —  | 1,011,492           |
| Consumer Durables & Apparel        | —                                    | 3,247,621  | —  | 3,247,621           |
| Consumer Services                  | —                                    | 564,327  | —  | 564,327             |
| Diversified Financials             | 124,288                              | 7,995,031  | —  | 8,119,319           |
| Energy                             | —                                    | 2,061,831  | —  | 2,061,831           |
| Financials                         | —                                    | 1,738,816  | —  | 1,738,816           |
| Food & Staples Retailing           | —                                    | 358,842  | —  | 358,842             |
| Food, Beverage & Tobacco           | —                                    | 4,685,717  | —  | 4,685,717           |
| Health Care Equipment & Services   | —                                    | 762,768  | —  | 762,768             |
| Household & Personal Products      | —                                    | 80,559   | —  | 80,559              |
| Insurance                          | —                                    | 5,072,864  | —  | 5,072,864           |
| Materials                          | —                                    | 5,208,963  | —  | 5,208,963           |
| Media                              | —                                    | 1,970,162  | —  | 1,970,162           |
| Pharmaceuticals, Biotechnology     | —                                    | 3,530,346  | —  | 3,530,346           |
| Real Estate                        | 98,499                               | 4,680,118  | —  | 4,778,617           |
| Retailing                          | —                                    | 958,934  | —  | 958,934             |
| Semiconductor                      | —                                    | 343,486  | —  | 343,486             |
| Software & Services                | —                                    | 3,294,202  | —  | 3,294,202           |
| Technology Hardware & Equipment    | —                                    | 3,825,224  | —  | 3,825,224           |
| Telecommunication Services         | —                                    | 803,881  | —  | 803,881             |
| Transportation                     | —                                    | 2,429,415  | —  | 2,429,415           |
| Utilities                          | —                                    | 2,422,328  | —  | 2,422,328           |
| Foreign Debt Obligation*           | —                                    | 16,711   | —  | 16,711              |
| <b>Total</b>                       | <u>\$351,343</u>                     | <u>\$84,714,213</u>                                      | <u>\$ —</u>  | <u>\$85,065,556</u> |

\* See Schedule of Investments for security type and industry sector breakdowns.

During the year ended December 31, 2016, transfers of securities from Level 1 to Level 2 were \$3,400,177 and transfers from Level 2 to Level 1 were \$166,380. These transfers resulted primarily from changes in certain foreign securities valuation methodologies between the last close of the securities' primary market (Level 1) and valuation by a pricing service (Level 2), which takes into account market direction or events occurring before the Fund's pricing time but after the last local close, as described in the Notes to Financial Statements.

See Notes to Financial Statements

# VANECK VECTORS ETF TRUST

## STATEMENTS OF ASSETS AND LIABILITIES

December 31, 2016

|   | <b>ChinaAMC<br/>CSI 300 ETF</b> |
|---|---------------------------------|
| <b>Assets:</b>  |                                 |
| Investments, at value (1) (2) . . . . .   | \$85,065,556                    |
| Short-term investments held as collateral for securities loaned (3) . . . . .         | —                               |
| Cash . . . . .  | —                               |
| Cash denominated in foreign currency, at value (4) . . . . .                          | 1,013,721(b)                    |
| Receivables:  |                                 |
| Investment securities sold . . . . .  | —                               |
| Shares sold . . . . .   | —                               |
| Due from Adviser . . . . .  | —                               |
| Dividends and interest . . . . .  | 38                              |
| Prepaid expenses . . . . .  | 395                             |
| <b>Total assets</b> . . . . .   | <u>86,079,710</u>               |
| <b>Liabilities:</b>   |                                 |
| Payables:   |                                 |
| Investment securities purchased . . . . .   | —                               |
| Collateral for securities loaned . . . . .  | —                               |
| Line of credit . . . . .  | 532,463                         |
| Shares redeemed . . . . .   | 2,990                           |
| Due to Adviser . . . . .  | 69,171                          |
| Due to custodian . . . . .  | —                               |
| Distribution to shareholders . . . . .  | —                               |
| Deferred Trustee fees . . . . .   | 2,834                           |
| Accrued expenses . . . . .  | 182,174                         |
| <b>Total liabilities</b> . . . . .  | <u>789,632</u>                  |
| <b>NET ASSETS</b> . . . . .   | <u>\$85,290,078</u>             |
| Shares outstanding . . . . .  | <u>2,300,000</u>                |
| Net asset value, redemption<br>and offering price per share . . . . .                 | <u>\$ 37.08</u>                 |
| <b>Net assets consist of:</b>   |                                 |
| Aggregate paid in capital . . . . .   | \$89,657,482                    |
| Net unrealized appreciation (depreciation) . . . . .                                  | (626,735)                       |
| Undistributed (accumulated) net investment income (loss) . . . . .                    | (119,404)                       |
| Accumulated net realized loss . . . . .   | (3,621,265)                     |
|   | <u>\$85,290,078</u>             |
| (1) Value of securities on loan . . . . .   | <u>\$ —</u>                     |
| (2) Cost of investments . . . . .   | <u>\$85,686,810</u>             |
| (3) Cost of short-term investments held as collateral for securities loaned . . . . . | <u>\$ —</u>                     |
| (4) Cost of cash denominated in foreign currency . . . . .                            | <u>\$ 1,019,201</u>             |
| (a) Represents consolidated Statement of Assets and Liabilities                       |                                 |
| (b) Includes \$5,798 on foreign investor minimum settlement reserve funds.            |                                 |
| (c) Includes \$8,357 on foreign investor minimum settlement reserve funds.            |                                 |

See Notes to Financial Statements



# VANECK VECTORS ETF TRUST

## STATEMENTS OF OPERATIONS

For the Year Ended December 31, 2016

|   | <b>ChinaAMC<br/>CSI 300 ETF</b> |
|---|---------------------------------|
| <b>Income:</b>  |                                 |
| Dividends .....   | \$ 1,646,584                    |
| Interest .....  | 327                             |
| Securities lending income .....   | —                               |
| Foreign taxes withheld .....  | (169,808)                       |
| Total income .....  | <u>1,477,103</u>                |
| <b>Expenses:</b>  |                                 |
| Management fees .....   | 374,124                         |
| Professional fees .....   | 172,067                         |
| Insurance .....   | 1,643                           |
| Trustees' fees and expenses .....   | 1,833                           |
| Reports to shareholders .....   | 13,436                          |
| Indicative optimized portfolio value fee .....  | 6,090                           |
| Custodian fees .....  | 149,574                         |
| Registration fees .....   | 5,091                           |
| Transfer agent fees .....   | 2,393                           |
| Fund accounting fees .....  | 47,330                          |
| Interest .....  | 6,873                           |
| Other .....   | 10,008                          |
| Total expenses .....  | <u>790,462</u>                  |
| Waiver of management fees .....   | (258,282)                       |
| Expenses assumed by the Adviser .....   | —                               |
| Net expenses .....  | <u>532,180</u>                  |
| Net investment income (loss) .....  | <u>944,923</u>                  |
| <b>Net realized gain (loss) on:</b>   |                                 |
| Investments .....   | (1,676,526)                     |
| Swap contracts .....  | (356,054)                       |
| In-kind redemptions .....   | —                               |
| Foreign currency transactions and<br>foreign denominated assets and liabilities ..... | <u>(199,107)</u>                |
| Net realized gain (loss) .....  | <u>(2,231,687)</u>              |
| <b>Net change in unrealized appreciation (depreciation) on:</b>                       |                                 |
| Investments .....   | (16,419,634)                    |
| Swap contracts .....  | (95,211)                        |
| Foreign currency transactions and<br>foreign denominated assets and liabilities ..... | <u>(4,371)</u>                  |
| Net change in unrealized appreciation (depreciation) .....                            | <u>(16,519,216)</u>             |
| Net Increase (Decrease) in Net Assets Resulting<br>from Operations .....              | <u><u>\$(17,805,980)</u></u>    |

(a) Represents consolidated Statement of Operations.

## VANECK VECTORS ETF TRUST

### FINANCIAL HIGHLIGHTS

For a share outstanding throughout each year:

|   | <b>ChinaAMC CSI 300 ETF</b>            |                |                |                |                |
|---|--|----------------|----------------|----------------|----------------|
|   | <b>For the Year Ended December 31,</b> |                |                |                |                |
|   | <b>2016</b>                            | <b>2015</b>    | <b>2014</b>    | <b>2013</b>    | <b>2012</b>    |
| Net asset value, beginning of year . . . . .  | \$44.76                                | \$46.06        | \$30.89        | \$33.17        | \$30.28        |
| Income from investment operations:  |  |                |                |                |                |
| Net investment income (loss) . . . . .  | 0.41                                   | 0.45           | 0.32(a)        | (0.40)         | —(g)           |
| Net realized and unrealized gain (loss) on investments . . . . .                      | (7.64)                                 | (0.34)         | 14.85          | (1.18)         | 2.89           |
| Total from investment operations . . . . .  | (7.23)                                 | 0.11           | 15.17          | (1.58)         | 2.89           |
| Less:   |  |                |                |                |                |
| Dividends from net investment income . . . . .  | (0.15)                                 | (0.52)         | —              | (0.70)         | —              |
| Distributions from net realized capital gains . . . . .                               | (0.28)                                 | (0.89)         | —              | —              | —              |
| Return of Capital . . . . .   | (0.02)                                 | —              | —              | —              | —              |
| Total dividends and distributions . . . . .   | (0.45)                                 | (1.41)         | —              | (0.70)         | —              |
| Net asset value, end of year . . . . .  | <u>\$37.08</u>                         | <u>\$44.76</u> | <u>\$46.06</u> | <u>\$30.89</u> | <u>\$33.17</u> |
| Total return (b) . . . . .  | (16.16)%                               | 0.22%          | 49.11%         | (4.74)%        | 9.54%          |
| <b>Ratios/Supplemental Data</b>   |  |                |                |                |                |
| Net assets, end of year (000's) . . . . .   | \$85,290                               | \$105,193      | \$94,414       | \$29,344       | \$33,169       |
| Ratio of gross expenses to average net assets . . . . .                               | 1.06%                                  | 1.20%          | 1.69%          | 1.14%          | 2.21%          |
| Ratio of net expenses to average net assets . . . . .                                 | 0.71%                                  | 0.75%          | 0.72%          | 0.72%          | 0.72%          |
| Ratio of net expenses, excluding interest expense,<br>to average net assets . . . . . | 0.72%(h)                               | 0.72%          | 0.72%          | 0.72%          | 0.72%          |
| Ratio of net investment income (loss) to average net assets                           | 1.26%                                  | 0.91%          | 1.00%          | (0.70)%        | (0.69)%        |
| Portfolio turnover rate (c) . . . . .   | 50%                                    | 70%            | 59%            | 0%             | 0%             |

See Notes to Financial Statements



VANECK VECTORS ETF TRUST  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2016

**Note 1—Fund Organization**—VanEck Vectors ETF Trust (the “Trust”) (formerly known as Market Vectors ETF Trust) is registered under the Investment Company Act of 1940, as amended, as an open-end management investment company. The Trust was incorporated in Delaware as a statutory trust on March 15, 2001. The Trust operates as a series fund, and as of December 31, 2016, offers fifty-eight investment portfolios, each of which represents a separate series of the Trust.

These financial statements relate only to the following investment portfolios: [REDACTED] ChinaAMC CSI 300 ETF (formerly ChinaAMC A-Share ETF\*\*), [REDACTED] [REDACTED] China Asset Management (Hong Kong) Limited (the “Sub-Adviser”) is the sub-adviser to ChinaAMC CSI 300 ETF [REDACTED] ChinaAMC CSI 300 ETF [REDACTED] [REDACTED] seek to achieve their investment objective by primarily investing directly in A-shares through the Hong Kong-Shanghai Stock Connect program and via the A-share quota granted to the Sub-Adviser. [REDACTED] [REDACTED] Each Fund was created to provide investors with the opportunity to purchase a security representing a proportionate undivided interest in a portfolio of securities consisting of substantially all of the common stocks in substantially the same weighting, in an index published by the China Securities Index Co. [REDACTED] [REDACTED]

The Funds’ commencement of operations dates and their respective indices are presented below:

| Fund                   | Commencement<br>of Operations | Index         |
|------------------------|-------------------------------|---------------|
| ChinaAMC CSI 300 ETF** | October 13, 2010              | CSI 300 Index |
| [REDACTED]             |                               |               |

**Note 2—Significant Accounting Policies**—The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

The Funds are investment companies and are following accounting and reporting requirements of Accounting Standards Codification (“ASC”) 946 Financial Services—Investment Companies.

The following is a summary of significant accounting policies followed by the Funds.

**A. Security Valuation**—The Funds value their investments in securities and other assets and liabilities at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Securities traded on national exchanges or traded on the NASDAQ National Market System are valued at the last sales price as reported at the close of each business day. Securities traded on the NASDAQ Stock Market are valued at the NASDAQ official closing price. Over-the-counter securities not included in the NASDAQ National Market System and listed securities for which no sale was reported are valued at the mean of the bid and ask prices. To the extent these securities are actively traded they are categorized as Level 1 in the fair value hierarchy (described below). Certain foreign securities, whose values

# VANECK VECTORS ETF TRUST

## NOTES TO FINANCIAL STATEMENTS

(continued)

may be affected by market direction or events occurring before the Funds' pricing time (4:00 p.m. Eastern Standard Time) but after the last close of the securities' primary market, are fair valued using a pricing service and are categorized as Level 2 in the fair value hierarchy. The pricing service, using methods approved by the Board of Trustees, considers the correlation of the trading patterns of the foreign security to intraday trading in the U.S. markets, based on indices of domestic securities and other appropriate indicators such as prices of relevant ADR's and futures contracts. The Funds may also fair value securities in other situations, such as, when a particular foreign market is closed but the Fund is open. Short-term obligations with more than sixty days remaining to maturity are valued at market value. Short-term obligations with sixty days or less to maturity are valued at amortized cost, which with accrued interest approximates fair value. Money market fund investments are valued at net asset value and are considered to be Level 1 in the fair value hierarchy. Securities for which quotations are not available are stated at fair value as determined by the Pricing Committee of the Adviser. The Pricing Committee provides oversight of the Funds' valuation policies and procedures, which are approved by the Funds' Board of Trustees. Among other things, these procedures allow the Funds to utilize independent pricing services, quotations from securities dealers, and other market sources to determine fair value. The Pricing Committee convenes regularly to review the fair value of financial instruments for which market prices are not readily available. The Pricing Committee employs various methods for calibrating the valuation approaches utilized to determine fair value, including a regular review of key inputs and assumptions, transactional back-testing and disposition analysis.

Certain factors such as economic conditions, political events, market trends, the nature of and duration of any restrictions on disposition, trading in similar securities of the issuer or comparable issuers and other security specific information are used to determine the fair value of these securities. Depending on the relative significance of valuation inputs, these securities may be classified either as Level 2 or Level 3 in the fair value hierarchy. The price which the Funds may realize upon sale of an investment may differ materially from the value presented in the Schedules of Investments.

The Funds utilize various methods to measure the fair value of their investments on a recurring basis, which includes a hierarchy that prioritizes inputs to valuation methods used to measure fair value. The fair value hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The transfers between levels of the fair value hierarchy assume the financial instruments were transferred at the beginning of the reporting period. The three levels of the fair value hierarchy are described below:

Level 1 — Quoted prices in active markets for identical securities.

Level 2 — Significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 — Significant unobservable inputs (including each Fund's own assumptions in determining the fair value of investments).

A summary of the inputs, the levels used to value the Funds' investments, and transfers between levels are located in the Schedules of Investments. Additionally, tables that reconcile the valuation of the Funds' Level 3 investments and that present additional information about valuation methodologies and unobservable inputs, if applicable, are located in the Schedules of Investments.

**B.**



**C. Federal Income Taxes**—It is each Fund's policy to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

- 
- D. Dividends and Distributions to Shareholders**—Dividends to shareholders from net investment income and distributions from net realized capital gains, if any, are declared and paid annually by each Fund. Income dividends and capital gain distributions are determined in accordance with U.S. income tax regulations, which may differ from such amounts determined in accordance with GAAP.
- E. Currency Translation**—Assets and liabilities denominated in foreign currencies and commitments under foreign currency contracts are translated into U.S. dollars at the closing prices of such currencies each business day. Purchases and sales of investments are translated at the exchange rates prevailing when such investments are acquired or sold. Foreign denominated income and expenses are translated at the exchange rates prevailing when accrued. The portion of realized and unrealized gains and losses on investments that result from fluctuations in foreign currency exchange rates is not separately disclosed in the financial statements. Recognized gains or losses attributable to foreign currency fluctuations on foreign currency denominated assets, other than investments, and liabilities are recorded as net realized gain (loss) on foreign currency transactions and foreign denominated assets and liabilities in the Statements of Operations.
- F. Restricted Securities**—The Funds may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted securities, if any, is included at the end of each Fund's Schedule of Investments.
- G. Repurchase Agreements**—The Funds may enter into repurchase agreements with financial institutions, deemed to be creditworthy by the Adviser, to generate income from their excess cash balances and to invest securities lending cash collateral. A repurchase agreement is an agreement under which a Fund acquires securities from a seller, subject to resale to the seller at an agreed upon price and date. A Fund, through its custodian/securities lending agent, takes possession of securities collateralizing the repurchase agreement. Pursuant to the terms of the repurchase agreement, such securities must have an aggregate market value greater than or equal to the terms of the repurchase price plus accrued interest at all times. If the value of the underlying securities falls below the value of the repurchase price plus accrued interest, the Funds will require the seller to deposit additional collateral by the next business day. If the request for additional collateral is not met, or the seller defaults on its repurchase obligation, the Funds maintain their right to sell the underlying securities at market value and may claim any resulting loss against the seller. Repurchase agreements held as of December 31, 2016 are reflected in the Schedules of Investments.
- H. Use of Derivative Instruments**—The Funds may make investments in derivative instruments, including, but not limited to, options, futures, swaps and other derivatives relating to foreign currency transactions. A derivative is an instrument whose value is derived from underlying assets, indices, reference rates or a combination of these factors. Derivative instruments may be privately negotiated contracts (often referred to as over-the-counter ("OTC") derivatives) or they may be listed and traded on an exchange. Derivative contracts may involve future commitments to purchase or sell financial instruments at specified terms on a specified date, or to exchange interest payment streams or currencies based on a notional or contractual amount. Derivative instruments may involve a high degree of financial risk. The use of derivative instruments also involves the risk of loss if the Adviser is incorrect in its expectation of the timing or level of fluctuations in securities prices, interest rates or currency prices. Investments in derivative instruments also include the risk of default by the counterparty, the risk that the investment may not be liquid and the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instruments. GAAP requires enhanced disclosures about the Funds' derivative instruments and hedging activities. Details of this disclosure are found below.
- Swap Agreements**—The Funds may enter into swap transactions to gain investment exposure for total return or for hedging purposes. Risks may arise as a result of the failure of the counterparty to the swap contract to comply with the terms of the swap contract. The loss incurred by the failure of a counterparty is generally limited to the net payment to be received by the Funds and/or the termination value at the end of the contract. Therefore, the Funds consider the creditworthiness of each counterparty to a contract in evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in interest rates or in the value of the underlying reference asset or index. Entering into these agreements involves, to varying degrees, market risk,



[REDACTED]  
 [REDACTED] from exceeding the expense limitations listed in the table below.

The current management fee rates/expense limitations and the amounts waived/assumed by the Adviser for the year ended December 31, 2016, are as follows:

| <b>Fund</b>           | <b>Expense Limitation</b> | <b>Waiver of Management Fees</b> | <b>Expenses Assumed by the Adviser</b> |
|-----------------------|---------------------------|----------------------------------|--|
| [REDACTED]            | [REDACTED]                | [REDACTED]                       | \$ —                                   |
| [REDACTED]            | [REDACTED]                | [REDACTED]                       | —                                      |
| ChinaAMC CSI 300 ETF* | 0.72                      | 258,282                          | —                                      |

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\* The Adviser paid sub-advisory fees directly to the Sub-Adviser.

[REDACTED]  
 [REDACTED]

In addition, Van Eck Securities Corporation, an affiliate of the Adviser, acts as the Funds' distributor ("the Distributor"). Certain officers and a Trustee of the Trust are officers, directors or stockholders of the Adviser and Distributor.

**Note 4—Investments**—For the year ended December 31, 2016, the cost of purchases and proceeds from sales of investments other than U.S. government obligations and short-term obligations (excluding in-kind transactions described in Note 6) were as follows:

| <b>Fund</b>          | <b>Cost of Investments Purchased</b> | <b>Proceeds from Investments Sold</b> |
|----------------------|--------------------------------------|---------------------------------------|
| [REDACTED]           | [REDACTED]                           | [REDACTED]                            |
| [REDACTED]           | [REDACTED]                           | [REDACTED]                            |
| ChinaAMC CSI 300 ETF | 38,947,874                           | 38,098,163                            |

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VANECK VECTORS ETF TRUST

NOTES TO FINANCIAL STATEMENTS

(continued)

**Note 5—Income Taxes**—As of December 31, 2016, for Federal income tax purposes, the identified cost of investments owned, net unrealized appreciation (depreciation), gross unrealized appreciation, and gross unrealized depreciation of investments were as follows:

| Fund                 | Cost of Investments | Gross Unrealized Appreciation | Gross Unrealized Depreciation | Net Unrealized Appreciation (Depreciation) |
|----------------------|---------------------|-------------------------------|-------------------------------|--|
| ChinaAMC CSI 300 ETF | 87,752,532          | 6,288,558                     | (8,975,534)                   | (2,686,976)                                |

At December 31, 2016, the components of accumulated earnings (deficit) on a tax basis, for each Fund, were as follows:

| Fund                 | Undistributed Ordinary Income | Accumulated Capital Losses | Qualified Late-Year Losses | Other Temporary Differences | Unrealized Appreciation (Depreciation) | Total       |
|----------------------|-------------------------------|----------------------------|----------------------------|-----------------------------|--|-------------|
| ChinaAMC CSI 300 ETF | —                             | (1,625,261)                | (46,852)                   | (2,834)                     | (2,692,457)                            | (4,367,404) |

The tax character of dividends and distributions paid to shareholders during the years ended December 31, 2016 and December 31, 2015 was as follows:

| Fund                 | 2016 Dividends  |                         |                   | 2015 Dividends  |                         |
|----------------------|-----------------|-------------------------|-------------------|-----------------|-------------------------|
|                      | Ordinary Income | Long-Term Capital Gains | Return Of Capital | Ordinary Income | Long-Term Capital Gains |
| ChinaAMC CSI 300 ETF | 401,102*        | 584,046                 | 45,252            | 2,986,850*      | 324,300                 |

Qualified late year losses incurred after October 31, 2016, and within the taxable year, are deemed to arise on the first day of the Funds' next taxable year. For the year ended December 31, 2016, the Funds' intend to defer to January 1, 2017 for federal tax purposes qualified late-year losses as follows:

| Fund                 | Late-Year Ordinary Losses | Post-October Capital Losses |
|----------------------|---------------------------|-----------------------------|
| [REDACTED]           | [REDACTED]                | [REDACTED]                  |
| ChinaAMC CSI 300 ETF | 46,852                    | —                           |
| [REDACTED]           | [REDACTED]                | [REDACTED]                  |
| [REDACTED]           | [REDACTED]                | [REDACTED]                  |
| [REDACTED]           | [REDACTED]                | [REDACTED]                  |

At December 31, 2016, the Funds had capital loss carryforwards available to offset future capital gains, as follows:

| Fund                 | Post-Effective-No Expiration Short-Term Capital Losses | Post-Effective-No Expiration Long-Term Capital Losses | Amount Expiring in the Year Ended December 31, |            |
|----------------------|--|---|--|------------|
|                      |  |   | 2018   | 2017       |
| [REDACTED]           | [REDACTED]   | [REDACTED]  | [REDACTED]                                     | [REDACTED] |
| [REDACTED]           | [REDACTED]   | [REDACTED]  | [REDACTED]                                     | [REDACTED] |
| ChinaAMC CSI 300 ETF | 1,625,261  | —   | —  | —          |

During the year ended December 31, 2016, as a result of permanent book to tax differences, primarily due to investments in Passive Foreign Investment Companies, foreign currency gains and losses, net operating losses, expiration of capital loss carryforwards and tax treatment of in-kind redemptions, the Funds incurred differences that affected undistributed (accumulated) net investment income (loss), accumulated net realized gain (loss) on investments and aggregate paid in capital by the amounts in the table below. Net assets were not affected by these reclassifications.

| Fund                 | Increase (Decrease) in Accumulated Net Investment Income/Loss | Increase (Decrease) in Accumulated Net Realized Gain/Loss | Increase (Decrease) in Aggregate Paid in Capital |
|----------------------|---|---|--|
| [REDACTED]           | [REDACTED]  | [REDACTED]  | [REDACTED]                                       |
| [REDACTED]           | [REDACTED]  | [REDACTED]  | [REDACTED]                                       |
| ChinaAMC CSI 300 ETF | (549,044)   | 549,043   | 1  |

## VANECK VECTORS ETF TRUST

### NOTES TO FINANCIAL STATEMENTS

(continued)

The Funds recognize the tax benefits of uncertain tax positions only where the position is “more-likely-than-not” to be sustained assuming examination by applicable tax authorities. Management has analyzed the Funds’ tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on return filings for all open tax years. The Funds do not have exposure for additional years that might still be open in certain foreign jurisdictions. Therefore, no provision for income tax is required in the Funds’ financial statements. The Funds are subject to foreign taxes on the appreciation in value of certain investments. The Funds provide for such taxes on both realized and unrealized appreciation.

The Funds recognize interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statements of Operations. During the year ended December 31, 2016, the Funds did not incur any interest or penalties.

Uncertainties in the Chinese tax rules governing taxation of income and gains from investments in A-Shares could result in unexpected tax liabilities for the ChinaAMC CSI 300 ETF and ChinaAMC SME-ChiNext ETF. China generally imposes withholding income tax (“WHT”) at a rate of 10% on dividends and interest (excluding government bond interest) derived by non-PRC resident enterprises (including a Qualified Foreign Institutional Investor (“QFII”) and a Renminbi Qualified Foreign Institutional Investor (“RQFII”)) from issuers resident in China. China also imposes WHT at a rate of 10% on capital gains derived by non-PRC resident enterprises from the disposal in shares of PRC enterprises. Effective November 17, 2014, investments through the Hong Kong-Shanghai Stock Connect program, QFIIs and RQFIIs, which includes these Funds, are exempted temporarily from WHT with respect to gains derived from the trading of equity investments (including A-shares).

The Finance Act, 2012 introduced a general anti-avoidance rule (“GAAR”), which is slated to be effective from April 1, 2017. GAAR is applicable where the main purpose of an arrangement is tax avoidance and empowers Indian tax authorities to declare such an arrangement as an impermissible avoidance arrangement.



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The in-kind contributions and in-kind redemptions in this table represent the accumulation of each Fund's daily net shareholder transactions including rebalancing activity, while the Statements of Changes in Net Assets reflect shareholder transactions including any cash component of the transactions.

**Note 7—Concentration of Risk**—The investment objective of each Fund is to seek investment results that correspond generally to the price and yield performance, before fees and expenses, of its underlying index, as indicated in the name of each Fund. The Adviser uses a “passive” or index approach to achieve each Fund's investment objective by investing in a portfolio of securities that generally replicates the Funds' index. Each of the Funds [REDACTED]

[REDACTED] Non-diversified funds generally hold securities of fewer issuers than diversified funds and may be more susceptible to the risks associated with these particular issuers, or to a single economic, political or regulatory occurrence affecting these issuers. The Funds may purchase securities on foreign exchanges. Securities of foreign issuers involve special risks and considerations not typically associated with investing in U.S. issuers. These risks include devaluation of currencies, currency controls, less reliable information about issuers, different securities transaction clearance and settlement practices, future adverse political and economic developments and local/regional conflicts. These risks are heightened for investments in emerging market countries. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than those of comparable U.S. issuers. [REDACTED]

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Should the Chinese government impose restrictions on the ability of ChinaAMC CSI 300 ETF and ChinaAMC SME-ChiNext ETF to repatriate funds associated with direct investment in A-Shares, the Funds may be unable to satisfy distribution requirements applicable to regulated investment companies (“RICs”) under the Internal Revenue Code of 1986, as amended, and the Funds may therefore be subject to Fund-level U.S. federal taxes.

At December 31, 2016, the Adviser owned approximately 4.3% of ChinaAMC CSI 300 ETF [REDACTED]

## VANECK VECTORS ETF TRUST

### NOTES TO FINANCIAL STATEMENTS

(continued)

**Note 8—Trustee Deferred Compensation Plan**—The Trust has a Deferred Compensation Plan (the “Plan”) for Trustees under which the Trustees can elect to defer receipt of their trustee fees until retirement, disability or termination from the Board of Trustees. The fees otherwise payable to the participating Trustees are deemed invested in shares of the Funds as directed by the Trustees.

The expense for the Plan is included in “Trustees’ fees and expenses” in the Statements of Operations. The liability for the Plan is shown as “Deferred Trustee fees” in the Statements of Assets and Liabilities.

**Note 9—Securities Lending**—To generate additional income, each of the Funds may lend its securities pursuant to a securities lending agreement with The Bank of New York Mellon, the securities lending agent and also the Funds’ custodian. Each Fund may lend up to 33% of its investments requiring that the loan be continuously collateralized by cash, U.S. government or U.S. government agency securities, shares of an investment trust or mutual fund, or any combination of cash and such securities at all times equal to at least 102% (105% for foreign securities) of the market value plus accrued interest on the securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value of the collateral received. When this occurs, the collateral is adjusted and settled on the next business day. During the term of the loan, the Funds will continue to receive any dividends, interest or amounts equivalent thereto, on the securities loaned while receiving a fee from the borrower and/or earning interest on the investment of the cash collateral. Such fees and interest are shared with the securities lending agent under the terms of the securities lending agreement. The Funds may pay reasonable finders’, administrative and custodial fees in connection with a loan of its securities. Securities lending income is disclosed as such in the Statements of Operations. The collateral for securities loaned is recognized in the Schedules of Investments and the Statements of Assets and Liabilities. The cash collateral is maintained on the Funds’ behalf by the lending agent and is invested in repurchase agreements collateralized by obligations of the U.S. Treasury and/or Government Agencies. Loans are subject to termination at the option of the borrower or the Funds. Upon termination of the loan, the borrower will return to the lender securities identical to the securities loaned. The Funds bear the risk of delay in recovery of, or even loss of rights in, the securities loaned should the borrower of the securities fail financially. The value of loaned securities and related collateral outstanding at December 31, 2016 are presented on a gross basis in the Schedules of Investments and Statements of Assets and Liabilities.

**Note 11—Bank Line of Credit**—The Funds may participate in a \$200 million committed credit facility (the “Facility”) to be utilized for temporary financing until the settlement of sales or purchases of portfolio securities, the repurchase or redemption of shares of the Funds at the request of the shareholders and other temporary or emergency purposes. The Funds have agreed to pay commitment fees, pro rata, based on the unused but available balance. Interest is charged to the Funds at rates based on prevailing market rates in effect at the time of borrowings. During the year ended December 31, 2016, the following Funds borrowed under this Facility:

| <u>Fund</u>          | <u>Days Outstanding</u> | <u>Average Daily Loan Balance</u> | <u>Average Interest Rate</u> | <u>Outstanding Loan Balance as of December 31, 2016</u> |
|----------------------|-------------------------|-----------------------------------|------------------------------|---|
| ChinaAMC CSI 300 ETF | 178                     | 762,849                           | 1.81                         | 532,463   |

**Note 12—Custodian Fees**—The Funds have entered into an expense offset agreement with the custodian wherein they receive a credit toward the reduction of custodian fees whenever there are uninvested cash balances. The Funds could have invested their cash balances elsewhere if they had not agreed to a reduction in fees under the expense offset agreement with the custodian. For the year ended December 31, 2016, there were offsets to custodian fees and these amounts are reflected in custody expense in the Statement of Operations.

**Note 13—Recent Accounting Pronouncements and Regulatory Requirements**—The Funds adopted Accounting Standards Update No. 2014-15 (“ASU 2014-15”), *Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern*, which requires management to assess the Funds’ ability to continue as a going concern and to provide related disclosures in certain circumstances. Under the new standard, disclosures are required when conditions give rise to substantial doubt about a company’s ability to continue as a going concern within one year from the financial statement issuance date. Based on management’s evaluation, there are no conditions or events that could adversely affect the Funds’ ability to meet their obligations within one year after the date the financial statements are issued. Accordingly, no disclosures are required specific to going concern uncertainties in the Funds’ financial statements.

In October 2016, the Securities and Exchange Commission (the “SEC”) released its Final Rule on Investment Company Reporting Modernization (the “Rule”). The Rule, which introduces two new regulatory reporting forms for investment companies—Form N-PORT and Form N-CEN—also contains amendments to Regulation S-X which impact financial statement presentation, particularly the presentation of derivative investments. Although still evaluating the impact of the Rule, management believes that many of the Regulation S-X amendments are consistent with the Portfolios’ current financial statement presentation and expects that the Funds will be able to comply with the Rule’s Regulation S-X amendments by the August 1, 2017 compliance date.

**Note 14—Subsequent Event Review**—The Funds have evaluated subsequent events and transactions for potential recognition or disclosure through the date the financial statements were issued.

# VANECK VECTORS ETF TRUST

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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The Board of Trustees and Shareholders of VanEck Vectors ETF Trust

We have audited the accompanying statements of assets and liabilities ( [REDACTED] ) including the schedules of investments ( [REDACTED] ), of ( [REDACTED] ) ChinaAMC CSI 300 ETF, ( [REDACTED] ) ( [REDACTED] ) the series constituting VanEck Vectors ETF Trust) (the "Funds") as of December 31, 2016, and the related statements of operations ( [REDACTED] ) for the year then ended, the statements of changes in net assets ( [REDACTED] ) for each of the two years in the period then ended and the financial highlights for the periods indicated therein. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Funds' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2016, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position ( [REDACTED] ) ChinaAMC CSI 300 ETF, ( [REDACTED] ) ( [REDACTED] ) (twelve of the series constituting VanEck Vectors ETF Trust) at December 31, 2016, and the results of their operations ( [REDACTED] ) for the year then ended, the changes in their net assets ( [REDACTED] ) or each of the two years in the period then ended and the financial highlights for the periods indicated therein, in conformity with U.S. generally accepted accounting principles.

*Ernst + Young LLP*

New York, New York  
February 24, 2017

**TAX INFORMATION**  
(unaudited)

The Funds listed below intend to pass through foreign tax credits in the maximum amounts shown. The gross foreign source income earned during 2016 by the Funds is shown below.

| <u>Fund</u>          | <u>Foreign Tax Credits</u> | <u>Gross Foreign Source Income</u> |
|----------------------|----------------------------|------------------------------------|
| ChinaAMC CSI 300 ETF | 161,075                    | 1,646,036                          |

**Corporate Dividends Received Deduction**

The Funds listed below had the following percentage of ordinary income dividends paid that qualified for the Corporate Dividends Received Deduction in 2016.

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# VANECK VECTORS ETF TRUST

## BOARD OF TRUSTEES AND OFFICERS

December 31, 2016 (unaudited)

| Name, Address <sup>1</sup> and Year of Birth | Position(s) Held with the Trust                | Term of Office <sup>2</sup> and Length of Time Served                    | Principal Occupation(s) During Past Five Years  | Number of Portfolios in Fund Complex <sup>3</sup> Overseen | Other Directorships Held By Trustee During Past Five Years   |
|--|--|--|---|--|--|
| <b>Independent Trustees:</b>                 |  |  |   |  |  |
| David H. Chow, 1957*†                        | Chairman<br>Trustee                            | Since 2008<br>Since 2006   | Founder and CEO, DanCourt Management LLC (financial/strategy consulting firm and Registered Investment Adviser), March 1999 to present.   | 58   | Director, Forward Management LLC and Audit Committee Chairman, May 2008 to June 2015; Trustee, Berea College of Kentucky and Vice-Chairman of the Investment Committee, May 2009 to present; Member of the Governing Council of the Independent Directors Council, October 2012 to present; President, July 2013 to June 2015; and Board Member of the CFA Society of Stamford, July 2009 to present; Advisory Board member, MainStay Fund Complex <sup>4</sup> , June 2015 to December 2015; Trustee, MainStay Fund Complex <sup>4</sup> , January 2016 to present. |
| R. Alastair Short, 1953*†                    | Trustee  | Since 2006   | President, Apex Capital Corporation (personal investment vehicle), January 1988 to present; Vice Chairman, W.P. Stewart & Co., Inc. (asset management firm), September 2007 to September 2008; and Managing Director, The GlenRock Group, LLC (private equity investment firm), May 2004 to September 2007.   | 70   | Chairman and Independent Director, EULAV Asset Management, January 2011 to present; Independent Director, Tremont offshore funds, June 2009 to present; Director, Kenyon Review.   |
| Peter J. Sidebottom, 1962*†                  | Trustee  | Since 2012   | Partner, PWC/Strategy & Financial Services Advisory, February 2015 - present; Founder and Board Member, AspenWoods Risk Solutions, September 2013 to present; Independent consultant, June 2013 to February 2015; Partner, Bain & Company (management consulting firm), April 2012 to December 2013; Executive Vice President and Senior Operating Committee Member, TD Ameritrade (on-line brokerage firm), February 2009 to January 2012. | 58   | Board Member, Special Olympics, New Jersey, November 2011 to September 2013; Director, The Charlotte Research Institute, December 2000 to present; Board Member, Social Capital Institute, University of North Carolina Charlotte, November 2004 to January 2012; Board Member, NJ-CAN, July 2014 to present.  |
| Richard D. Stamberger, 1959*†                | Trustee  | Since 2006   | Director, President and CEO, SmartBrief, Inc. (media company).  | 70   | Director, Food and Friends, Inc., 2013 to present.   |
| <b>Interested Trustee:</b>                   |  |  |   |  |  |
| Jan F. van Eck, 1963 <sup>5</sup>            | Trustee, President and Chief Executive Officer | Trustee (Since 2006); President and Chief Executive Officer (Since 2009) | Director, President, Chief Executive Officer and Owner of the Adviser, Van Eck Associates Corporation; Director, President and Chief Executive Officer, Van Eck Securities Corporation ("VESC"); Director, President and Chief Executive Officer, Van Eck Absolute Return Advisers Corp. ("VEARA").   | 58   | Director, National Committee on US-China Relations.  |

<sup>1</sup> The address for each Trustee and Officer is 666 Third Avenue, 9th Floor, New York, New York 10017.

<sup>2</sup> Each Trustee serves until resignation, death, retirement or removal. Officers are elected yearly by the Trustees.

<sup>3</sup> The Fund Complex consists of the VanEck Funds, VanEck VIP Trust, and the Trust.

<sup>4</sup> The MainStay Fund Complex consists of MainStay Funds Trust, MainStay Funds, MainStay VP Funds Trust, Private Advisors Alternative Strategies Master Fund, Private Advisors Alternative Strategies Fund and MainStay DefinedTerm Municipal Opportunities Fund.

<sup>5</sup> "Interested person" of the Trust within the meaning of the 1940 Act. Mr. van Eck is an officer of the Adviser.

\* Member of the Audit Committee.

† Member of the Nominating and Corporate Governance Committee.

| <b>Officer's Name, Address<sup>1</sup> and Year of Birth</b> | <b>Position(s) Held with the Trust</b>  | <b>Term of Office<sup>2</sup> and Length of Time Served</b>   | <b>Principal Occupation(s) During The Past Five Years</b>  |
|--|---|---|--|
| <b>Officers:</b>   |   |   |  |
| Matthew A. Babinsky, 1983                                    | Assistant Vice President and Assistant Secretary                                    | Since 2016  | Assistant Vice President and Assistant General Counsel of the Adviser, VESC and VEARA (since 2016); Associate, Clifford Chance US LLP (October 2011 to April 2016); Officer of other investment companies advised by the Adviser.  |
| Russell G. Brennan, 1964                                     | Assistant Vice President and Assistant Treasurer                                    | Since 2008  | Assistant Vice President and Assistant Treasurer of the Adviser (since 2008); Manager (Portfolio Administration) of the Adviser, September 2005 to October 2008; Officer of other investment companies advised by the Adviser.   |
| Charles T. Cameron, 1960                                     | Vice President  | Since 2006  | Director of Trading (since 1995) and Portfolio Manager (since 1997) for the Adviser; Officer of other investment companies advised by the Adviser.   |
| Simon Chen, 1971   | Assistant Vice President  | Since 2012  | Greater China Director of the Adviser (since January 2012); General Manager, SinoMarkets Ltd. (June 2007 to December 2011).  |
| John J. Crimmins, 1957                                       | Vice President, Treasurer, Chief Financial Officer and Principal Accounting Officer | Vice President, Chief Financial Officer and Principal Accounting Officer (Since 2012); Treasurer (Since 2009) | Vice President of Portfolio Administration of the Adviser, June 2009 to present; Vice President of VESC and VEARA, June 2009 to present; Chief Financial, Operating and Compliance Officer, Kern Capital Management LLC, September 1997 to February 2009; Officer of other investment companies advised by the Adviser.    |
| Uwe Eberle, 1965   | Vice President  | Since 2016  | Managing Director of Van Eck Switzerland AG (since 2010).  |
| Eduardo Escario, 1975  | Vice President  | Since 2012  | Regional Director, Business Development/Sales for Southern Europe and South America of the Adviser (since July 2008); Regional Director (Spain, Portugal, South America and Africa) of Dow Jones Indexes and STOXX Ltd. (May 2001 - July 2008).  |
| Susan C. Lashley, 1955                                       | Vice President  | Since 2006  | Vice President of the Adviser and VESC; Officer of other investment companies advised by the Adviser.  |
| Laura I. Martínez, 1980                                      | Vice President and Assistant Secretary  | Vice President (Since 2016) and Assistant Secretary (Since 2008)  | Vice President (since 2016), Associate General Counsel and Assistant Secretary (since 2008) and Assistant Vice President (2008 to 2016) of the Adviser, VESC and VEARA (since 2008); Associate, Davis Polk & Wardwell (October 2005 - June 2008); Officer of other investment companies advised by the Adviser.            |
| Ferat Oeztuerk, 1983   | Assistant Vice President  | Since 2012  | Sales Associate, VanEck (Europe) GmbH (since November 2011); Account Manager, Vodafone Global Enterprise Limited (January 2011 to October 2011).   |
| James Parker, 1969   | Assistant Treasurer   | Since June 2014   | Manager (Portfolio Administration) of the Adviser (since June 2010); Vice President of JPMorgan Chase & Co. (April 1999 - January 2010).   |
| Philipp Schlegel, 1974                                       | Vice President  | Since 2016  | Senior Director of Van Eck Switzerland AG (since 2010).  |
| Jonathan R. Simon, 1974                                      | Senior Vice President, Secretary and Chief Legal Officer                            | Senior Vice President (Since 2016) and Secretary and Chief Legal Officer (Since 2014)                         | Senior Vice President (since 2016), General Counsel and Secretary (since 2014) and Vice President (2006 to 2016) of the Adviser, VESC and VEARA; Officer of other investment companies advised by the Adviser.   |
| Bruce J. Smith, 1955   | Senior Vice President   | Since 2006  | Senior Vice President, Chief Financial Officer, Treasurer and Controller of the Adviser, VESC and VEARA (since 1997); Director of the Adviser, VESC and VEARA (since October 2010); Officer of other investment companies advised by the Adviser.  |
| Janet Squitieri, 1961  | Chief Compliance Officer  | Since September 2013  | Vice President, Global Head of Compliance of the Adviser, VESC and VEARA (since September 2013); Chief Compliance Officer and Senior Vice President North America of HSBC Global Asset Management NA (August 2010 - September 2013); Chief Compliance Officer North America of Babcock & Brown LP (July 2008 - June 2010). |

<sup>1</sup> The address for each Officer is 666 Third Avenue, 9th Floor, New York, New York 10017.

<sup>2</sup> Officers are elected yearly by the Trustees.

This report is intended for the Funds' shareholders. It may not be distributed to prospective investors unless it is preceded or accompanied by a VanEck Vectors ETF Trust (the "Trust") Prospectus, which includes more complete information. An investor should consider the investment objective, risks, and charges and expenses of the Funds carefully before investing. The prospectus contains this and other information about the investment company. Please read the prospectus carefully before investing.

Additional information about the Trust's Board of Trustees/Officers and a description of the policies and procedures the Trust uses to determine how to vote proxies relating to portfolio securities are provided in the Statement of Additional Information. The Statement of Additional Information and information regarding how the Trust voted proxies relating to portfolio securities during the most recent twelve month period ending June 30 is available, without charge, by calling 800.826.2333, or by visiting [vaneck.com](http://vaneck.com), or on the Securities and Exchange Commission's website at <http://www.sec.gov>.

The Trust files its complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Trust's Form N-Qs are available on the Commission's website at <http://www.sec.gov> and may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 202.942.8090. The Funds' complete schedules of portfolio holdings are also available by calling 800.826.2333 or by visiting [vaneck.com](http://vaneck.com).



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