

FEBRUARY 2025

# Morningstar Wide Moat Focus Index

A wide moat focus provides differentiation versus well-known U.S. equity indexes.



*For Informational Purposes Only*

---

## Morningstar Indexes

### **Andrew Lane**

Director of Equity Research, Index Strategies

#### **Important Disclosure**

The conduct of Morningstar's analysts is governed by the company's Code of Ethics/Code of Conduct Policy, Personal Security Trading Policy (or an equivalent of), and Investment Research Policy. For more information, visit: <http://global.morningstar.com/equitydisclosures>

#### **Third-Party Distribution**

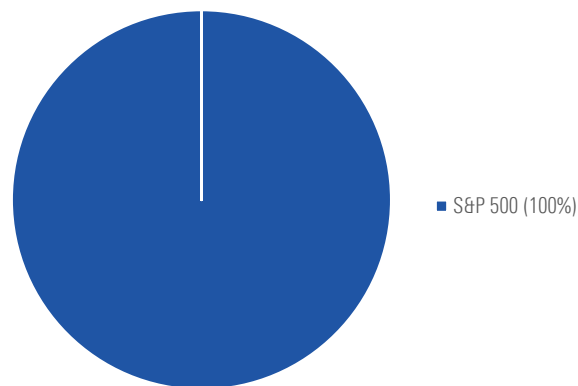
Morningstar has agreed to allow VanEck to distribute this report to citizens of the United States or its territories, Australia, and Europe, the Middle East and Asia via email and through its website. VanEck is not acting as an agent or representative of the analyst, Morningstar, Inc. or the Equity Research Group. Morningstar is not affiliated with VanEck.

#### **VanEck Disclosures**

The information herein represents the opinion of the author(s), but not necessarily those of VanEck. The mention of a specific security is not a recommendation to buy, or solicitation to sell such security. 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 can not 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. Index returns assume that dividends have been reinvested. See last page for continued disclosures.

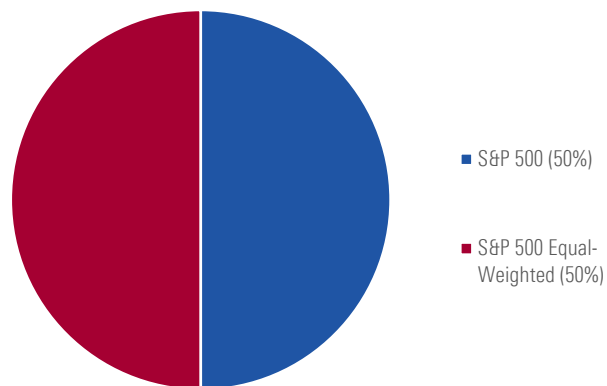
## A Wide Moat Focus Provides the Benefits of Diversification

Looking beyond absolute total returns, the Morningstar Wide Moat Focus Index also provides valuable diversification relative to major U.S. equity indexes. This diversification stems from its wide moat and valuation screens as well as its equal weighting methodology. The index tends to exhibit somewhat of a contrarian bias. Considering which stocks have been the biggest recent contributors to broad market returns, it is typically underweight the “haves” and overweight the “have-nots”. Since inception, its focus on attractive valuations has helped the Morningstar Wide Moat Focus Index generate a 12.7% total return versus 10.4% for the S&P 500. Importantly, this outperformance has come without doubling down on the largest companies by market cap. Over the long-term, the potent combination of strong performance and diversification benefits has made the Morningstar Wide Moat Focus Index attractive as a complement to broad market exposure.



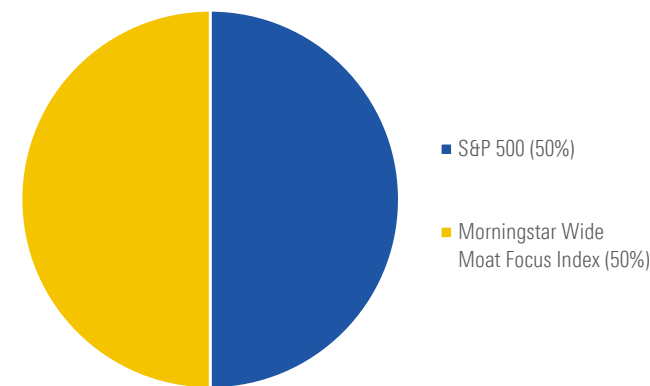
**Hypothetical Portfolio Statistics -- 2/14/2007 – 1/31/2025**

Annualized Return %	10.39
Annualized Standard Deviation	19.95
Sharpe Ratio	0.45
Maximum Drawdown %	-50.95



**Hypothetical Portfolio Statistics -- 2/14/2007 – 1/31/2025**

Annualized Return %	10.07
Annualized Standard Deviation	20.56
Sharpe Ratio	0.42
Maximum Drawdown %	-52.47



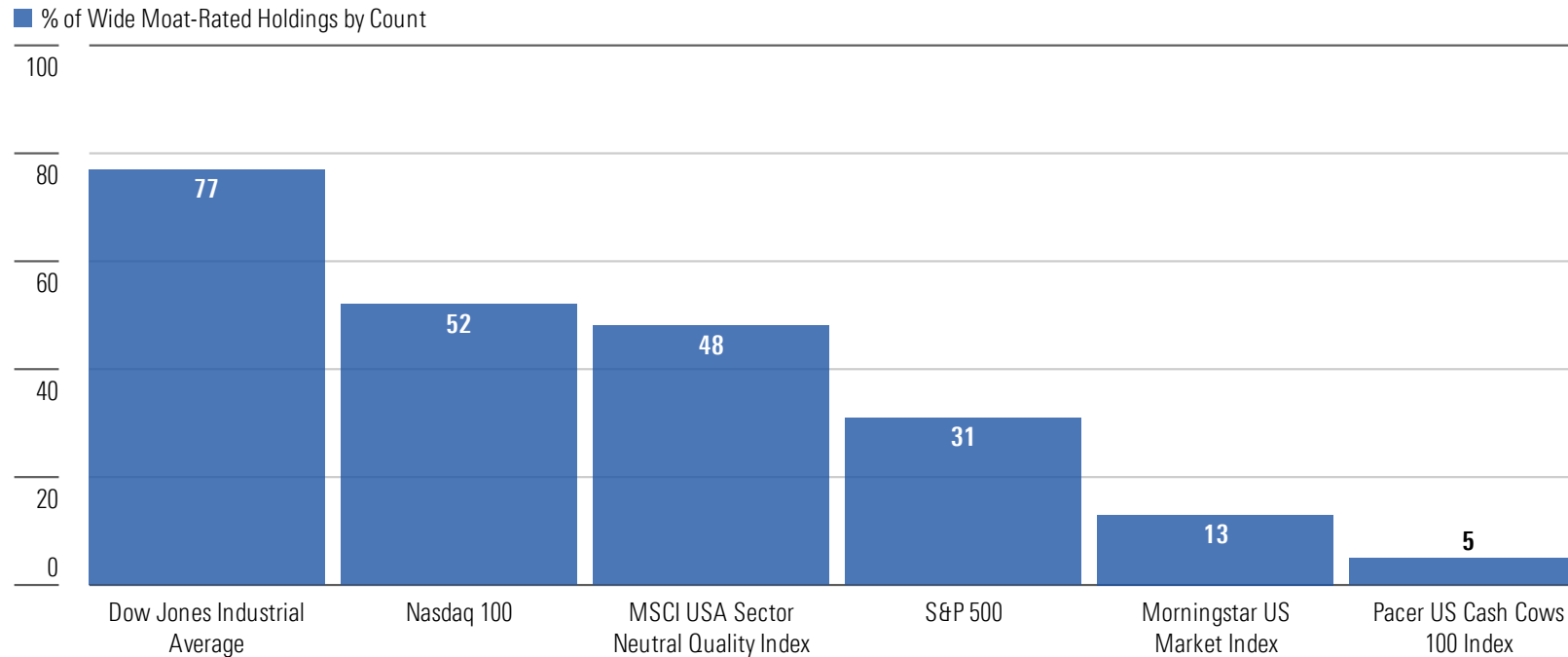
**Hypothetical Portfolio Statistics -- 2/14/2007 – 1/31/2025**

Annualized Return %	11.63
Annualized Standard Deviation	20.51
Sharpe Ratio	0.50
Maximum Drawdown %	-46.50

Data as of: 1/31/2025 | Source: Morningstar Direct

## Wide Economic Moats Are Less Common Across Major Indexes Than Most Would Suspect

In this report, we assess how common wide moat-rated companies are within well-known U.S. large-cap U.S. equity indexes, which helps reveal how much differentiation the Morningstar Wide Moat Focus Index can provide. For example, only 31% of S&P 500 constituents boast a wide economic moat rating. Across the largest U.S. stocks by market cap, companies that are rated “narrow” rather than “wide” include Tesla, Berkshire Hathaway, UnitedHealth Group, Exxon Mobil, Netflix, Oracle, and Chevron.

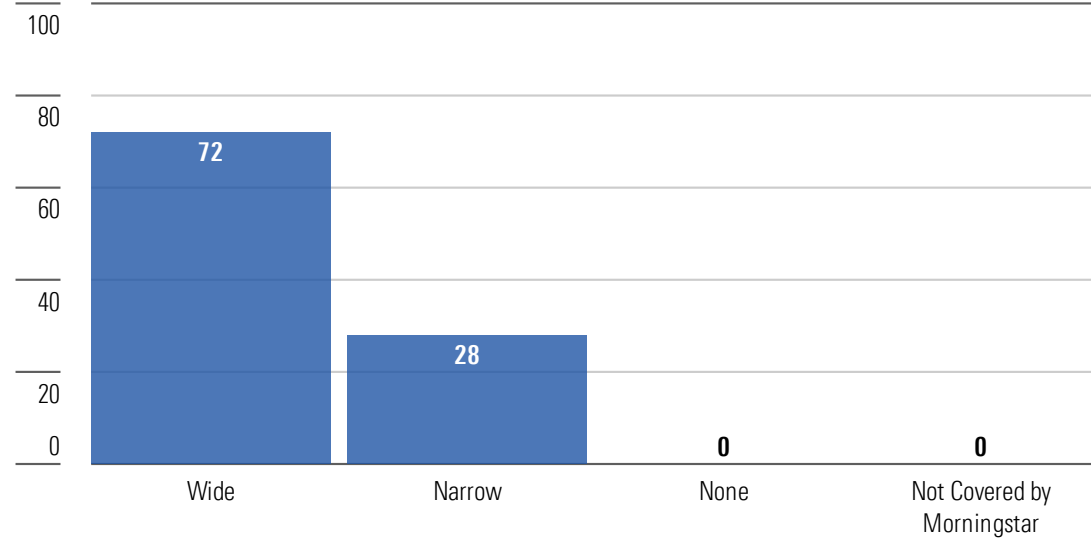


**Note:** While Morningstar doesn't cover every constituent of these indexes, our coverage skews towards firms with economic moats. We cover all companies that we feel are deserving of a wide moat rating.

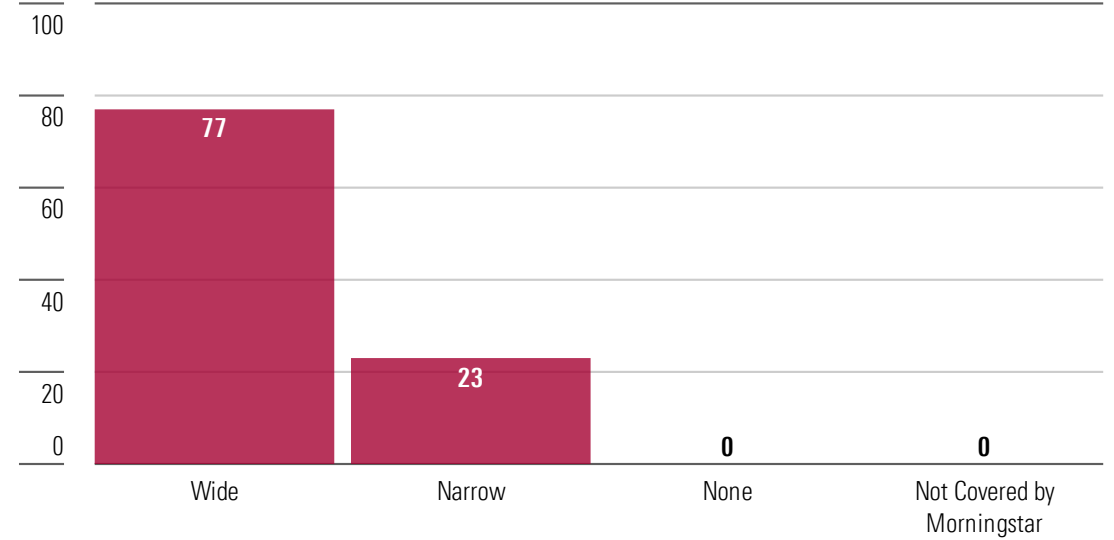
**Data as of:** 1/31/2025 | **Source:** Morningstar Direct

# Dow Jones Industrial Average

■ % of Economic Moat Ratings by Security Weight



■ % of Economic Moat Ratings by Security Count

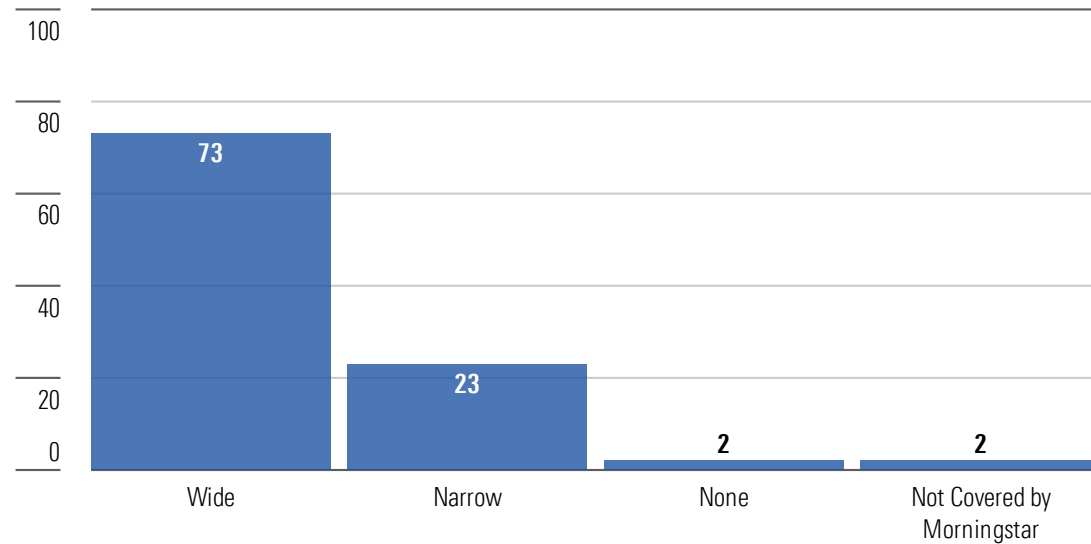


Top 10 Holdings							
Company	Ticker	Sector	Economic Moat Rating	Price-To-Fair Value Estimate	Wide Moat Focus Index Weight %	DJIA Index Weight %	+/- Weight %
The Goldman Sachs Group Inc	GS	Financial Services	Narrow	1.30	-	8.84	-8.84
UnitedHealth Group Inc	UNH	Healthcare	Narrow	0.91	-	7.39	-7.39
The Home Depot Inc	HD	Consumer Cyclical	Wide	1.42	-	5.66	-5.66
Microsoft Corp	MSFT	Technology	Wide	0.84	1.17	5.66	-4.49
Sherwin-Williams Co	SHW	Basic Materials	Wide	1.48	-	4.99	-4.99
Caterpillar Inc	CAT	Industrials	Wide	0.84	-	4.91	-4.91
Visa Inc Class A	V	Financial Services	Wide	1.21	-	4.78	-4.78
Salesforce Inc	CRM	Technology	Wide	1.10	1.62	4.76	-3.14
American Express Co	AXP	Financial Services	Wide	1.39	-	4.39	-4.39
Amgen Inc	AMGN	Healthcare	Wide	0.92	1.33	4.21	-2.88

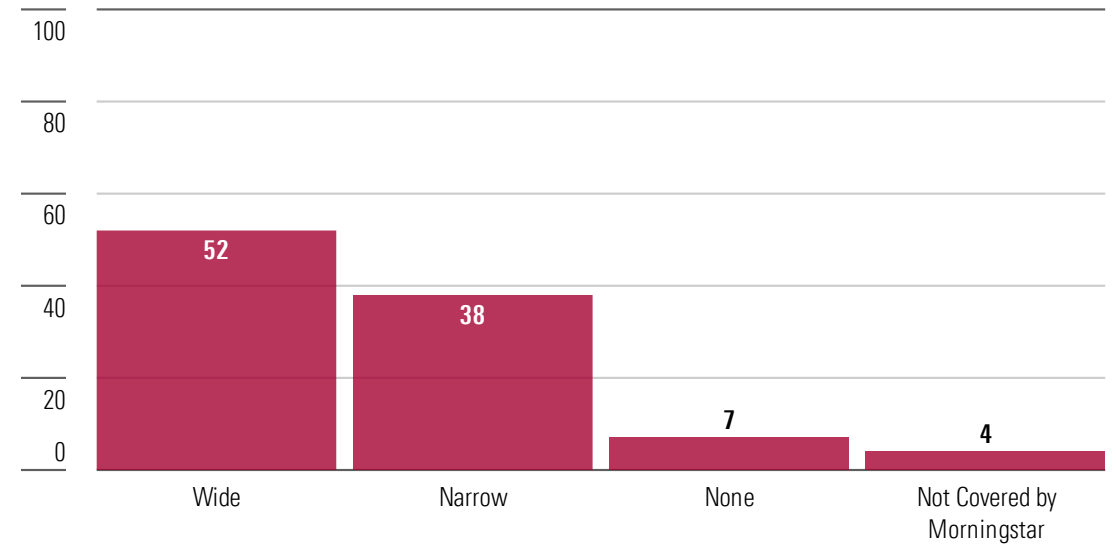
Data as of: 1/31/2025 | Source: Morningstar Direct

# Nasdaq 100 Index

■ % of Economic Moat Ratings by Security Weight



■ % of Economic Moat Ratings by Security Count

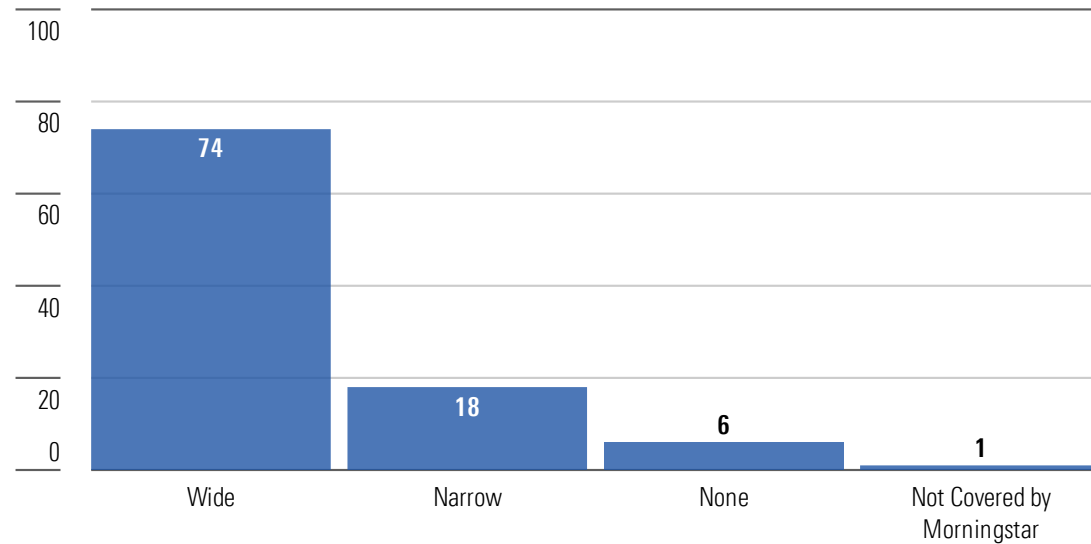


Top 10 Holdings							
Company	Ticker	Sector	Economic Moat Rating	Price-To-Fair Value Estimate	Wide Moat Focus Index Weight %	Nasdaq 100 Index Weight %	+/- Weight %
Apple Inc	AAPL	Technology	Wide	1.16	-	9.01	-9.01
Microsoft Corp	MSFT	Technology	Wide	0.84	1.17	7.79	-6.62
NVIDIA Corp	NVDA	Technology	Wide	0.96	-	7.42	-7.42
Amazon.com Inc	AMZN	Consumer Cyclical	Wide	1.18	1.52	6.31	-4.79
Broadcom Inc	AVGO	Technology	Wide	1.22	-	4.32	-4.32
Meta Platforms Inc Class A	META	Communication Services	Wide	0.92	-	3.79	-3.79
Tesla Inc	TSLA	Consumer Cyclical	Narrow	1.51	-	3.71	-3.71
Alphabet Inc Class A	GOOGL	Communication Services	Wide	0.81	2.87	3.01	-0.14
Alphabet Inc Class C	GOOG	Communication Services	Wide	0.82	-	2.87	-2.87
Costco Wholesale Corp	COST	Consumer Defensive	Wide	1.86	-	2.70	-2.70

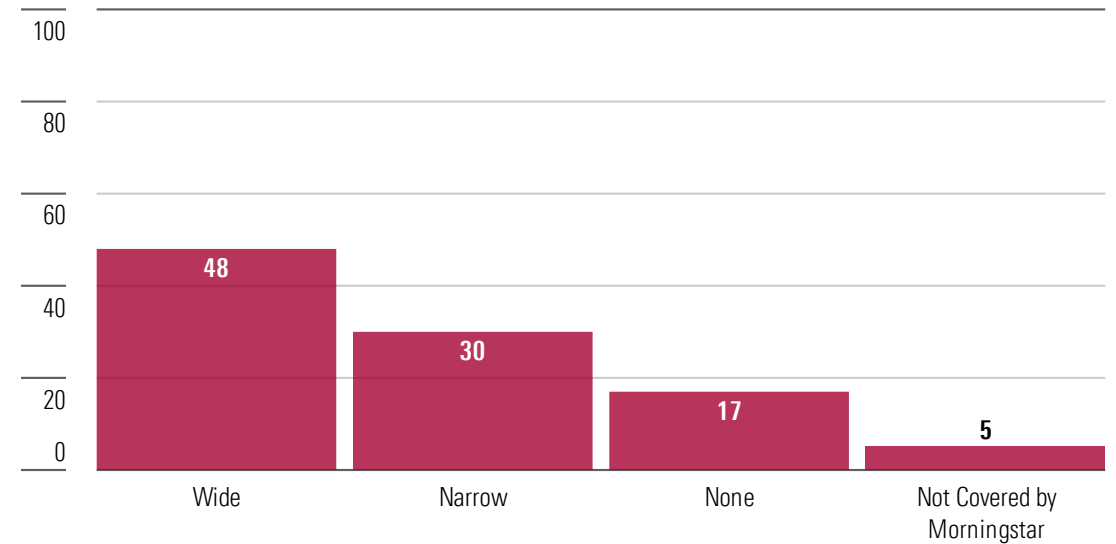
Data as of: 1/31/2025 | Source: Morningstar Direct

# MSCI USA Sector Neutral Quality Index

■ % of Economic Moat Ratings by Security Weight



■ % of Economic Moat Ratings by Security Count

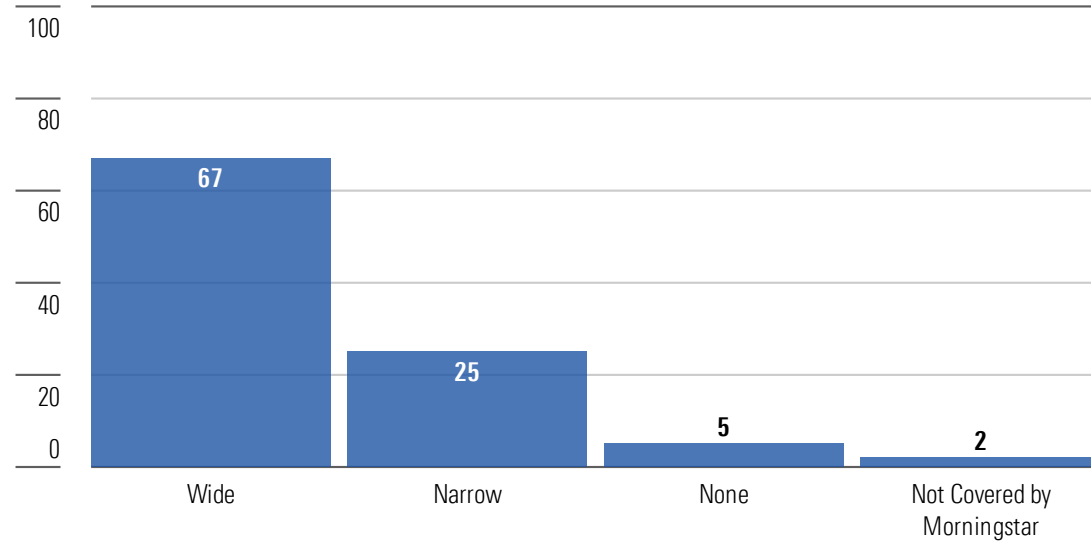


Top 10 Holdings							
Company	Ticker	Sector	Economic Moat Rating	Price-To-Fair Value Estimate	Wide Moat Focus Index Weight %	MSCI Quality Factor Index Weight %	+/- Weight %
Apple Inc	AAPL	Technology	Wide	1.16	-	6.30	-6.30
Microsoft Corp	MSFT	Technology	Wide	0.84	1.17	5.87	-4.70
Visa Inc Class A	V	Financial Services	Wide	1.21	-	4.94	-4.94
NVIDIA Corp	NVDA	Technology	Wide	0.96	-	4.93	-4.93
Mastercard Inc Class A	MA	Financial Services	Wide	1.22	-	4.60	-4.60
Meta Platforms Inc Class A	META	Communication Services	Wide	0.92	-	4.17	-4.17
Eli Lilly and Co	LLY	Healthcare	Wide	1.45	-	3.25	-3.25
TJX Companies Inc	TJX	Consumer Cyclical	Wide	1.48	-	2.25	-2.25
UnitedHealth Group Inc	UNH	Healthcare	Narrow	0.91	-	2.17	-2.17
Alphabet Inc Class A	GOOGL	Communication Services	Wide	0.81	2.87	2.14	0.73

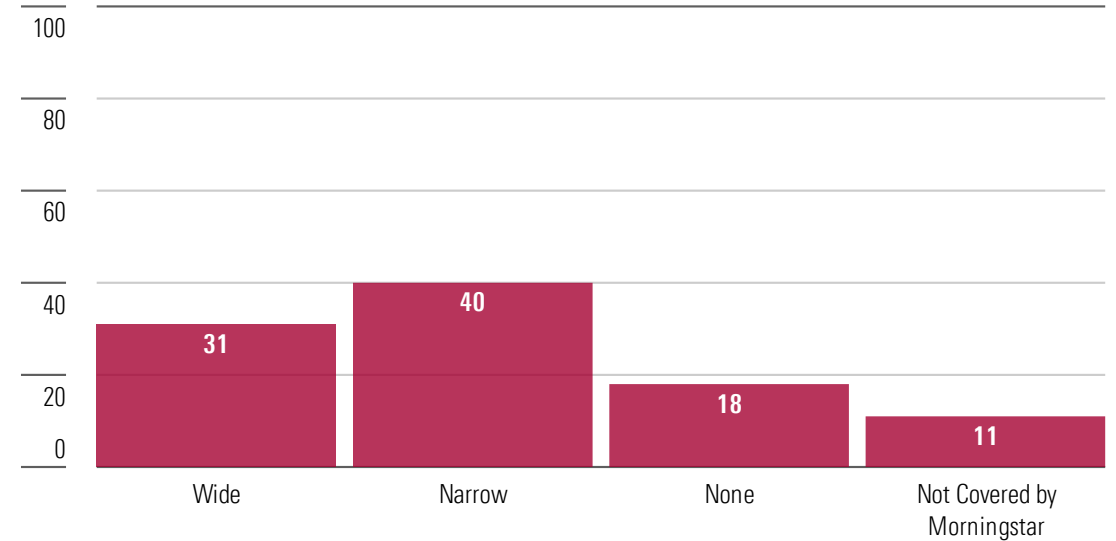
Data as of: 1/31/2025 | Source: Morningstar Direct

# S&P 500 Index

■ % of Economic Moat Ratings by Security Weight



■ % of Economic Moat Ratings by Security Count

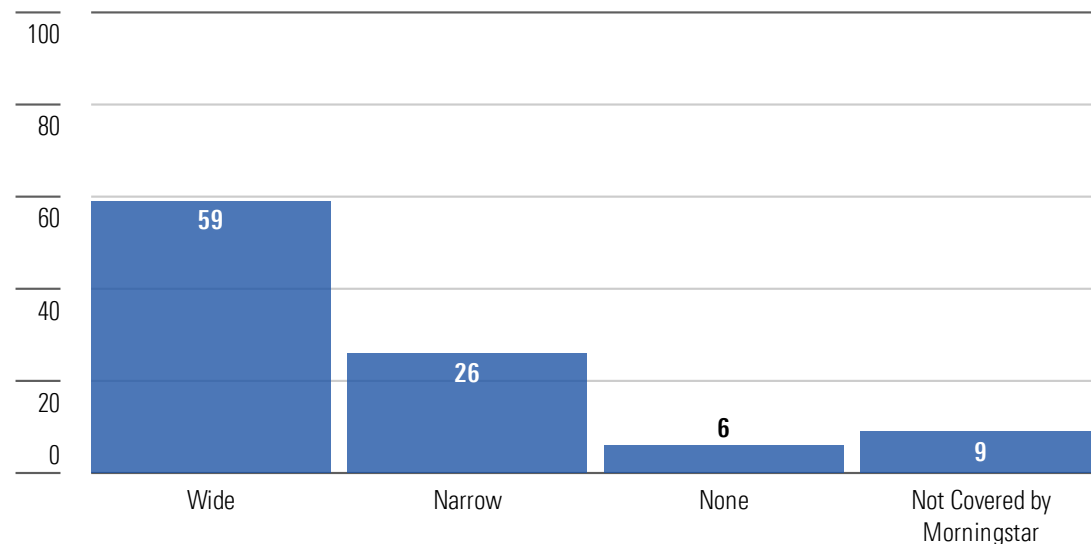


Top 10 Holdings							
Company	Ticker	Sector	Economic Moat Rating	Price-To-Fair Value Estimate	Wide Moat Focus Index Weight %	S&P 500 Index Weight %	+/- Weight %
Apple Inc	AAPL	Technology	Wide	1.16	-	6.97	-6.97
Microsoft Corp	MSFT	Technology	Wide	0.84	1.17	6.03	-4.86
NVIDIA Corp	NVDA	Technology	Wide	0.96	-	5.75	-5.75
Amazon.com Inc	AMZN	Consumer Cyclical	Wide	1.18	1.52	4.35	-2.83
Meta Platforms Inc Class A	META	Communication Services	Wide	0.92	-	2.94	-2.94
Alphabet Inc Class A	GOOGL	Communication Services	Wide	0.81	2.87	2.33	0.54
Tesla Inc	TSLA	Consumer Cyclical	Narrow	1.51	-	2.21	-2.21
Broadcom Inc	AVGO	Technology	Wide	1.22	-	2.02	-2.02
Alphabet Inc Class C	GOOG	Communication Services	Wide	0.82	-	1.91	-1.91
Berkshire Hathaway Inc Class B	BRK.B	Financial Services	Narrow	1.01	-	1.68	-1.68

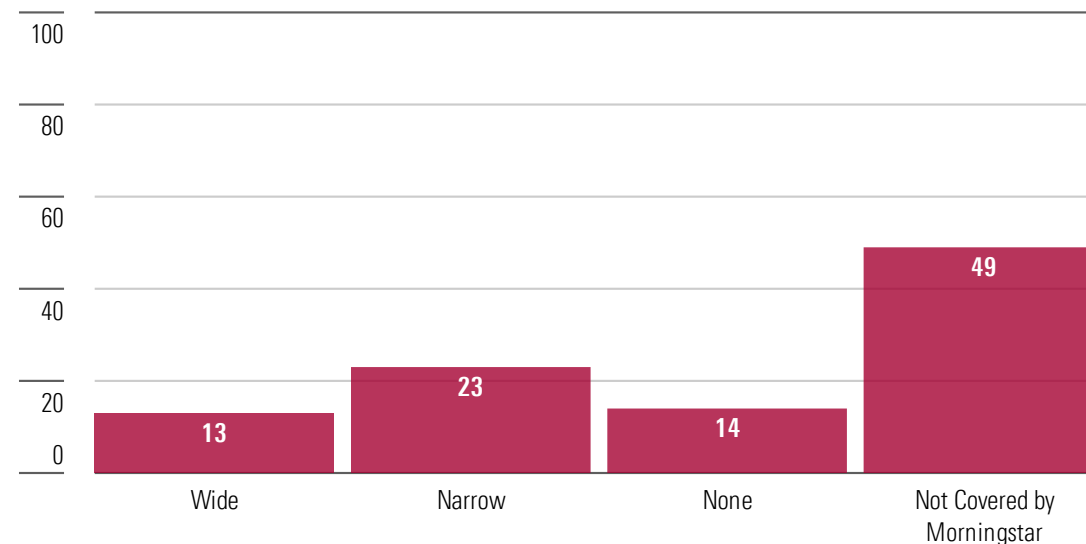
Data as of: 1/31/2025 | Source: Morningstar Direct

# Morningstar US Market Index

■ % of Economic Moat Ratings by Security Weight



■ % of Economic Moat Ratings by Security Count



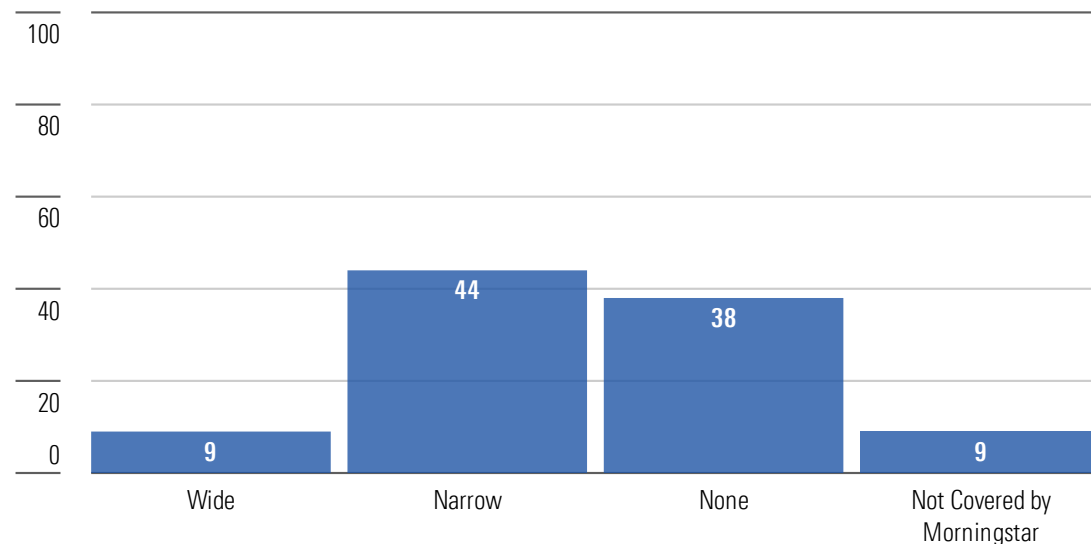
Top 10 Holdings							
Company	Ticker	Sector	Economic Moat Rating	Price-To-Fair Value Estimate	Wide Moat Focus Index Weight %	M* US Market Index Weight %	+/- Weight %
Apple Inc	AAPL	Technology	Wide	1.16	-	6.23	-6.23
Microsoft Corp	MSFT	Technology	Wide	0.84	1.17	5.39	-4.22
NVIDIA Corp	NVDA	Technology	Wide	0.96	-	4.96	-4.96
Amazon.com Inc	AMZN	Consumer Cyclical	Wide	1.18	1.52	3.94	-2.42
Meta Platforms Inc Class A	META	Communication Services	Wide	0.92	-	2.63	-2.63
Alphabet Inc Class A	GOOGL	Communication Services	Wide	0.81	2.87	2.08	0.79
Tesla Inc	TSLA	Consumer Cyclical	Narrow	1.51	-	1.97	-1.97
Alphabet Inc Class C	GOOG	Communication Services	Wide	0.82	-	1.85	-1.85
Broadcom Inc	AVGO	Technology	Wide	1.22	-	1.77	-1.77
Berkshire Hathaway Inc Class B	BRK.B	Financial Services	Narrow	1.01	-	1.47	-1.47

Data as of: 1/31/2025 | Source: Morningstar Direct

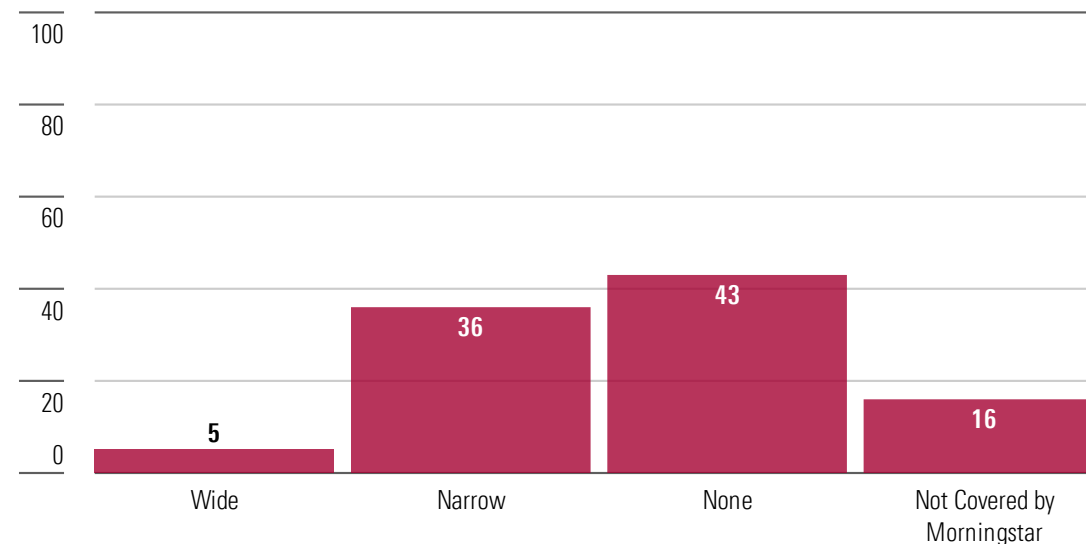


# Pacer US Cash Cows 100 Index

■ % of Economic Moat Ratings by Security Weight



■ % of Economic Moat Ratings by Security Count



Top 10 Holdings							
Company	Ticker	Sector	Economic Moat Rating	Price-To-Fair Value Estimate	Wide Moat Focus Index Weight %	Pacer US Cash Cows Index Weight %	+/- Weight %
Qualcomm Inc	QCOM	Technology	Narrow	0.98	-	2.27	-2.27
Gilead Sciences Inc	GILD	Healthcare	Wide	1.03	2.78	2.23	0.55
Valero Energy Corp	VLO	Energy	Narrow	1.10	-	2.20	-2.20
Tenet Healthcare Corp	THC	Healthcare	None	1.04	-	2.15	-2.15
Marathon Petroleum Corp	MPC	Energy	Narrow	1.11	-	2.15	-2.15
Cencora Inc	COR	Healthcare	Narrow	1.05	-	2.14	-2.14
AT&T Inc	T	Communication Services	Narrow	0.94	-	2.11	-2.11
Bristol-Myers Squibb Co	BMJ	Healthcare	Wide	0.90	2.82	2.07	0.75
EOG Resources Inc	EOG	Energy	Narrow	1.01	-	2.06	-2.06
Schlumberger Ltd	SLB	Energy	Narrow	0.76	-	2.05	-2.05

Data as of: 1/31/2025 | Source: Morningstar Direct

## Wide Economic Moats Provide Attractive Investment Characteristics...

An economic moat is a forward-looking assessment of business quality. To earn a wide economic moat rating in the eyes of the Morningstar Equity Research team, a company must have a competitive advantage that will prove durable, with near certainty, over at least the next ten years and, more likely than not, over the next twenty years. Additionally, a company must exhibit at least one economic moat source (intangible assets, switching costs, cost advantage, network effect, efficient scale) and be likely to generate returns on invested capital (ROIC) above its weighted average cost of capital (WACC), twenty years from now.

Wide economic moats are difficult to cultivate and represent a distinguishing characteristic. While a wide moat, in and of itself, isn't predictive of stock performance, it does come with attractive characteristics. All else equal, wide moat companies typically enjoy more favorable growth prospects, higher margins, lower reinvestment needs, and higher free cash flow than similar companies that lack a durable competitive advantage.



## ... As Reflected By Favorable Financial Metrics

After screening by economic moat rating, all stocks in the Morningstar US Market Index that are covered by Morningstar equity analysts are captured by the indexes in the top three rows of the table below. Each index is market cap-weighted.

Consistent with the view that wide moat-rated stocks come with attractive investment characteristics, the Morningstar Wide Moat Index exhibits a higher return on invested capital, return on equity, P/E ratio, and P/S ratio, along with lower risk, than its narrow- and no-moat variants. Across all six metrics, it also compares favorably to the S&P 500 and Morningstar US Market Index. Accordingly, the wide economic moat rating helps screen for high quality companies. This cohort of U.S. wide moat-rated companies represents the selection set for the Morningstar Wide Moat Focus Index.

Index	Weighting Mechanism	# of Holdings	ROIC % (TTM)	ROE % (TTM)	P/E Ratio (TTM)	P/S Ratio (TTM)	Standard Deviation (T5yr)
Morningstar Wide Moat Index	Market Cap	168	32.12	40.12	32.34	5.60	18.05
Morningstar Narrow Moat Index	Market Cap	300	10.05	18.86	21.23	2.00	19.12
Morningstar No Moat Index	Market Cap	181	5.81	12.15	18.56	1.28	24.24
S&P 500	Market Cap	503	25.97	32.97	27.00	3.25	18.21
Morningstar US Market Index	Market Cap	1,271	23.67	30.74	26.43	3.06	18.77

Data as of: 1/31/2025 | Source: Morningstar Direct

## A Wide Economic Moat Extends the Duration of Economic Profits

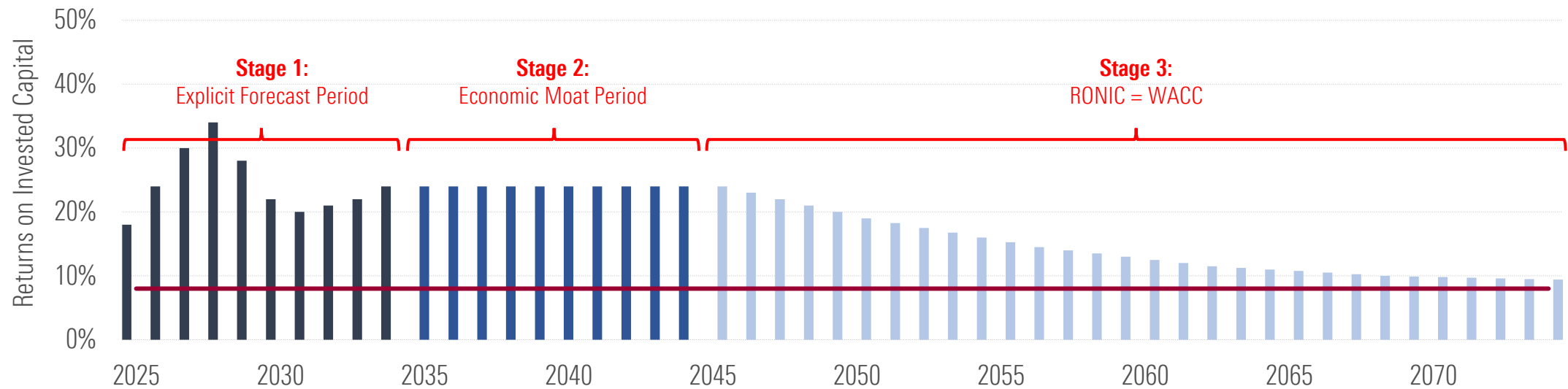
In the Morningstar three-stage discounted cash flow model, a wide economic moat rating ensures that returns on invested capital remain above weighted average cost of capital for at least twenty years. If Morningstar were to downgrade a company’s economic moat rating from “wide” to “none”, stage two would disappear, stage three would kick in immediately after stage one, economic profits would decrease, and the company’s fair value would decline.

**Stage 1:** Morningstar equity analysts forecast a company’s financial statements over either a five- or ten-year period.

**Stage 2:** When a wide economic moat exists, this stage ensures that returns on invested capital remain elevated for at least twenty years.

**Stage 3:** All moats erode eventually. In this stage, returns on newly invested capital equal the company’s weighted average cost of capital, causing ROICs to fade.

### Example: Wide Economic Moat Company



For illustrative purposes only.

## General Disclosure

"Morningstar" is used throughout this section to refer to Morningstar, Inc., and/or its affiliates, as applicable. Unless otherwise provided in a separate agreement, recipients of this report may only use it in the country in which the Morningstar distributor is based. Unless stated otherwise, the original distributor of the report is Morningstar Research Services LLC, a USA-domiciled financial institution.

This report is for informational purposes only, should not be the sole piece of information used in making an investment decision, and has no regard to the specific investment objectives, financial situation, or particular needs of any specific recipient. This publication is intended to provide information to assist investors in making their own investment decisions, not to provide investment advice to any specific investor. Therefore, investments discussed and recommendations made herein may not be suitable for all investors; recipients must exercise their own independent judgment as to the suitability of such investments and recommendations in the light of their own investment objectives, experience, taxation status, and financial position.

The information, data, analyses, and opinions presented herein are not warranted to be accurate, correct, complete, or timely. Unless otherwise provided in a separate agreement, neither Morningstar, Inc., nor the Equity Research Group represents that the report contents meet all of the presentation and/or disclosure standards applicable in the jurisdiction the recipient is located.

Except as otherwise required by law or provided for in a separate agreement, the analyst, Morningstar, Inc., and the Equity Research Group and their officers, directors, and employees shall not be responsible or liable for any trading decisions, damages, or other losses resulting from, or related to, the information, data, analyses, or opinions within the report. The Equity Research Group encourages recipients of this report to read all relevant issue documents — a prospectus, for example) pertaining to the security concerned, including without limitation, information relevant to its investment objectives, risks, and costs before making an investment decision and when deemed necessary, to seek the advice of a legal, tax, and/or accounting professional.

The report and its contents are not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country, or other jurisdiction where such distribution, publication, availability, or use would be contrary to law or regulation or that would subject Morningstar, Inc., or its affiliates to any registration or licensing requirements in such jurisdiction.

Where this report is made available in a language other than English and in the case of inconsistencies between the English and translated versions of the report, the English version will control and supersede any ambiguities associated with any part or section of a report that has been issued in a foreign language. Neither the analyst, Morningstar, Inc., nor the Equity Research Group guarantees the accuracy of the translations.

This report may be distributed in certain localities, countries, and/or jurisdictions ("territories") by independent third parties or independent intermediaries and/or distributors ("distributors"). Such distributors are not acting as agents or representatives of the analyst, Morningstar, Inc., or the Equity Research Group. In territories where a distributor distributes our report, the distributor is solely responsible for complying with all applicable regulations, laws, rules, circulars, codes, and guidelines established by local and/or regional regulatory bodies, including laws in connection with the distribution of third-party research reports.

## Risk Warning

Please note that investments in securities are subject to market and other risks, and there is no assurance or guarantee that the intended investment objectives will be achieved. Past performance of a security may or may not continue in the future and is no indication of future performance. A security investment's return and an investor's principal value will fluctuate so that, when redeemed, an investor's shares may be worth more or less than their original cost.

A security's current investment performance may be lower or higher than the investment performance noted within the report. Morningstar's Uncertainty Rating is a useful data point with respect to sensitivity analysis of the assumptions used in our determining a fair value price.

## Conflicts of Interest

- ▶ No interests are held by the analyst with respect to the securities subject of this investment research report.
- ▶ Morningstar, Inc., may hold a long position in the securities subject of this investment research report that exceeds 0.5% of the total issued share capital of the security. To determine if such is the case, see <https://www.morningstar.com/company/disclosures/holdings>.
- ▶ Analysts' compensation is derived from Morningstar, Inc.'s overall earnings and consists of salary, bonus, and in some cases restricted stock.
- ▶ Morningstar's overall earnings are generated in part by the activities of the Investment Management and Research groups, and other affiliates, that provide services to product issuers.
- ▶ Neither Morningstar, Inc., nor the Equity Research Group receives commissions, compensation, or other material benefits in connection with providing research, nor do they charge companies to be rated.
- ▶ Morningstar employees may not pursue business or employment opportunities outside Morningstar within the investment industry (including, but not limited to, working as a financial planner, an investment professional or investment professional representative, a broker/dealer or broker/dealer agent, a financial writer, reporter, or analyst) without the approval of Morningstar's Legal and if applicable, Compliance teams.
- ▶ Neither Morningstar, Inc., nor the Equity Research Group is a market maker or a liquidity provider of the securities noted within this report.
- ▶ Neither Morningstar, Inc., nor the Equity Research Group has been a lead manager or co-lead manager over the previous 12 months of any publicly disclosed offer of financial instruments of the issuer.
- ▶ Morningstar, Inc.'s Investment Management group has arrangements with financial institutions to provide portfolio management/investment advice, some of which an analyst may issue investment research reports on. In addition, the Investment Management group creates and maintains model portfolios whose underlying holdings can include financial products, including securities that may be the subject of this report. However, analysts do not have authority over Morningstar's Investment Management group's business arrangements or allow employees from the Investment Management group to participate or influence the analysis or opinion prepared by them.
- ▶ Morningstar, Inc., is a publicly traded company (ticker: MORN) and thus a financial institution the security of which is the subject of this report may own more than 5% of Morningstar, Inc.'s total outstanding shares. Please access Morningstar, Inc.'s proxy statement, "Security Ownership of Certain Beneficial Owners and Management" section at <https://shareholders.morningstar.com/investor-relations/financials/sec-filings/default.aspx>.

Morningstar may provide the product issuer or its related entities with services or products for a fee and on an arm's-length basis, including software products and licenses, research and consulting services, data services, licenses to republish our ratings and research in their promotional material, event sponsorship, and website advertising. Further information on Morningstar's conflict-of-interest policies is at <http://global.morningstar.com/equitydisclosures>.

For a list of securities the Equity Research Group currently covers and provides written analysis on, or for historical analysis of covered securities, including fair value estimates, please contact your local Morningstar office.

**For Recipients in Australia:** This report has been issued and distributed in Australia by Morningstar Australasia Pty. Ltd. (ABN: 95 090 665 544; ASFL: 240892). Morningstar Australasia Pty. Ltd. is the provider of the general advice ("the service") and takes responsibility for the production of this report. The service is provided through the research of investment products. To the extent the report contains general advice, it has been prepared without reference to an investor's objectives, financial situation, or needs. Investors should consider the advice in light of these matters and, if applicable, the relevant Product Disclosure Statement before making any decision to invest. Refer to our Financial Services Guide, or FSG, for more information at <http://www.morningstar.com.au/s/fsg.pdf>.

**For Recipients in New Zealand:** This report has been issued and distributed by Morningstar Australasia Pty Ltd and/or Morningstar Research Ltd (together 'Morningstar'). This report has been prepared and is intended for distribution in New Zealand to wholesale clients only and has not been prepared for use by New Zealand retail clients (as those terms are defined in the Financial Markets Conduct Act 2013).

The information, views and any recommendations in this material are provided for general information purposes only, and solely relate to the companies and investment opportunities specified within. Our reports do not take into account any particular investor's financial situation, objectives or appetite for risk, meaning no representation may be implied as to the suitability of any financial product mentioned for any particular investor. We recommend seeking financial advice before making any investment decision.

**For recipients in Canada:** This research is not prepared subject to Canadian disclosure requirements.

**For recipients in Hong Kong:** The report is distributed by Morningstar Investment Management Asia Limited, which is regulated by the Hong Kong Securities and Futures Commission to provide investment research and investment advisory services to professional investors only. Neither Morningstar Investment Management Asia Limited nor its representatives are acting or will be deemed to be acting as an investment advisor to any recipients of this information unless expressly agreed to by Morningstar Investment Management Asia Limited.

**For recipients in India:** This investment research is issued by Morningstar Investment Research India Private Limited (formerly known as Morningstar Investment Adviser India Private Limited). Morningstar Investment Research India Private Limited is registered with SEBI as a Research Entity (registration number INH000008686). Morningstar Investment Research India Private Limited has not been the subject of any disciplinary action by SEBI or any other legal/regulatory body. Morningstar Investment Research India Private Limited is a wholly owned subsidiary of Morningstar Investment Management LLC. In India, Morningstar Investment Research India Private Limited has one associate, Morningstar India Private Limited, which provides data-related services, financial data analysis, and software development. The research analyst has not served as an officer, director, or employee of the fund company within the last 12 months, nor have they or their associates engaged in market-making activity for the fund company.

**For recipients in Japan:** This report is distributed by Morningstar Japan, Inc. for informational purposes only. Neither Morningstar Japan, Inc. nor its representatives are acting or will be deemed to be acting as an investment advisor to any recipients of this information.

**For recipients in Korea:** This report is distributed by Morningstar Korea Ltd., which has filed to the Financial Services Committee, for informational purposes only. Neither Morningstar Korea Ltd. nor its representatives are acting or will be deemed to be acting as an investment advisor to any recipients of this information.

**For recipients in Singapore:** This report is distributed by Morningstar Investment Adviser Singapore Pte Limited, which is licensed and regulated by the Monetary Authority of Singapore to provide financial advisory services in Singapore. Recipients of this report should contact their financial advisor in Singapore in relation to this report. Morningstar, Inc., and its affiliates rely on certain exemptions (Financial Advisers Regulations, Section 28(1)(e), Section 32B and 32C) to provide its investment research to recipients in Singapore.



22 West Washington Street  
Chicago, IL 60602 USA

MORNINGSTAR, INC., DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE MORNINGSTAR WIDE MOAT FOCUS INDEX OR ANY DATA INCLUDED THEREIN AND MORNINGSTAR, INC. SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. MORNINGSTAR, INC. MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY VANECK, OWNERS OR USERS OF THE FUNDS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE MORNINGSTAR WIDE MOAT FOCUS INDEX OR ANY DATA INCLUDED THEREIN. MORNINGSTAR, INC. MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE FUNDS OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL MORNINGSTAR, INC. HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

See Important Disclosures at the end of this report.

#### VanEck Disclosures

All investing is subject to risk, including the possible loss of the money you invest. As with any investment strategy, there is no guarantee that investment objectives will be met and investors may lose money. Diversification does not ensure a profit or protect against a loss in a declining market. Past performance is no guarantee of future results.

#### Morningstar® Wide Moat Focus Index Disclosures

The Morningstar® Wide Moat Focus Index is a trademark of Morningstar, Inc. and has been licensed for use for certain purposes by VanEck. The Morningstar Economic Moat Rating is subjective in nature and should not be used as the sole basis for investment decisions. Moat Ratings are based on Morningstar analysts' current expectations about future events and therefore involve unknown risks and uncertainties that may cause Morningstar's expectations not to occur or to differ significantly from what was expected. Morningstar does not represent the Morningstar Economic Moat Rating to be a guarantee, nor should it be viewed as an assessment of a security's creditworthiness. Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with and governed by the U.S. Securities and Exchange Commission. The Morningstar Wide Moat Focus Index consists of at least 40 securities in the Morningstar US Market Index with the highest ratios of fair value, as determined by Morningstar, to their stock price, and which have a sustainable competitive advantage (i.e. wide moat). Securities in the Wide Moat Focus index are assigned equal weights. These securities and weightings are subject to change. VanEck Vectors Morningstar Wide Moat ETF and VanEck Vectors Morningstar US Wide Moat UCITS ETF are not sponsored, endorsed, sold or promoted by Morningstar and Morningstar makes no representation regarding the advisability of investing in VanEck Vectors Morningstar Wide Moat ETF or VanEck Vectors Morningstar US Wide Moat UCITS ETF. VanEck's funds ("Funds") are not sponsored, endorsed, sold or promoted by Morningstar, Inc. Morningstar, Inc. makes no representation or warranty, express or implied, to the owners of the Funds or any member of the public regarding the advisability of investing in securities generally or in the Funds in particular or the ability of the Funds to track index performance. Morningstar, Inc.'s only direct relationship to VanEck is the licensing of (i) certain service marks and service names of Morningstar, Inc. and (ii) the Morningstar Wide Moat Focus Index which is determined, composed and calculated by Morningstar, Inc. without regard to VanEck or its Funds. Morningstar, Inc. has no obligation to take the needs of VanEck or the owners of the Funds into consideration in determining, composing or calculating the Morningstar Wide Moat Focus Index. Morningstar, Inc. is not responsible for and has not participated in the determination or calculation of the equation by which the Funds are converted into cash. Morningstar, Inc. has no obligation or liability in connection with the administration, marketing or trading of the Funds.

#### About Morningstar® Equity Research™

Morningstar Equity Research provides independent, fundamental equity research differentiated by a consistent focus on sustainable competitive advantages, or Economic Moats.

© 2025 Morningstar. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses, and opinions presented herein do not constitute investment advice; are provided solely for informational purposes and therefore are not an offer to buy or sell a security; and are not warranted to be correct, complete, or accurate. The opinions expressed are as of the date written and are subject to change without notice. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages, or other losses resulting from, or related to, the information, data, analyses, or opinions or their use. References to "DBRS Morningstar credit ratings" refer to credit ratings issued by one of the DBRS group of companies or Morningstar Credit Ratings, LLC. The DBRS group of companies consists of DBRS, Inc. (Delaware, U.S.) (NRSRO, DRO affiliate); DBRS Limited (Ontario, Canada)(DRO, NRSRO affiliate); DBRS Ratings GmbH (Frankfurt, Germany)(CRA, NRSRO affiliate, DRO affiliate); and DBRS Ratings Limited (England and Wales)(CRA, NRSRO affiliate, DRO affiliate). Morningstar Credit Ratings, LLC is a NRSRO affiliate of DBRS, Inc. For more information on regulatory registrations, recognitions and approvals of DBRS group of companies and Morningstar Credit Ratings, LLC, please see: <http://www.dbrsmorningstar.com/research/highlights.pdf>.

The DBRS group and Morningstar Credit Ratings, LLC are wholly-owned subsidiaries of Morningstar, Inc.

All DBRS Morningstar credit ratings and other types of credit opinions are subject to disclaimers and certain limitations. Please read these disclaimers and limitations at <http://www.dbrsmorningstar.com/about/disclaimer> and <https://ratingagency.morningstar.com/mcr>. Additional information regarding DBRS Morningstar ratings and other types of credit opinions, including definitions, policies and methodologies, are available on <http://www.dbrsmorningstar.com> and <https://ratingagency.morningstar.com/mcr>.

Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with and governed by the U.S. Securities and Exchange Commission. The information contained herein is the proprietary property of Morningstar and may not be reproduced, in whole or in part, or used in any manner, without the prior written consent of Morningstar. To license the research, call +1 312 696-6869.

Information on Morningstar's Equity Research methodology is available from <https://www.morningstar.com/research/signature>.

#### About Morningstar® Indexes

Morningstar Indexes was built to keep up with the evolving needs of investors—and to be a leading-edge advocate for them. Our rich heritage as a transparent, investor-focused leader in data and research uniquely equips us to support individuals, institutions, wealth managers and advisors in navigating investment opportunities across major asset classes, styles and strategies. From traditional benchmarks and unique IP-driven indexes, to index design, calculation and distribution services, our solutions span an investment landscape as diverse as investors themselves.

Please visit [indexes.morningstar.com](http://indexes.morningstar.com) for more information.