

# Target the Sweet Spot on the Muni Yield Curve

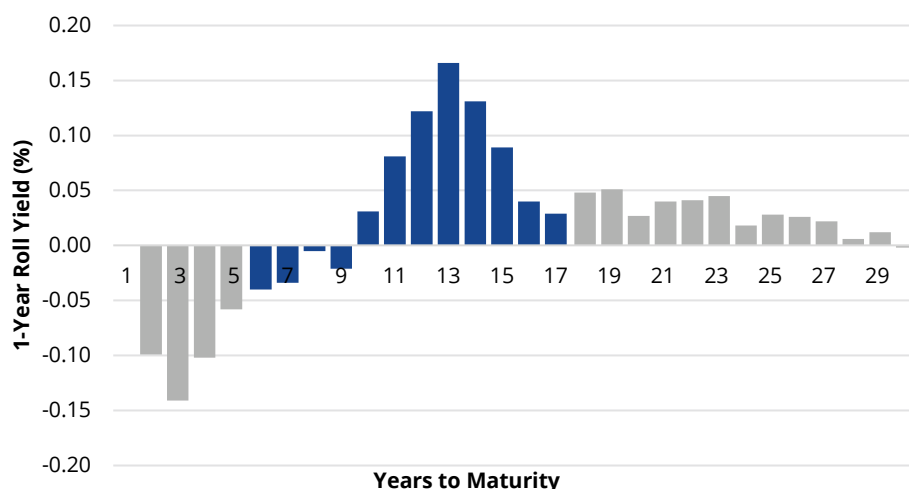
## ITM

VanEck Intermediate Muni ETF

## Using Roll Yield to Boost Return

The muni yield curve is an important indicator of the health of the municipal bond market and the broader economy. In recent times, the muni yield curve has become inverted in the short end, meaning that yields of some longer-dated municipal bonds are lower than those of shorter-term bonds. However, the intermediate part of the curve remains positively sloped and steep, providing attractive roll yield for investors who target these maturities. Steepness refers to the degree of absolute difference between yields of different maturities.

### Max Roll Yield in the Steepest Part of the Curve



Source: VanEck as of 6/30/2023.

As bonds move closer to final maturity, they typically will have a lower yield each year as they roll down the curve. When a bond's yield drops, its price increases (yield and price move in the opposite direction). A strategy targeting the steepest part of the curve may benefit by accessing this roll-yield effect and the inherent price boost that occurs as bonds age. Despite an inverted curve at the short end of the curve, the majority of the intermediate section remains steep.

### Intermediate-Term Bonds Enhance Roll Yield Effect

The **VanEck Intermediate Muni ETF (ITM)** targets bonds with maturities of 6 through 17 years. Municipal bonds in this maturity range have historically provided a greater roll yield effect due to these wider yield differentials between maturities. Roll yield refers to the amount of price appreciation that occurs as its maturity ages. Intermediate term bonds' higher than average spreads between maturities can generate alpha, as the bigger spreads between yields lead to larger moves in prices. In addition to the benefits of tax-free income, a targeted allocation to this part of municipal yield curve may help boost an investor's total return due to this enhanced, historically-persistent feature.

### Why ITM?

#### Tax Exempt Income

Income generally exempt from federal taxes and the Alternative Minimum Tax (AMT).

#### Targeted Interest Rate Risk

Designed to track an index of intermediate-duration municipal bonds.

#### Quality

Investment-grade index constituents with high overall credit quality.

### Our suite of municipal ETFs

#### Yield Curve

[SMB](#) | Short Muni ETF

[ITM](#) | Intermediate Muni ETF

[MLN](#) | Long Muni ETF

#### Credit Quality

[SHYD](#) | Short High Yield Muni ETF

[HYD](#) | High Yield Muni ETF

#### Smart Beta

[XMPT](#) | CEF Muni Income ETF

#### Sustainable

[SMI](#) | HIP Sustainable Muni ETF

Index performance is not illustrative of Fund performance. Fund performance current to the most recent month end is available by visiting [vaneck.com](http://vaneck.com). **Past performance does not guarantee future results.**

The **VanEck Intermediate Muni ETF (ITM)** seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the **ICE Intermediate AMT-Free Broad National Municipal Index (MBNI)**, which is intended to track the overall performance of the U.S. dollar denominated intermediate-term tax-exempt bond market.

Fund Ticker	ITM
Commencement Date	12/04/2007
Expense Ratio (%)*	0.24

\* Expenses are unitary fees. Van Eck Associates Corporation (the "Adviser") will pay all expenses of these Funds, except for the fee payment under the investment management agreement, acquired fund fees and expenses, interest expense, offering costs, trading expenses, taxes and extraordinary expenses.

Index data prior to March 1, 2022 reflects that of the Bloomberg AMT-Free Intermediate Continuous Municipal Index (LMT2TR). From March 1, 2022 to November 30, 2022, the index data reflects that of the ICE Intermediate AMT-Free Broad National Municipal Transition Index (MIBT). From December 1, 2022 forward, the index data reflects the Fund's underlying index, ICE Intermediate AMT-Free Broad National Municipal Index (MBNI). Index history which includes periods prior to December 1, 2022 links the performance of LMT2TR, MIBT, and MBNI and is not intended for third party use.

Index returns are not Fund returns and do not reflect any management fees or brokerage expenses. Certain indices may take into account withholding taxes. Investors cannot invest directly in the Index. Index returns assume that dividends have been reinvested.

Total Return (%) as of 6/30/2023	ITM	MBNI Index
YTD*	NAV	2.14
	Share Price	2.03
1 Yr	NAV	3.36
	Share Price	3.11
3 Yr	NAV	-1.45
	Share Price	-1.39
5 Yr	NAV	1.61
	Share Price	1.65
10 Yr	NAV	2.50
	Share Price	2.70
Since Inception 12/04/2007	NAV	3.29
	Share Price	3.30

\* Returns less than one year are not annualized.

**The performance data quoted represents past performance. Past performance is not a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Performance may be lower or higher than performance data quoted. Please call 800.826.2333 or visit [vaneck.com](http://vaneck.com) for performance current to the most recent month ended.**

The "Net Asset Value" (NAV) of a Fund is determined at the close of each business day, and represents the dollar value of one share of the fund it is calculated by taking the total assets of the fund, subtracting total liabilities, and dividing by the total number of shares outstanding. The NAV is not necessarily the same as the ETF's intraday trading value. Investors should not expect to buy or sell shares at NAV.

An investment in the **VanEck Intermediate Muni ETF** may be subject to risks which include, among others, municipal securities, credit, interest rate, call, California, New York, special tax bond, market, operational, sampling, index tracking, tax, authorized participant concentration, no guarantee of active trading, trading issues, passive management, fund shares trading, premium/discount and liquidity of fund shares, and concentration risks, all of which may adversely affect the Fund. Municipal bonds may be less liquid than taxable bonds. There is no guarantee that the Fund's income will be exempt from federal, state or local income taxes, and changes in those tax rates or in 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. The Fund's assets may be concentrated in a particular sector and may be subject to more risk than investments in a diverse group of sectors.

An investment in the VanEck Muni ETFs may be subject to risks which include, but are not limited to, municipal securities, credit, interest rate, call, California, New York, Illinois and Texas State issuer bonds, special tax bond, private activity bond, health care bond, industrial development bond, tobacco bond, transportation bond, water and sewer bond, market, operational, sampling, index tracking, tax, authorized participant concentration, no guarantee of active trading market, trading issues, passive management, underlying fund shares trading, premium/discount and liquidity of underlying fund shares and concentration risks, all of which may adversely affect the Funds. High-yield municipal bonds are subject to greater risk of loss of income and principal than higher-rated securities, and are likely to be more sensitive to adverse economic changes or individual municipal developments than those of higher-rated securities. Municipal bonds may be less liquid than taxable bonds. There is no guarantee that the Funds' income or income of underlying assets will be exempt from federal, state or local income taxes, and changes in those tax rates or in alternative minimum tax (AMT) 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. A portion of the dividends you receive may be subject to AMT. **For a more complete description of these and other risks, please refer to each Fund's prospectus.**

**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](http://vaneck.com). Please read the prospectus and summary prospectus carefully before investing.**



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