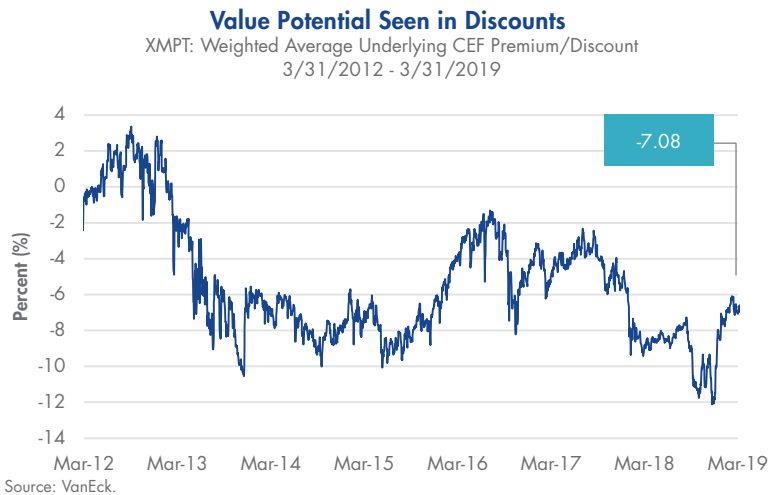


Value in Municipal Bond Closed-End Funds

XMPT[®] VanEck Vectors[®] CEF Municipal Income ETF

The majority of municipal bond closed-end funds (CEF) are trading at a discount. These discounts may represent value in a world where value appears scarce. As seen in the chart below, the weighted average discount of the underlying municipal bond closed-end funds in the VanEck Vectors CEF Municipal Income ETF (XMPT) was -7.08% as of March 31, 2019.

What Discounts May Mean for Investors



When a fund trades at a discount, more than a dollar of assets goes to work for every dollar invested. Therefore, the yield on the share price will actually be higher than that on the NAV of the portfolio. Additionally, municipal bond investments generally provide the added benefit of income exempt from federal and, in some cases, state or local income taxes.¹

Potential Causes of Premiums and Discounts

Discrepancies in share prices and NAVs generally result from changing investor sentiment. When investors are nervous, discounts typically appear. When investor sentiment is positive, those discounts tend to narrow or turn to premiums.

Discounts may, in the short term, widen further. Or they may narrow, providing the potential for capital appreciation. However they move, we believe that for long-term investors municipal bond closed-end funds, in general, may offer attractive income-generating opportunities.

A CEF's net asset value (NAV) is the sum of the value of all securities in the portfolio minus liabilities, divided by the number of shares outstanding. The share price can be below (discount) or above (premium) its NAV.

Characteristics

Yield to Worst (%)	2.72
Duration to Worst (Yrs.)	4.66
Coupon (%)	4.28
Leverage Exposure (%) ¹	35.58
AMT Exposure (%) ²	8.32

Credit Profile

Investment Grade (%)	82.91
High Yield (%)	9.23
Not Rated (%)	7.87

Source: Bloomberg. As of 3/31/2019.

These figures represent weighted averages. Please see definitions on the reverse side.

¹ Many CEFs may issue senior securities or borrow money to "leverage" their investment position. This strategy gives these CEFs the potential to enhance yield and to offer higher levels of current income in comparison to most open-end funds.

² A portion of XMPT's dividends may be subject to federal, state, or local income taxes or may be subject to the federal alternative minimum tax (AMT).

Past performance does not guarantee future results. Index performance is not indicative of Fund performance. Indices are not securities in which investments can be made.

Fund Characteristics	XMPT
Number of Holdings	66
Commencement Date	7/12/11
30-Day SEC Yield (%) ⁴	4.38
Management Fee (%)	0.40
Other Expenses (%)	0.10
Acquired Fund Fees/Expenses (%)	1.16
Gross Expense Ratio (%)	1.66
Fee Waiver/Reimbursement (%) ⁵	-0.10
Net Expense Ratio (%)	1.56

Total Return (%) as of 3/31/2019		XMPT
YTD*	NAV	10.40
	Share Price	10.49
1 Yr	NAV	8.88
	Share Price	9.05
3 Yr	NAV	2.59
	Share Price	2.56
5 Yr	NAV	6.17
	Share Price	6.14
Since Fund Inception 7/12/11	NAV	5.94
	Share Price	5.94

*Returns less than one year are not annualized.

⁴ In the absence of temporary waivers or reimbursements, the 30-Day SEC Yield would have been 4.32% on 3/31/2019.

⁵ Expenses for XMPT are capped contractually at 0.40% until 09/01/2019. Cap excludes acquired fund fees and expenses, interest expense, trading expenses, taxes and extraordinary expenses.

The table presents past performance which is no guarantee of future results and which may be lower or higher than current performance. Returns reflect applicable fee waivers and/or expense reimbursements. Had the Fund incurred all expenses and fees, investment returns would have been reduced. Investment returns and Fund share values will fluctuate so that investor's shares, when redeemed, may be worth more or less than their original cost. Fund returns assume that dividends and capital gains distributions have been reinvested in the Fund at NAV. Index returns assume that dividends of the Index constituents in the Index have been reinvested. Investing involves risk, including loss of principal. Please call 800.826.2333 or visit vaneck.com for performance current to the most recent month ended.

DEFINITIONS: **Yield to Worst** measures the lowest of either yield-to-maturity or yield-to-call date on every possible call date. **Duration to Worst** measures the duration of a bond computed using the bond's nearest call date or maturity, whichever comes first. This measure ignores future cash flow fluctuations due to embedded optionality. **Coupon** is measured by weighting the coupon of each bond by its relative size in the portfolio. Coupons are fixed percentages paid on a fixed-income security on an annual basis. Averages are market weighted. **30-Day SEC Yield** is a standard yield calculation developed by the Securities and Exchange Commission that allows for fairer comparisons primarily among bond funds. It is based on the most recent 30-day period. This yield figure reflects the interest earned during the period after deducting the fund's expenses for the period. It does not reflect the yield an investor would have received if they had held the fund over the last twelve months assuming the most recent NAV.

Not intended to be a forecast of future events, a guarantee of future results or investment advice. Historical performance is not indicative of future results. Current data may differ from data quoted. Any graphs shown herein are for illustrative purposes only. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission of VanEck.

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 shares at NAV.

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.

Municipal bonds are subject to risks including those related to litigation, legislation, political changes, local business or economic conditions, conditions in underlying sectors, bankruptcy or other changes in the financial condition of the issuer, and/or the discontinuance of the taxation supporting the project or assets or the inability to collect revenues for the project or from the assets. Bonds and bond funds will decrease in value as interest rates rise. Additional risks include: credit risk, interest rate risk, call risk, lease obligations, tax risk. XMPT is subject to risks associated with non-investment grade (high yield) securities. High yield bonds may be subject to a greater risk of loss of income and principal and are likely to be more sensitive to adverse economic changes than higher rated securities. XMPT's performance, because it is a fund-of-funds, is dependent on the performance and risks of the underlying funds. XMPT's shareholders will indirectly bear the expenses of the underlying funds. The securities of closed-end investment companies in which XMPT will invest may be leveraged. The market for municipal bonds may be less liquid than for taxable bonds. There is no guarantee that a Fund's income will be exempt from federal or state income taxes. Federal or state changes in income or alternative minimum tax rates or in the tax treatment of municipal bonds may make them less attractive as investments and cause them to lose value. Capital gains, if any, are subject to capital gains tax. Please refer to the fund's prospectus for complete risk information.

Investing involves substantial risk and high volatility, including possible loss of principal. Bonds and bond funds will decrease in value as interest rates rise. An investor should consider the investment objective, risks, charges and expenses of the Fund carefully before investing. To obtain a prospectus and summary prospectus, which contains this and other information, call 800.826.2333 or visit vaneck.com. Please read the prospectus and summary prospectus carefully before investing.

©2019 VanEck.



Van Eck Securities Corporation, Distributor

666 Third Avenue | New York, NY 10017

vaneck.com | 800.826.2333