

# Enhanced Tax-Exempt Yield

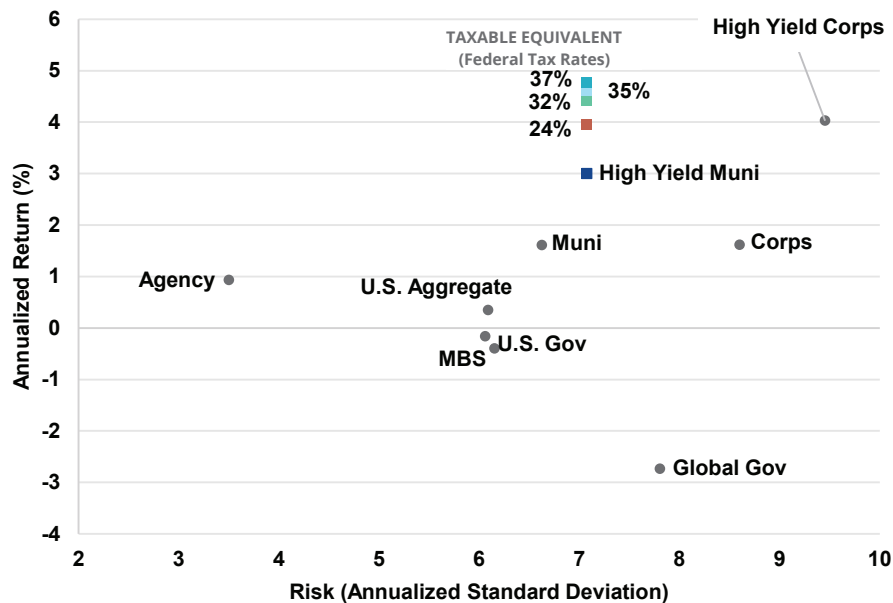
## HYD

### VanEck High Yield Muni ETF

High yield municipal bonds amplify two of the key features of the municipal bond asset class, tax-exempt income and low default rates. For investors with taxable investment accounts, municipal bonds provide a source of tax-free compounding of returns. High-yield municipal bonds provide an enhanced income potential due to their lower relative credit rating.

#### Attractive Total Return Risk/Reward Profile

3/29/2019 - 3/31/2024



Source: Factset, VanEck as of 3/31/2024.

High-yield municipal bonds have provided higher risk-adjusted returns and have experienced lower overall default rates when compared with other taxable and tax-exempt bonds. Low municipal bond issuance combined with strong demand has helped fuel strong performance in this market.

#### Lower default rate compared with high-yield corporate bonds

Despite their lower credit rating, high-yield municipal bonds have defaulted at a much lower rate when compared with similarly rated corporate bonds. Default rates for high-yield municipal bonds have been 1.19%, compared to a default rate of 4.03% for high-yield corporate bonds, on an annualized basis from 1970-2022.<sup>2</sup>

#### Why HYD?

##### Attractive Tax-Advantaged Income

Underlying Index comprised of highest-yielding municipal bonds with income generally exempt from federal taxes.

##### Enhanced Liquidity

Index includes a targeted 5% A and 25% BBB investment-grade exposure for enhanced liquidity.

##### Diverse Sector Exposure and Low Default Rates

Index covers wide range of muni sectors and securities with historically low default rates.<sup>2</sup>

#### Our suite of municipal ETFs

##### Yield Curve

[SMB](#) | Short Muni ETF

[ITM](#) | Intermediate Muni

[MLN](#) | Long Muni ETF

##### Credit Quality

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

[HYD](#) | High Yield Muni ETF

##### Smart Beta

[XMPT](#) | CEF Municipal Muni ETF

##### Sustainable

[SMI](#) | HIP Sustainable Muni ETF

All data based on indices. See reverse for index descriptions.

<sup>2</sup>Source: Moody's Investors Services; "U.S. Municipal Bond Defaults and Recoveries, 1970-2022"

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 High Yield Muni ETF (HYD)** seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the **ICE Broad High Yield Crossover Municipal Bond Index (MHYX)**, which is intended to track the overall performance of the U.S. dollar denominated high yield long-term tax-exempt bond market.

Fund Ticker	HYD
Commencement Date	2/4/2009
Expense Ratio (%) *	0.32

\* 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. Notwithstanding the foregoing, the Adviser has agreed to pay the offering costs until at least September 1, 2024.

Index data prior to March 1, 2022 reflects that of the Bloomberg Municipal Custom High Yield Composite Index (LMEHTR). From March 1, 2022 to November 30, 2022, the index data reflects that of the ICE High Yield Crossover Municipal Bond Transition Index (MXYT). From December 1, 2022 forward, the index data reflects that of the Fund's underlying index, the ICE Broad High Yield Crossover Municipal Index (MHYX) 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 3/31/2024	HYD	MHYX Index
YTD *	NAV	1.71
	Share Price	6.52
1 Yr	NAV	5.49
	Share Price	5.39
3 Yr	NAV	-1.94
	Share Price	-1.93
5 Yr	NAV	0.17
	Share Price	0.27
10 Yr	NAV	3.00
	Share Price	3.05
Since Inception 2/4/2009	NAV	5.08
	Share Price	5.11

\*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.

<sup>1</sup> Taxable-equivalent return represents the return a taxable bond would have to earn in order to match—after federal taxes—the return available on a tax-exempt municipal bond (excluding AMT). Municipal bonds may be subject to state and local taxes as well as to federal taxes on gains and may be subject to alternative minimum tax. The chart displays the returns of the ICE Broad High Yield Crossover Municipal Bond Index on a tax-equivalent return basis and compares such returns to other asset classes as represented by the indexes described at the end of this presentation. Fixed income investments have interest rate risk, which refers to the risk that bond prices generally fall as interest rates rise and vice versa. U.S. government bonds are guaranteed by the full faith and credit of the United States government. Municipal, corporate, agency and mortgage-backed bonds are not guaranteed by the full faith and credit of the United States and carry the credit risk of the issuer. Municipal bonds are exempt from federal taxes and often state and local taxes. U.S. Treasuries are exempt from state and local taxes, but subject to federal taxes. Other securities listed are subject to federal, state and local taxes. Prices of equity securities change in response to many factors, including the historical and prospective earnings of the issuer, the value of its assets, general economic conditions, interest rates, investor perceptions and market liquidity. Prices of bonds change in response to factors such as interest rates and issuer's credit worthiness, among others. Investing in smaller companies involves risks not associated with investing in more established companies such as business risk, stock price fluctuations and illiquidity. Standard deviation is the statistical measure of the historical volatility of a portfolio. Historical information is not indicative of future results; current data may differ from data quoted. The listed indices are unmanaged and are not securities in which an investment can be made.

**Agency** - The ICE BofA US Agency Index tracks the performance of US dollar denominated US agency senior debt issued in the US domestic market. **U.S. Aggregate** - The ICE BofA US Broad Market Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, quasi-government, corporate, securitized and collateralized securities. **MBS** - The ICE BofA US Mortgage Backed Securities Index tracks the performance of US dollar denominated fixed rate residential mortgage pass-through securities publicly issued by US agencies in the US domestic market. **Muni** - The ICE US Broad Municipal Index tracks the performance of US dollar denominated investment grade tax-exempt debt publicly issued by US states and territories, and their political subdivisions, in the US domestic market. **U.S. Gov** - ICE BofA US Treasury Index tracks the performance of US dollar denominated sovereign debt publicly issued by the US government in its domestic market. **Corps** - The ICE BofA US Corporate Index tracks the performance of US dollar denominated investment grade corporate debt publicly issued in the US domestic market. **High Yield Corps** - The ICE BofA US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. **High Yield Munis** - The ICE Broad High Yield Crossover Index tracks the performance of lower-rated and unrated U.S. dollar denominated tax-exempt debt publicly issued in the U.S. domestic market by U.S. states and territories as well as their political subdivisions. **Global Gov** - The ICE BofA Global Government Index tracks the performance of investment-grade sovereign debt publicly issued and denominated in the issuer's own domestic market and currency.

An investment in the Fund may be subject to risks which include, among others, municipal securities, high yield securities, credit, interest rate, call, private activity bonds, industrial development bond, health care bond, special tax bond, California, Illinois, New York, market, operational, sampling, index tracking, tax, authorized participant concentration, no guarantee of active trading market, trading issues, passive management, fund shares trading, premium/discount and liquidity of fund shares and industry concentration risks, all of which may adversely affect the Fund. 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. A portion of the dividends you receive may be subject to the federal alternative minimum tax (AMT). 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.

**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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