



SEMI-ANNUAL REPORT
June 30, 2018
(unaudited)

VanEck VIP Trust

VanEck VIP Emerging Markets Fund

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The information contained in this shareholder letter represents the opinion of the investment adviser and may change at any time. This information is not intended to be a forecast of future events, a guarantee of future results or investment advice. Current market conditions may not continue. Also, unless otherwise specifically noted, any discussion of the Fund's holdings, the Fund's performance, and the views of the investment adviser are as of June 30, 2018.

Dear Shareholders:

We are pleased to present this semi-annual report, which affords us the opportunity to provide a review of the economic backdrop for the first half of the year. But first, in light of the many developments that occurred across global markets during the first half of 2018, we want to reemphasize VanEck's corporate mission and its implications to you as our valued shareholders.

As you may know, VanEck has a history of looking beyond the financial markets to identify historical, political, and/or technological trends that are likely to create or impact investment opportunities. We were one of the first U.S. asset managers to offer investors access to international markets, which set the tone for our drive to identify promising asset classes and trends. In this respect, our unconventional (at the time) efforts to introduce investors to gold investing in 1968, emerging markets (including China) in 1993, and ETFs in 2006, are now considered mainstream, permanently shaping the investment management industry as we now know it.

Today, we offer both active and passive strategies with compelling exposures supported by well-designed investment processes. Our firm's capabilities range from strategies designed to strengthen core investment allocations to more specialized exposures that enhance portfolio diversification and reduce volatility.

Putting clients' interests first in all market environments is at the heart of the firm's mission and has been since our founding in 1955. We will, as always, continue to seek out and evaluate the most attractive opportunities for you as shareholders.

As we wrote in our *Market Insights* research, which can be found at www.vaneck.com/blogs/market-insights, we began 2018 by noting that global growth had gone from "ticking up" to "firmly in place" and that, while central banks were tightening, Europe remained "two years" behind the U.S. in this trend and had a trickier task. Further, our base case was for 10-year interest rates to rise to 3.5% with the curve not inverting. In its third longest bull market ever, we remained bullish on U.S. equities in the short-term, but were prepared for a correction. And, finally, we believed that investors should not be underweight commodities as global growth was supporting the bullish "grind trade" narrative from supply cutbacks.

VANECK VIP EMERGING MARKETS FUND

(unaudited) (continued)

Over the last six months we have seen interest rates in the U.S. rise as expected and, as a consequence, the U.S. dollar has strengthened. These events, along with both inflation fears and concern about trade and tariffs, have resulted not only in an increasingly evident decoupling of the U.S. dollar and emerging markets local currencies, but also significant outflows from emerging markets themselves (in May, for example, outflows were evenly split between equities and debt). From a regional perspective, countries in Latin America and Europe (e.g. Argentina and Turkey) rather than in Asia, have been the primary sources of emerging markets outflows. We still believe that credit exposure in high yield and emerging markets is still better than in governments, which have pure interest rate risk with no offset.

The biggest change in our outlook from six months ago is that global growth appears to be less synchronized—more relevant to the U.S. and China—with Europe uncertain and Africa, South America, and the Middle East struggling. In Europe, for example, economic growth has started to slow and weaker bank balance sheets remain an obstacle to monetary policy normalization. Despite these growing concerns, supply discipline has continued to support the bullish “grind trade” in commodities, with increasing chances of commodities and natural resources ending 2018 as the best performing area of the market.

To keep you informed on an ongoing basis, we encourage you to stay in touch with us through the videos, email subscriptions, and research blogs available on our website, vaneck.com. Should you have any questions regarding fund performance, please contact us at 800.826.2333 or visit vaneck.com.

We sincerely thank you for investing in VanEck's investment strategies. On the following pages, you will find financial statements for the Fund for the six-month period ended June 30, 2018. As always, we value your continued confidence in us and look forward to helping you meet your investment goals in the future.



Jan F. van Eck
CEO and President
VanEck VIP Trust

July 17, 2018

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, which contains this and other information, call 800.826.2333 or visit vaneck.com. Please read the prospectus carefully before investing.

VANECK VIP EMERGING MARKETS FUND

EXPLANATION OF EXPENSES

(unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including program fees on purchase payments; and (2) ongoing costs, including management fees and other Fund expenses. This disclosure is intended to help you understand the ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The disclosure is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, January 1, 2018 to June 30, 2018.

Actual Expenses

The first line in the table below provides information about account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During the Period.”

Hypothetical Example for Comparison Purposes

The second line in the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as fees on purchase payments. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value January 1, 2018	Ending Account Value June 30, 2018	Expenses Paid During the Period* January 1, 2018 - June 30, 2018
VanEck VIP Emerging Markets Fund			
Initial Class			
Actual	\$1,000.00	\$ 917.20	\$5.56
Hypothetical**	\$1,000.00	\$1,018.99	\$5.86
Class S			
Actual	\$1,000.00	\$ 914.70	\$7.93
Hypothetical**	\$1,000.00	\$1,016.51	\$8.35

* Expenses are equal to the Fund's annualized expense ratio (for the six months ended June 30, 2018), of 1.17% on Initial Class Shares and 1.67% on Class S Shares, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year divided by the number of the days in the fiscal year (to reflect the one-half year period).

** Assumes annual return of 5% before expenses.

Number of Shares	Value	Number of Shares	Value
Germany: 0.6%		Mexico: (continued)	
18,000 Delivery Hero AG * # Reg S 144A	\$ 954,090	631,000 Unifin Financiera SAB de CV SOFOM ENR	\$ 1,692,813
			4,196,378
India: 8.9%		Peru: 0.8%	
301,000 Bharti Infratel Ltd. #	1,322,539	5,860 Credicorp Ltd. (USD)	1,319,203
96,000 Cholamandalam Investment and Finance Co. Ltd. #	2,123,263	Philippines: 3.4%	
124,600 HDFC Bank Ltd. #	3,891,761	2,659,000 Ayala Land, Inc. #	1,887,898
29,900 HDFC Bank Ltd. (ADR)	3,140,098	7,580,000 Bloomberg Resorts Corp. #	1,383,732
84,185 Motilal Oswal Financial Services Ltd. #	949,734	955,200 International Container Terminal Services, Inc. #	1,383,814
189,800 Phoenix Mills Ltd. #	1,832,357	552,010 Robinsons Retail Holdings, Inc.	822,313
73,500 Quesst Corp. Ltd. * Reg S 144A	1,220,852		5,477,757
	14,480,604	Poland: 0.6%	
Indonesia: 1.4%		17,039 Kruk SA #	908,038
9,840,000 Bank Rakyat Indonesia Persero Tbk PT #	1,946,262	Russia: 4.0%	
1,170,200 Link Net Tbk PT #	358,742	349,480 Sberbank of Russia PJSC (ADR) #	4,999,139
	2,305,004	41,437 Yandex NV (USD) *	1,487,588
Kenya: 0.8%			6,486,727
4,477,000 Safaricom Plc #	1,298,131	South Africa: 5.4%	
Kuwait: 0.4%		606,000 Advtech Ltd.	691,372
57,000 Human Soft Holding Co. KSC	659,336	25,250 Naspers Ltd. #	6,366,631
Malaysia: 1.5%		1,457,924 Transaction Capital Ltd.	1,817,423
1,122,000 Malaysia Airports Holdings Bhd #	2,444,253		8,875,426
Mexico: 2.6%		South Korea: 1.4%	
476,000 Qualitas Controladora SAB de CV *	1,173,687	7,200 Koh Young Technology, Inc. #	658,221
247,000 Regional SAB de CV	1,329,878	1,475 Samsung Biologics Co. Ltd. * # Reg S 144A	552,083
		5,800 Samsung SDI Co. Ltd. #	1,112,488
			2,322,792

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

SCHEDULE OF INVESTMENTS

(unaudited) (continued)

Number of Shares	Value	Number of Shares	Value
Spain: 2.4%		Turkey: (continued)	
119,203 CIE Automotive SA #	\$ 3,507,633	335,000 Tofas Turk Otomobil Fabrikasi AS #	\$ 1,753,190
78,327 Global Dominion Access SA * #		34,750 Ulker Biskuvi Sanayi AS * #	136,085
Reg S 144A	422,849		4,478,556
	<u>3,930,482</u>		
Switzerland: 0.8%		United Arab Emirates: 0.8%	
27,600 Wizz Air Holdings Plc (GBP) * #		26,300 NMC Health Plc (GBP) #	1,237,882
Reg S 144A	1,307,021		
	<u></u>	United Kingdom: 0.5%	
Taiwan: 5.2%		60,700 Georgia Capital Plc *	825,121
345,000 Basso Industry Corp. #	735,558	1,235,312 Hirco Plc * # \$ ∞	0
417,000 Chroma ATE, Inc. #	2,238,901		825,121
120,712 Gourmet Master Co. Ltd. #	1,166,230	United States: 0.2%	
150,010 Poya International Co. Ltd. #	1,614,691	25,000 Laureate Education, Inc. *	358,250
132,000 TaiMed Biologics, Inc. * #	1,347,706		
195,000 Taiwan Semiconductor Manufacturing Co. Ltd. #	1,384,709	Uruguay: 0.3%	
	<u>8,487,795</u>	184,910 Biotoscana Investments SA (BDR) *	462,782
Thailand: 2.2%		Total Common Stocks	
1,112,000 CP ALL PCL #	2,464,512	(Cost: \$120,299,588)	148,741,645
1,243,478 Srisawad Corp. PCL (NVDR) #	1,106,961	PREFERRED STOCKS: 7.0%	
	<u>3,571,473</u>	Brazil: 0.8%	
Turkey: 2.7%		136,760 Itau Unibanco Holding SA, 7.32%	1,423,440
152,283 AvivaSA Emekililik ve Hayat AS	489,947	Colombia: 0.3%	
697,777 Dogtas Kelebek Mobilya Sanayi ve Ticaret AS * #	262,345	40,000 Banco Davivienda SA, 2.36%	504,939
313,140 MLP Saglik Hizmetleri AS *		South Korea: 5.9%	
Reg S 144A	980,213	283,900 Samsung Electronics Co. Ltd., 2.46% #	9,586,988
453,968 Sok Marketler Ticaret AS *	856,776	Total Preferred Stocks	
		(Cost: \$8,467,238)	11,515,367

See Notes to Financial Statements

Number of Shares	Value	Number of Shares	Value
MONEY MARKET FUND: 1.6%		Total Investments: 99.8%	
(Cost: \$2,542,395)		(Cost: \$131,309,221)	\$162,799,407
2,542,395 AIM Treasury		Other assets less	
Portfolio –		liabilities: 0.2%	346,705
Institutional		NET ASSETS: 100.0%	\$163,146,112
Class	\$ 2,542,395		

Definitions:

ADR	American Depositary Receipt
BDR	Brazilian Depositary Receipt
GBP	British Pound
NVDR	Non-Voting Depositary Receipt
USD	United States Dollar

Footnotes:

*	Non-income producing
#	Security has been fair valued in good faith pursuant to guidelines established by the Board of Trustees. The aggregate value of fair valued securities is \$115,552,083 which represents 70.8% of net assets.
§	Illiquid Security—the aggregate value of illiquid securities is \$0 which represents 0.0% of net assets.
∞	Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.
Reg S	Security was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration.
144A	Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended, or otherwise restricted. These securities may be resold in transactions exempt from registration, unless otherwise noted, and the value amounted to \$6,986,263, or 4.3% of net assets.

VANECK VIP EMERGING MARKETS FUND

SCHEDULE OF INVESTMENTS

(unaudited) (continued)

Summary of Investments by Sector	% of Investments	Value
Consumer Discretionary	23.1%	\$ 37,673,084
Consumer Staples	4.9	8,043,212
Financials	24.5	39,895,191
Health Care	5.2	8,418,450
Industrials	7.6	12,425,089
Information Technology	27.7	45,008,828
Real Estate	2.3	3,720,255
Telecommunication Services	1.8	2,979,412
Utilities	1.3	2,093,491
Money Market Fund	1.6	2,542,395
	<u>100.0%</u>	<u>\$162,799,407</u>

The summary of inputs used to value the Fund's investments as of June 30, 2018 is as follows:

	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value
Common Stocks				
Argentina	\$ 809,370	\$ —	\$ —	\$ 809,370
Brazil	5,420,265	—	—	5,420,265
China / Hong Kong	17,219,263	45,493,499	0	62,712,762
Egypt	—	1,906,692	—	1,906,692
Georgia	—	1,505,455	—	1,505,455
Germany	—	954,090	—	954,090
India	4,360,950	10,119,654	—	14,480,604
Indonesia	—	2,305,004	—	2,305,004
Kenya	—	1,298,131	—	1,298,131
Kuwait	659,336	—	—	659,336
Malaysia	—	2,444,253	—	2,444,253
Mexico	4,196,378	—	—	4,196,378
Peru	1,319,203	—	—	1,319,203
Philippines	822,313	4,655,444	—	5,477,757
Poland	—	908,038	—	908,038
Russia	1,487,588	4,999,139	—	6,486,727
South Africa	2,508,795	6,366,631	—	8,875,426
South Korea	—	2,322,792	—	2,322,792
Spain	—	3,930,482	—	3,930,482
Switzerland	—	1,307,021	—	1,307,021
Taiwan	—	8,487,795	—	8,487,795
Thailand	—	3,571,473	—	3,571,473
Turkey	2,326,936	2,151,620	—	4,478,556
United Arab Emirates	—	1,237,882	—	1,237,882
United Kingdom	825,121	—	0	825,121
United States	358,250	—	—	358,250
Uruguay	462,782	—	—	462,782

See Notes to Financial Statements

	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value
Preferred Stocks				
Brazil	\$ 1,423,440	\$ —	\$ —	\$ 1,423,440
Colombia	504,939	—	—	504,939
South Korea	—	9,586,988	—	9,586,988
Money Market Fund	2,542,395	—	—	2,542,395
Total	<u>\$47,247,324</u>	<u>\$115,552,083</u>	<u>\$ 0</u>	<u>\$162,799,407</u>

During the period ended June 30, 2018, transfers of securities from Level 1 to Level 2 were \$28,207,180 and transfers from Level 2 to Level 1 were \$5,030,140. These transfers resulted primarily from changes in certain foreign securities valuation methodologies between the last close of the securities' primary market (Level 1) and valuation by the pricing service (Level 2), which takes into account market direction or events occurring before the Fund's pricing time but after the last local close, as described in the Notes to Financial Statements.

The following table reconciles the valuation of the Fund's Level 3 investment securities and related transactions during the period ended June 30, 2018:

	Common Stocks	
	China / Hong Kong	United Kingdom
Balance as of December 31, 2017	\$ 0	\$ 0
Realized gain (loss)	—	—
Net change in unrealized appreciation (depreciation)	0	0
Purchases	—	—
Sales	—	—
Transfers in and/or out of level 3	—	—
Balance as of June 30, 2018	<u>\$ 0</u>	<u>\$ 0</u>

VANECK VIP EMERGING MARKETS FUND

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2018 (unaudited)

Assets:

Investments, at value (Cost \$131,309,221)	\$162,799,407
Cash	121
Cash denominated in foreign currency, at value (Cost \$25,764)	25,760
Receivables:	
Investments sold	1,360,671
Shares of beneficial interest sold	233,609
Dividends	563,028
Prepaid expenses	964
Other assets	34,526
Total assets	<u><u>165,018,086</u></u>

Liabilities:

Payables:	
Investments purchased	1,435,679
Shares of beneficial interest redeemed	195,244
Due to Adviser	140,580
Due to Distributor	10
Deferred Trustee fees	70,360
Accrued expenses	30,101
Total liabilities	<u><u>1,871,974</u></u>

NET ASSETS	<u><u>\$163,146,112</u></u>
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Initial Class Shares:

Net Assets	<u><u>\$163,094,981</u></u>
Shares of beneficial interest outstanding	<u><u>11,408,017</u></u>
Net asset value, redemption and offering price per share	<u><u>\$ 14.30</u></u>

Class S Shares:

Net Assets	<u><u>\$ 51,131</u></u>
Shares of beneficial interest outstanding	<u><u>3,611</u></u>
Net asset value, redemption and offering price per share	<u><u>\$ 14.16</u></u>

Net Assets consist of:

Aggregate paid in capital	\$123,866,754
Net unrealized appreciation	31,488,239
Undistributed net investment income	727,069
Accumulated net realized gain	7,064,050
	<u><u>\$163,146,112</u></u>

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2018 (unaudited)

Income:

Dividends (net of foreign taxes withheld of \$232,035)	\$ 1,957,099
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Expenses:

Management fees	\$ 917,899	
Distribution fees — Class S	51	
Transfer agent fees — Initial Class	12,515	
Transfer agent fees — Class S Shares	6,552	
Custodian fees	46,042	
Professional fees	45,132	
Reports to shareholders	25,174	
Insurance	3,227	
Trustees' fees and expenses	10,745	
Interest	867	
Other	7,308	
Total expenses	1,075,512	
Waiver of management fees	(6,496)	
Net expenses		1,069,016
Net investment income		888,083

Net realized gain (loss) on:

Investments (net of foreign taxes of \$224)	9,213,111
Foreign currency transactions and foreign denominated assets and liabilities	(84,441)
Net realized gain	9,128,670

Net change in unrealized appreciation (depreciation) on:

Investments (net of foreign taxes of \$472)	(25,003,997)
Foreign currency transactions and foreign denominated assets and liabilities	(2,005)
Net change in unrealized appreciation (depreciation)	(25,006,002)

Net Decrease in Net Assets Resulting from Operations . . .	<u><u>\$(14,989,249)</u></u>
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VANECK VIP EMERGING MARKETS FUND

STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2018 (unaudited)	Year Ended December 31, 2017
Operations:		
Net investment income	\$ 888,083	\$ 427,019
Net realized gain	9,128,670	11,498,343
Net change in unrealized appreciation (depreciation) ..	(25,006,002)	52,153,639
Net increase (decrease) in net assets resulting from operations	(14,989,249)	64,079,001
Dividends to shareholders from:		
Net investment income		
Initial Class Shares	(485,467)	(628,893)
Class S Shares	—	(86)
Total dividends	(485,467)	(628,979)
Share transactions*:		
Proceeds from sale of shares		
Initial Class Shares	19,726,417	51,293,239
Class S Shares	18,170	19,058
	19,744,587	51,312,297
Reinvestment of dividends		
Initial Class Shares	485,467	628,893
Class S Shares	—	86
	485,467	628,979
Cost of shares redeemed		
Initial Class Shares	(29,518,237)	(49,212,339)
Class S Shares	(880)	(1,686)
	(29,519,117)	(49,214,025)
Net increase (decrease) in net assets resulting from share transactions	(9,289,063)	2,727,251
Total increase (decrease) in net assets	(24,763,779)	66,177,273
Net Assets:		
Beginning of period	187,909,891	121,732,618
End of period (including undistributed net investment income of \$727,069 and \$324,453, respectively) ..	\$163,146,112	\$187,909,891
* Shares of beneficial interest issued, reinvested and redeemed (unlimited number of \$.001 par value shares authorized):		
Initial Class Shares:		
Shares sold	1,249,165	3,905,345
Shares reinvested	29,053	57,644
Shares redeemed	(1,886,867)	(3,645,261)
Net increase (decrease)	(608,649)	317,728
Class S Shares:		
Shares sold	1,221	1,594
Shares reinvested	—	8
Shares redeemed	(55)	(124)
Net increase	1,166	1,478

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period:

Initial Class Shares

	For the Six Months Ended June 30, 2018 (unaudited)	Year Ended December 31,				
		2017	2016	2015	2014	2013
Net asset value, beginning of period	\$15.63	\$10.40	\$10.50	\$12.95	\$14.90	\$13.50
Income from investment operations:						
Net investment income	0.08(b)	0.04(b)	0.08	0.09	0.10	0.07
Net realized and unrealized gain (loss) on investments	(1.37)	5.24	(0.08)	(1.80)	(0.23)	1.54
Total from investment operations	(1.29)	5.28	(0.00)(c)	(1.71)	(0.13)	1.61
Less dividends and distributions from:						
Net investment income	(0.04)	(0.05)	(0.05)	(0.07)	(0.08)	(0.21)
Net realized capital gains	—	—	(0.05)	(0.67)	(1.74)	—
Total dividends and distributions	(0.04)	(0.05)	(0.10)	(0.74)	(1.82)	(0.21)
Net asset value, end of period	\$14.30	\$15.63	\$10.40	\$10.50	\$12.95	\$14.90
Total return (a)	(8.28)(d)	51.03%	0.10%	(13.99)%	(0.41)%	12.02%

Ratios/Supplemental Data

Net assets, end of period (000's)	\$163,095	\$187,872	\$121,723	\$128,025	\$153,436	\$167,932
Ratio of gross expenses to average net assets	1.17%(e)	1.19%	1.18%	1.14%	1.17%	1.23%
Ratio of net expenses to average net assets	1.17%(e)	1.19%	1.18%	1.14%	1.17%	1.23%
Ratio of net expenses to average net assets excluding interest expense	1.16%(e)	1.19%	1.19%(f)	1.13%	1.17%	1.22%
Ratio of net investment income to average net assets	0.97%(e)	0.27%	0.70%	0.71%	0.69%	0.56%
Portfolio turnover rate	15%(d)	42%	62%	65%	85%	83%

(a) Total return is calculated assuming an initial investment made at the net asset value at the beginning of period, reinvestment of any dividends and distributions at net asset value on the dividend/distribution payment date and a redemption at the net asset value on the last day of the period. The return does not reflect the deduction of taxes that a shareholder would pay on Fund dividends/distributions or the redemption of Fund shares. Total returns do not include fees and expenses imposed under your variable annuity contract and/or life insurance policy. If these amounts were reflected, the returns would be lower than those shown.

(b) Calculated based upon average shares outstanding

(c) Amount represents less than \$0.005 per share

(d) Not annualized

(e) Annualized

(f) Excludes reimbursement from prior year custodial charge of 0.02%

See Notes to Financial Statements

VANECK VIP EMERGING MARKETS FUND

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period:

	Class S Shares		
	For the Six Months Ended June 30, 2018	Year Ended December 31, 2017	May 2, 2016 (a) through December 31, 2016
	(unaudited)		
Net asset value, beginning of period	\$15.48	\$10.36	\$10.35
Income from investment operations:			
Net investment income (loss)	0.05(b)	(0.04)(b)	0.01
Net realized and unrealized gain (loss) on investments	(1.37)	5.21	—(c)
Total from investment operations	(1.32)	5.17	0.01
Less dividends from:			
Net investment income	—	(0.05)	—
Net asset value, end of period	\$14.16	\$15.48	\$10.36
Total return (d)	(8.53)%(e)	50.16%	0.10%(e)
Ratios/Supplemental Data			
Net assets, end of period (000's)	\$51	\$38	\$10
Ratio of gross expenses to average net assets	33.43%(f)	51.45%	30.43%(f)
Ratio of net expenses to average net assets	1.67%(f)	1.75%	1.75%(f)
Ratio of net expenses to average net assets excluding interest expense	1.67%(f)	1.75%	1.75%
Ratio of net investment income (loss) to average net assets	0.64%(f)	(0.33)%	0.12%(f)
Portfolio turnover rate	15%(e)	42%	62%(e)(g)

(a) Commencement of operations

(b) Calculated based upon average shares outstanding

(c) Amount represents less than \$0.005 per share

(d) Total return is calculated assuming an initial investment made at the net asset value at the beginning of period, reinvestment of any dividends and distributions at net asset value on the dividend/distribution payment date and a redemption at the net asset value on the last day of the period. The return does not reflect the deduction of taxes that a shareholder would pay on Fund dividends/distributions or the redemption of Fund shares. Total returns do not include fees and expenses imposed under your variable annuity contract and/or life insurance policy. If these amounts were reflected, the returns would be lower than those shown.

(e) Not annualized

(f) Annualized

(g) Portfolio turnover is calculated at the fund level and represents a one year period

See Notes to Financial Statements

Note 1—Fund Organization—VanEck VIP Trust (the “Trust”) is registered under the Investment Company Act of 1940, as amended, as an open-end management investment company. The Trust was organized as a Massachusetts business trust on January 7, 1987. The VanEck VIP Emerging Markets Fund (the “Fund”) is a diversified series of the Trust and seeks long-term capital appreciation by investing primarily in equity securities in emerging markets around the world. The Fund currently offers two classes of shares: Initial Class Shares and Class S Shares. The two classes are identical except Class S Shares are subject to a distribution fee.

Note 2—Significant Accounting Policies—The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

The Fund is an investment company and is following accounting and reporting requirements of Accounting Standards Codification (“ASC”) 946 *Financial Services — Investment Companies*.

The following is a summary of significant accounting policies followed by the Fund.

A. Security Valuation—The Fund values its investments in securities and other assets and liabilities at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Securities traded on national exchanges or traded on the NASDAQ National Market System are valued at the last sales price as reported at the close of each business day. Securities traded on the NASDAQ Stock Market are valued at the NASDAQ official closing price. Over-the-counter securities not included in the NASDAQ National Market System and listed securities for which no sale was reported are valued at the mean of the bid and ask prices. To the extent these securities are actively traded they are categorized as Level 1 in the fair value hierarchy (as described below). Certain foreign securities, whose values may be affected by market direction or events occurring before the Fund’s pricing time (4:00 p.m. Eastern Time) but after the last close of the securities’ primary market, are fair valued using a pricing service and are categorized as Level 2 in the fair value hierarchy. The pricing service, using methods approved by the Board of Trustees, considers the correlation of the trading patterns of the foreign security to intraday trading in the U.S. markets, based on indices of domestic securities and other appropriate indicators such as prices of relevant ADR’s and futures

VANECK VIP EMERGING MARKETS FUND

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

contracts. The Fund may also fair value securities in other situations, such as when a particular foreign market is closed but the Fund is open. Short-term debt securities with sixty days or less to maturity are valued at amortized cost, which with accrued interest approximates fair value. Money market fund investments are valued at net asset value and are categorized as Level 1 in the fair value hierarchy. The Pricing Committee of Van Eck Associates Corporation (the “Adviser”) provides oversight of the Fund’s valuation policies and procedures, which are approved by the Fund’s Board of Trustees. Among other things, these procedures allow the Fund to utilize independent pricing services, quotations from securities dealers, and other market sources to determine fair value. The Pricing Committee convenes regularly to review the fair value of financial instruments or other assets. If market quotations for a security or other asset are not readily available, or if the Adviser believes it does not otherwise reflect the fair value of a security or asset, the security or asset will be fair valued by the Pricing Committee in accordance with the Fund’s valuation policies and procedures. The Pricing Committee employs various methods for calibrating the valuation approaches utilized to determine fair value, including a regular review of key inputs and assumptions, periodic comparisons to valuations provided by other independent pricing services, transactional back-testing and disposition analysis.

Certain factors such as economic conditions, political events, market trends, the nature of and duration of any restrictions on disposition, trading in similar securities of the issuer or comparable issuers and other security specific information are used to determine the fair value of these securities. Depending on the relative significance of valuation inputs, these securities may be classified either as Level 2 or Level 3 in the fair value hierarchy. The price which the Fund may realize upon sale of an investment may differ materially from the value presented in the Schedule of Investments.

The Fund utilizes various methods to measure the fair value of its investments on a recurring basis, which includes a hierarchy that prioritizes inputs to valuation methods used to measure fair value. The fair value hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The transfers between levels of the fair value hierarchy assume the financial instruments were transferred at the beginning of the reporting period. The three levels of the fair value hierarchy are described below:

Level 1 – Quoted prices in active markets for identical securities.

Level 2 – Significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

A summary of the inputs, the levels used to value the Fund's investments, and transfers between levels are located in the Schedule of Investments. Additionally, tables that reconcile the valuation of the Fund's Level 3 investments and that present additional information about valuation methodologies and unobservable inputs, if applicable, are located in the Schedule of Investments.

B. Federal Income Taxes—It is the Fund's policy to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its net investment income to its shareholders. Therefore, no federal income tax provision is required.

C. Currency Translation—Assets and liabilities denominated in foreign currencies and commitments under foreign currency contracts are translated into U.S. dollars at the closing prices of such currencies each business day as quoted by one or more sources. Purchases and sales of investments are translated at the exchange rates prevailing when such investments are acquired or sold. Income and expenses are translated at the exchange rates prevailing when accrued. The portion of realized and unrealized gains and losses on investments that result from fluctuations in foreign currency exchange rates is not separately disclosed. Such amounts are included with the net realized and unrealized gains and losses on investment securities in the Statement of Operations. Recognized gains or losses attributable to foreign currency fluctuations on foreign currency denominated assets, other than investments, and liabilities are recorded as net realized gain (loss) on foreign currency transactions and foreign denominated assets and liabilities in the Statement of Operations.

D. Dividends and Distributions to Shareholders—Dividends to shareholders from net investment income and distributions from net realized capital gains, if any, are declared and paid annually. Income dividends and capital gain distributions are determined in accordance with U.S. income tax regulations, which may differ from such amounts determined in accordance with GAAP.

E. Restricted Securities—The Fund may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

securities are registered. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted securities, if any, is included at the end of the Fund's Schedule of Investments.

F. Use of Derivative Instruments—The Fund may make investments in derivative instruments, including, but not limited to, options, futures, swaps and other derivatives relating to foreign currency transactions. A derivative is an instrument whose value is derived from underlying assets, indices, reference rates or a combination of these factors. Derivative instruments may be privately negotiated contracts (often referred to as over-the-counter ("OTC") derivatives) or they may be listed and traded on an exchange. Derivative contracts may involve future commitments to purchase or sell financial instruments or commodities at specified terms on a specified date, or to exchange interest payment streams or currencies based on a notional or contractual amount. Derivative instruments may involve a high degree of financial risk. The use of derivative instruments also involves the risk of loss if the investment adviser is incorrect in its expectation of the timing or level of fluctuations in securities prices, interest rates or currency prices. Investments in derivative instruments also include the risk of default by the counterparty, the risk that the investment may not be liquid and the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument. The Fund held no derivative instruments during the period ended June 30, 2018.

G. Other—Security transactions are accounted for on trade date. Dividend income is recorded on the ex-dividend date except that certain dividends from foreign securities are recognized upon notification of the ex-dividend date. Interest income, including amortization of premiums and discounts, is accrued as earned. Realized gains and losses are calculated on the specific identified cost basis. Estimated foreign taxes that are expected to be withheld from proceeds at the sale of certain foreign investments are accrued by the Fund and decrease the unrealized gain on investments.

Income, expenses (excluding class-specific expenses), realized and unrealized gains (losses) are allocated proportionately to each class of shares based upon the relative net asset value of outstanding shares of each class at the beginning of the day (after adjusting for current capital share activity of the respective classes). Class-specific expenses are charged directly to the applicable class of shares.

In the normal course of business, the Fund enters into contracts that contain a variety of general indemnifications. The Fund's maximum exposure under

these agreements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Adviser believes the risk of loss under these arrangements to be remote.

Note 3—Investment Management and Other Agreements—The Adviser is the investment adviser to the Fund. The Adviser receives a management fee, calculated daily and payable monthly based on an annual rate of 1.00% of the Fund's average daily net assets. The Adviser has agreed, until at least May 1, 2019, to waive management fees and assume expenses to prevent the Fund's total annual operating expenses (excluding acquired fund fees and expenses, interest expense, trading expenses, dividend and interest payments on securities sold short, taxes, and extraordinary expenses) from exceeding 1.30% and 1.55% of average daily net assets for Initial Class Shares and for Class S Shares, respectively. Prior to May 1, 2018 the Advisor had agreed to waive management fees and assume expenses to limit expenses from exceeding 1.50% and 1.75% of average daily net assets for Initial Class Shares and Class S Shares, respectively. For the period ended June 30, 2018, the Adviser waived management fees in the amount of \$6,496 for Class S.

Note 4—12b-1 Plan of Distribution—The Trust and the Distributor are parties to a distribution agreement dated May 1, 2006. The Fund has adopted a Distribution Plan (the "Plan") for Class S Shares in accordance with Rule 12b-1 under the 1940 Act. Pursuant to the Plan, the Fund is authorized to incur distribution expenses for its Class S Shares which will principally be payments to securities dealers who have sold shares and serviced shareholder accounts, and payments to the Distributor for reimbursement of other actual promotion and distribution expenses incurred by the Distributor on behalf of the Fund. The amount paid in any one year is 0.25% of average daily net assets for Class S Shares.

Note 5—Investments—For the period ended June 30, 2018, the cost of purchases and proceeds from sales of investments, excluding U.S. government securities and short-term obligations, aggregated to \$27,692,785 and \$38,726,762, respectively.

Note 6—Income Taxes—For Federal income tax purposes, the identified cost of investments owned at June 30, 2018 was \$131,453,657 and net unrealized appreciation aggregated to \$31,345,750, of which \$45,874,601 related to appreciated securities and \$14,528,851 related to depreciated securities.

The tax character of dividends and distributions paid to shareholders for the year ended December 31, 2017 was as follows:

VANECK VIP EMERGING MARKETS FUND

NOTES TO FINANCIAL STATEMENTS

(unaudited) (continued)

Ordinary income	\$628,979
	<u>\$628,979</u>

The tax character of current year distributions will be determined at the end of the current fiscal year.

At December 31, 2017, the Fund had capital loss carryforwards available to offset future capital gains as follows:

Short-Term Capital Losses with No Expiration	Long-Term Capital Losses with No Expiration	Total
\$(1,742,233)	\$(241,481)	\$(1,983,714)

The Fund recognizes the tax benefits of uncertain tax positions only where the position is “more-likely-than-not” to be sustained assuming examination by applicable tax authorities. Management has analyzed the Fund’s tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on return filings for all open tax years. The Fund does not have exposure for additional years that might still be open in certain foreign jurisdictions. Therefore, no provision for income tax is required in the Fund’s financial statements. However, the Fund is subject to foreign taxes on the appreciation in value of certain investments. The Fund provides for such taxes on both realized and unrealized appreciation.

The Fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended June 30, 2018, the Fund did not incur any interest or penalties.

Note 7—Concentration of Risk—The Fund may purchase securities on foreign exchanges. Securities of foreign issuers involve special risks and considerations not typically associated with investing in U.S. issuers. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and future adverse political and economic developments. These risks are heightened for investments in emerging market countries. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than those of comparable U.S. issuers.

The Fund may invest directly in the Russian local market. As a result of events involving Ukraine and the Russian Federation, the United States and the European Union (“EU”) have imposed sanctions on certain Russian individuals and companies. These sanctions do not currently impact the Fund. Additional economic sanctions may be imposed or other actions may be taken that may adversely affect the value and liquidity of the Russian-related issuers’ held by the Fund.

In March 2017, the United Kingdom triggered Article 50, and is now scheduled to leave the European Union (“EU”) by the end of March 2019. Significant uncertainty exists on how the withdrawal will take place, the terms of the withdrawal and the effects such withdrawal will have on the EU and the United Kingdom. This may further impact the value of the Euro and the British pound sterling, and has caused volatility and uncertainty in European and global markets.

At June 30, 2018, the shareholder accounts of two insurance companies and the Adviser owned approximately 65%, 27%, and 8% of the Fund’s Class S Shares, respectively. The aggregate shareholder accounts of two insurance companies owned approximately 65% and 18% of the Initial Class Shares.

A more complete description of risks is included in the Fund’s Prospectus and Statement of Additional Information.

Note 8—Trustee Deferred Compensation Plan—The Trust has a Deferred Compensation Plan (the “Deferred Plan”) for Trustees under which the Trustees can elect to defer receipt of their trustee fees until retirement, disability or termination from the Board of Trustees. The fees otherwise payable to the participating Trustees are deemed invested in shares of eligible Funds of the Trust and the VanEck Funds (another registered investment company managed by the Adviser) as directed by the Trustees.

The expense for the Deferred Plan is included in “Trustees’ fees and expenses” on the Statement of Operations. The liability for the Deferred Plan is shown as “Deferred Trustee fees” on the Statement of Assets and Liabilities.

Note 9—Bank Line of Credit—The Trust participates with VanEck Funds (collectively the “VE/VIP Funds”) in a \$30 million committed credit facility (the “Facility”) to be utilized for temporary financing until the settlement of sales or purchases of portfolio securities, the repurchase or redemption of shares of the Fund and other temporary or emergency purposes. The participating VE/VIP Funds have agreed to pay commitment fees, pro rata, based on the unused but available balance. Interest is charged to the VE/VIP Funds at rates based on prevailing market rates in effect at the time of borrowings. During the period ended June 30, 2018, the average daily loan balance during the 13 day period for which a loan was outstanding amounted to \$832,263 and the average interest rate was 2.98%. At June 30, 2018, the Fund had no outstanding borrowings under the Facility.

Note 10—Subsequent Event Review—The Fund has evaluated subsequent events and transactions for potential recognition or disclosure through the date the financial statements were issued.

VANECK VIP EMERGING MARKETS FUND
(the “Fund”)

The Investment Company Act of 1940, as amended (the “1940 Act”), provides, in substance, that an investment advisory agreement between a fund and its investment adviser may be entered into only if it is approved, and may continue in effect from year to year after an initial two-year period only if its continuance is approved, at least annually by the fund’s board of trustees, including by a vote of a majority of the trustees who are not “interested persons” of the fund as defined in the 1940 Act (the “Independent Trustees”), cast in person at a meeting called for the purpose of considering such approval. On June 12, 2018, the Board of Trustees (the “Board”) of VanEck VIP Trust (the “Trust”), which is comprised exclusively of Independent Trustees, voted to approve the continuation of the existing advisory agreement (the “Advisory Agreement”) between the Fund and its investment adviser, Van Eck Associates Corporation (together with its affiliated companies, the “Adviser”). Information regarding the material factors considered and related conclusions reached by the Board in approving the continuation of the Fund’s Advisory Agreement is set forth below.

In considering the continuation of the Advisory Agreement, the Board reviewed and considered information that had been provided by the Adviser throughout the year at meetings of the Board and its committees, including information requested by the Board and furnished by the Adviser for meetings of the Board held on May 14, 2018 and June 12, 2018 specifically for the purpose of considering the continuation of the Advisory Agreement. The written and oral reports provided to the Board included, among other things, the following:

- Information about the overall organization of the Adviser and the Adviser’s short-term and long-term business plans with respect to its mutual fund operations and other lines of business;
- The consolidated financial statements of the Adviser for the past two fiscal years;
- A copy of the Advisory Agreement and descriptions of the services provided by the Adviser thereunder;
- Information regarding the qualifications, education and experience of the investment professionals responsible for portfolio

management, investment research and trading activities for the Fund, the structure of their compensation and the resources available to support these activities;

- A report prepared by an independent consultant comparing the Fund's investment performance (including, where relevant, total returns, standard deviations, Sharpe ratios, information ratios, beta and alpha) with respect to a representative class of shares of the Fund for the one-, three-, five- and ten-year periods (as applicable) ended March 31, 2018 with those of (i) a universe of mutual funds selected by the independent consultant with similar portfolio holding characteristics, share class attributes and other operational characteristics as the Fund (the "Category"), (ii) a sub group of funds selected from the Category by the independent consultant further limited to approximate more closely the Fund's investment style, expense structure and asset size (the "Peer Group"), and (iii) an appropriate benchmark index;
- A report prepared by an independent consultant comparing the advisory fees and other expenses of a representative class of shares of the Fund during its fiscal year ended December 31, 2017 with a similar share class of each fund in the (i) Category and (ii) Peer Group;
- An analysis of the profitability of the Adviser with respect to its services for the Fund and the VanEck complex of mutual funds as a whole (the "VanEck Complex");
- Information regarding other investment products and services offered by the Adviser involving investment objectives and strategies similar to the Fund ("Comparable Products"), including the fees charged by the Adviser for managing the Comparable Products, a description of material differences and similarities in the services provided by the Adviser for the Fund and the Comparable Products, the sizes of the Comparable Products and the identity of the individuals responsible for managing the Comparable Products;
- Information concerning the Adviser's compliance program, the resources devoted to compliance efforts undertaken by the Adviser on behalf of the Fund, and reports regarding a variety of compliance-related issues;

APPROVAL OF ADVISORY AGREEMENT

June 30, 2018 (unaudited) (continued)

- Information with respect to the Adviser's brokerage practices, including the Adviser's processes for monitoring best execution of portfolio transactions and the benefits received by the Adviser from research acquired with soft dollars;
- Information regarding the procedures used by the Adviser in monitoring the valuation of portfolio securities, including the methodologies used in making fair value determinations, and the Adviser's due diligence process for recommending the selection of pricing vendors and monitoring the quality of the inputs provided by such vendors;
- Information regarding how the Adviser safeguards the confidentiality and integrity of its data and files (both physical and electronic), as well as of any communications with third parties containing Fund and shareholder information, including reports regarding the Adviser's cybersecurity framework and its implementation, the identification and monitoring of cybersecurity risks (including the risks that arise out of arrangements with third party service providers), the Adviser's cybersecurity response policy and other initiatives of the Adviser to mitigate cybersecurity risks;
- Information regarding the Adviser's policies and practices with respect to personal investing by the Adviser and its employees, including reports regarding the administration of the Adviser's code of ethics and the Adviser's policy with respect to investments in the Fund by the Adviser's investment personnel;
- Descriptions of the processes that the Adviser uses to evaluate and monitor the liquidity of fixed-income instruments and information regarding the actions the Adviser has taken with respect to risk management and disclosure matters relating to changing fixed income market conditions;
- Descriptions of sub-transfer agency, omnibus account and other shareholder servicing arrangements for the Fund with intermediaries (collectively, "Servicing Arrangements"), including a description of the services provided by the intermediaries pursuant to such Servicing Arrangements and the payment terms of the Servicing Arrangements, as well as reports regarding the amounts paid pursuant to the Servicing Arrangements and the amounts paid to intermediaries with respect to the Fund by the

Adviser pursuant to any revenue sharing arrangements and Servicing Arrangements (to the extent not paid by the Fund);

- Descriptions of other administrative and other non-investment management services provided by the Adviser for the Fund, including the Adviser's activities in managing relationships with the Fund's custodian, transfer agent and other service providers; and
- Other information provided by the Adviser in its response to a comprehensive questionnaire prepared by independent legal counsel on behalf of the Independent Trustees.

In determining whether to approve the continuation of the Advisory Agreement, the Board considered, among other things, the following: (1) the nature, quality, extent and cost of the investment management, administrative and other non-investment management services provided by the Adviser; (2) the nature, quality and extent of the services performed by the Adviser in interfacing with, and monitoring the services performed by, third parties, such as the Fund's custodian, transfer agent, sub-transfer agents and independent auditor, and the Adviser's commitment and efforts to review the quality and pricing of third party service providers to the Fund with a view to reducing non-management expenses of the Fund; (3) the terms of the Advisory Agreement and the services performed thereunder; (4) the willingness of the Adviser to reduce the overall expenses of the Fund from time to time, if necessary or appropriate, by means of waiving a portion of its fees or paying expenses of the Fund; (5) the quality of the services, procedures and processes used to determine the value of the Fund's assets and the actions taken to monitor and test the effectiveness of such services, procedures and processes; (6) the ongoing efforts of, and resources devoted by, the Adviser with respect to the development and implementation of a comprehensive compliance program; (7) the responsiveness of the Adviser to inquiries from, and examinations by, regulatory authorities, including the Securities and Exchange Commission; (8) the resources committed by the Adviser in recent periods to information technology and cybersecurity; and (9) the ability of the Adviser to attract and retain quality professional personnel to perform investment advisory and administrative services for the Fund.

The Board considered the fact that the Adviser is managing other investment products, including exchange-traded funds, private funds, separate accounts and UCITSs, one or more of which may invest in the same financial markets and may be managed by the same

APPROVAL OF ADVISORY AGREEMENT

June 30, 2018 (unaudited) (continued)

investment professionals according to a similar investment objective and/or strategy as the Fund. The Board concluded that the management of these products contributes to the Adviser's financial stability and is helpful to the Adviser in attracting and retaining quality portfolio management personnel for the Fund. In addition, the Board concluded that the Adviser has established appropriate procedures to monitor conflicts of interest involving the management of the Fund and the other products and for resolving any such conflicts of interest in a fair and equitable manner.

The performance data and the advisory fee and expense ratio data described below for the Fund is based on data for a representative class of shares of the Fund. The performance data is net of expenses for periods on an annualized basis ended March 31, 2018, and the advisory fee and expense ratio data is as of the Fund's fiscal year end of December 31, 2017.

Performance. The Board noted, based on a review of comparative annualized total returns, that the Fund had outperformed its Category and Peer Group medians over the one-, five-, and ten-year periods and that the Fund had outperformed its Category median for the three-year period, but had underperformed its Peer Group median for the three-year period. The Board also noted that the Fund had outperformed its benchmark index over the one-, three-, five-, and ten-year periods. The Board concluded that the performance of the Fund was satisfactory.

Fees and Expenses. The Board noted that the fee rate payable for advisory services and the total expense ratio, net of waivers or reimbursements, for the Fund were lower than the median advisory fee rate and the median expense ratio for its Peer Group. The Board also noted that the advisory fee rate for the Fund was equal to the median advisory fee rate for its Category, while the total expense ratio, net of waivers or reimbursements, for the Fund was higher than the median expense ratio for its Category. The Board also noted that the Adviser has agreed to waive fees or pay expenses of the Fund through April 2019 to the extent necessary to prevent the expense ratio of the Fund from exceeding a specified maximum amount (subject to certain exclusions).

On the basis of the foregoing, and in light of the nature, extent and quality of the services provided by the Adviser, the Board concluded that the advisory fee rate charged to the Fund is reasonable.

Profitability and Economies of Scale. The Board considered the profits, if any, realized by the Adviser from managing the Fund and other mutual funds in the VanEck Complex and the methodology used to determine such profits. The Board noted that the levels of profitability reported on a fund-by-fund basis varied widely depending on such factors as the size, type of fund and operating history. The Board further noted that, in evaluating the reasonableness of the Adviser's profits from managing any particular Fund, it would be appropriate to consider the size of the Adviser relative to other firms in the investment management industry and the impact on the Adviser's profits of the volatility of the markets in which the Fund invests and the volatility of cash flow into and out of the Fund through various market cycles. Based on its review of the foregoing information, and in light of the nature, extent and quality of the services provided by the Adviser, the Board concluded that the profits realized by the Adviser, if any, are deemed not to be excessive. In this regard, the Board also considered the extent to which the Adviser may realize economies of scale, if any, as the Fund grows and whether the Fund's fee schedule reflects any economies of scale for the benefit of shareholders. The Board concluded that, with respect to the Fund, any economies of scale being realized are currently being shared by the Adviser and the Fund, and that adding or modifying existing (if any) breakpoints would not be warranted at this time for the Fund.

Conclusion. In determining the material factors to be considered in evaluating the Advisory Agreement for the Fund and the weight to be given to such factors, the members of the Board relied upon the advice of independent legal counsel and their own business judgment. The Board did not consider any single factor as controlling in determining whether to approve the continuation of the Advisory Agreement and each member of the Board may have placed varying emphasis on particular factors considered in reaching a conclusion. Moreover, this summary description does not necessarily identify all of the factors considered or conclusions reached by the Board. Based on its consideration of the foregoing factors and conclusions, and such other factors and conclusions as it deemed relevant, the Board (comprised exclusively of Independent Trustees) concluded that the continuation of the Advisory Agreement is in the interests of shareholders and, accordingly, the Board approved the continuation of the Advisory Agreement for the Fund for an additional one-year period.

This report is intended for the Fund's shareholders. It may not be distributed to prospective investors unless it is preceded or accompanied by the Fund's prospectus, which includes more complete information. 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, which contains this and other information, call 800.826.2333 or visit vaneck.com. Please read the prospectus carefully before investing.

Additional information about the VanEck VIP Trust's (the "Trust") Board of Trustees/Officers and a description of the policies and procedures the Trust uses to determine how to vote proxies relating to portfolio securities are provided in the Statement of Additional Information. The Statement of Additional Information and information regarding how the Trust voted proxies relating to portfolio securities during the most recent twelve month period ending June 30 is available, without charge, by calling 800.826.2333, or by visiting vaneck.com, or on the Securities and Exchange Commission's website at <https://www.sec.gov>.

The Trust files its complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Trust's Form N-Qs are available on the Commission's website at <https://www.sec.gov> and may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 202.942.8090. The Fund's complete schedule of portfolio holdings is also available by calling 800.826.2333 or by visiting vaneck.com.

VanEck®

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