

# A Durable Approach to Dividend Investing

## DURA<sup>®</sup> VanEck Vectors Morningstar Durable Dividend ETF

### Approach Dividend Investing from a Position of Strength

Chasing the highest yield stocks can lead investors to “dividend traps” and companies unable to sustain payouts. Selecting companies based on their history of paying is backward-looking and doesn’t account for their future prospects. Beyond selecting companies with a high dividend yield, forward-looking assessments of a company’s current valuation and financial health are key components to the long-term durability of dividend pay-outs and growth potential.

### Yield at a Fair Value

Morningstar’s estimate of a company’s intrinsic value incorporates an assessment of the company’s economic moat and a projection of the sustainability of its profit potential over time. Consideration of fair value may allow for a portfolio of better valuations and greater upside potential while maintaining an attractive dividend yield.

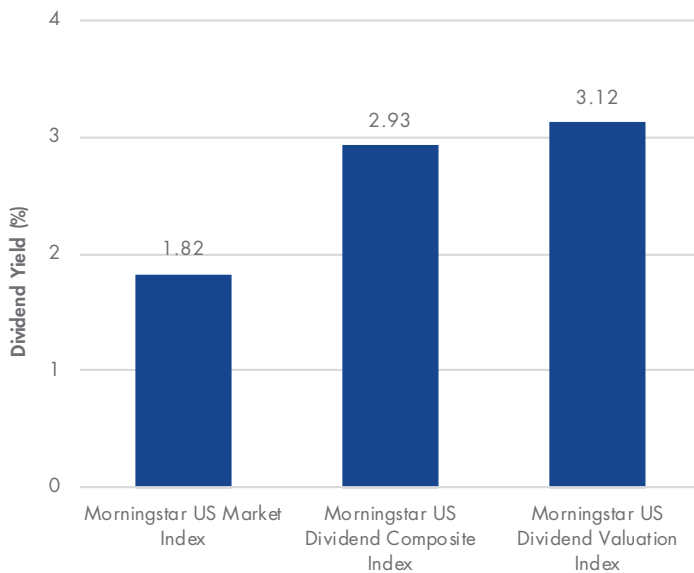


### Distance to Default Score

Morningstar’s measure of financial health and gauge of future distress reflects a firm’s likelihood of bankruptcy. It has historically been an effective predictor of dividend cuts and is used to help reduce the probability of future cuts.

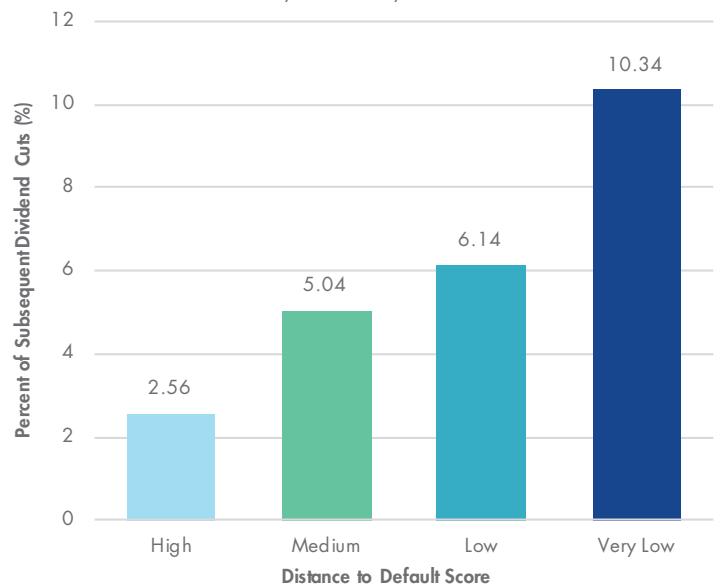
#### Attractive Yield

as of 6/30/2019



#### Fewer Dividend Cuts

May 2005 – May 2018



Source: Morningstar. Index performance is not representative of fund performance. For fund performance current to the most recent month end, visit [vaneck.com](http://vaneck.com). For illustrative purposes only. Past performance is no guarantee of future results.

Source: Morningstar. U.S. companies in the Morningstar Global Markets Index were assigned to quartiles at the beginning of the period based on the likelihood of default using Morningstar’s Distance to Default scoring system. Those companies with the highest likelihood of default (“Very Low” Distance to Default scores) had the highest occurrence of subsequent dividend cuts. The inverse is also true. For illustrative purposes only. Past performance is no guarantee of future results.

VanEck Vectors Morningstar Durable Dividend ETF seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the Morningstar® US Dividend Valuation Index<sup>SM</sup> (MSUSDVTU), which is intended to track the overall performance of high dividend yielding U.S. companies with strong financial health and attractive valuations according to Morningstar.

Fund Characteristics	DURA
30-Day SEC Yield (%) <sup>1</sup>	2.96
Expense Ratio (%) <sup>2</sup>	0.29

Data as of 6/30/2019.

<sup>1</sup>30-Day SEC Yield reflects the investment income earned after deducting a fund's expenses for the period. This yield does not necessarily reflect the yield that an investor will receive. Distributions may vary from time to time. In the absence of temporary expense waivers or reimbursements, the 30-Day SEC Yield would have been 2.15% on 6/30/2019.

<sup>2</sup>Net expense ratio shown. The gross expense ratio for the fund is 0.38%. Expenses are capped contractually at 0.29%. Caps exclude acquired fund fees and expenses, interest expense, trading expenses, taxes and extraordinary expenses. Expense ratio as of the most recent prospectus. Please see the Fund's prospectus for more detailed information on expenses.

Total Return (%) as of 6/30/2019		DURA	MSUSDVTU Index
YTD*	NAV	16.32	15.73
	Share Price	16.79	
1 Yr	NAVv	-	-
	Share Price	-	
Since Fund Inception 10/30/18	NAV	11.78	11.97
	Share Price	11.82	

\*Returns less than one year are not annualized.

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](http://vaneck.com) for performance current to the most recent month ended.

The Morningstar® US Dividend Valuation Index<sup>SM</sup> was created and is maintained by Morningstar, Inc. Morningstar, Inc. does not sponsor, endorse, issue, sell, or promote the VanEck Vectors Morningstar Durable Dividend ETF and bears no liability with respect to that ETF or any security. Morningstar® is a registered trademark of Morningstar, Inc. Morningstar US Dividend Valuation Index is a service mark of Morningstar, Inc.

Morningstar® US Dividend Valuation Index<sup>SM</sup> is designed to provide exposure to securities in the Morningstar US Market Index that have high dividend yield, strong financial health, and attractive uncertainty-adjusted valuation. Morningstar® US Dividend Composite Index<sup>SM</sup> is a broad benchmark that consists of securities that pay qualified income, screened for dividend consistency and sustainability. Morningstar® US Market Index<sup>SM</sup> covers the top 97% of market capitalization of the U.S. equity markets.

All indices listed are unmanaged indices and include the reinvestment of all dividends, but do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment in a fund. An index's performance is not illustrative of a fund's performance. Indices are not securities in which investments can be made.

An investment in the Fund may be subject to risks which include, among others, investing in equities securities, consumer staples, energy, health care, and information technology sectors, medium-capitalization companies, dividend paying securities, market, operational, high portfolio turnover, index tracking, authorized participant concentration, no guarantee of active trading market, trading issues, passive management, fund shares trading, premium/discount risk and liquidity of fund shares, non-diversified, and concentration risks, which may make these investments volatile in price or difficult to trade. Medium-capitalization companies may be subject to elevated risks.

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. You will incur brokerage expenses when trading fund shares in the secondary market.

Investing involves substantial risk and high volatility, including possible loss of principal. An investor should consider the investment objective, risks, charges and expenses of the Fund carefully before investing. To obtain a prospectus and summary prospectus, which contain this and other information, call 800.826.2333 or visit [vaneck.com](http://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](http://vaneck.com) | 800.826.2333