

# VanEck: Bitcoin is a “Screaming Buy” for 2024; Firm’s DAPP ETF Passes \$100mm in AUM as Global Assets in VanEck Crypto-Linked Funds Approach \$1 Billion

**NEW YORK, NY (December 28, 2023)** – Having already named Bitcoin one of the firm’s “[screaming buys](#)” for 2024, [VanEck](#) is today sharing a number of other key updates around its views on digital assets and the growth in its global lineup of digital asset-linked funds.

As the first ETF provider to file for a Bitcoin-related ETF back in 2017, VanEck has played a leading role in bringing relevant related exposures to the marketplace for the past several years. Globally, assets in VanEck’s crypto-linked funds are fast approaching \$1 billion and just yesterday (December 27) the firm’s [VanEck Digital Transformation ETF \(DAPP\)](#) surpassed \$100 million in AUM.

“Crypto is the hottest part of the investment market today, and a range of factors, not the least of which being potential movement on the introduction of a spot Bitcoin ETF in the U.S., has Bitcoin and the broader crypto space poised to break out in 2024,” said Jan van Eck, CEO of VanEck.

Added Matthew Sigel, Head of Digital Assets Research for VanEck: “DAPP provides an excellent window into the year that was in 2023 and an important lens through which to view the year to come. DAPP’s 2023 performance has been driven by Coinbase and Bitcoin miners. Miners are earning solid margins as mining machine prices have lagged the price of the coin. Also, many on-chain fundamentals have improved in recent weeks as Bitcoin profits are redeployed into newer projects on the Bitcoin blockchain or on other open source chains like Solana.

“Meanwhile, Coinbase, a large DAPP constituent, stands out for its market share gains, which we think are sustainable,” continued Sigel. “If we at VanEck are correct that Bitcoin will make an all-time high next year on the back of the Bitcoin halving, a more relaxed U.S. Federal Reserve, and continued crypto adoption in emerging markets, then 2024 may be another strong year for the universe of companies so well-captured by the DAPP ETF.”

Sigel and the VanEck team are prolific producers of digital assets-focused research, which [can be accessed here](#).

DAPP is but one of several crypto-related funds the firm has available in the U.S., beyond its offerings in Europe, including the [VanEck Ethereum Strategy ETF \(EFUT\)](#), a unique actively managed ETF designed to seek capital appreciation by investing in Ether (ETH) futures contracts. EFUT is the only ETF providing focused exposure to ETH futures that is structured as a C-Corp., potentially offering a more efficient tax experience for long-term investors. **EFUT does not invest in ETH or other digital assets directly.** The firm’s lineup also includes the [VanEck Bitcoin Strategy ETF \(XBTF\)](#) which, like EFUT, is also structured as a C-Corp. **XBTF does not invest in BTC or other digital assets directly.**

## MEDIA CONTACTS

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VanEck posts frequently on crypto-related news and trends on X (formerly Twitter) at [@vaneck\\_us](https://twitter.com/vaneck_us) and will continue to share updates with investors in the weeks to come as new developments arise.

## About VanEck

VanEck has a history of looking beyond the financial markets to identify trends that are likely to create impactful investment opportunities. We were one of the first U.S. asset managers to offer investors access to international markets. This set the tone for the firm's drive to identify asset classes and trends – including gold investing in 1968, emerging markets in 1993, and exchange traded funds in 2006 – that subsequently shaped the investment management industry.

Today, VanEck offers active and passive strategies with compelling exposures supported by well-designed investment processes. As of November 30, 2023, VanEck managed approximately \$84.8B in assets, including mutual funds, ETFs and institutional accounts. The firm's capabilities range from core investment opportunities to more specialized exposures to enhance portfolio diversification. Our actively managed strategies are fueled by in-depth, bottom-up research and security selection from portfolio managers with direct experience in the sectors and regions in which they invest. Investability, liquidity, diversity, and transparency are key to the experienced decision-making around market and index selection underlying VanEck's passive strategies.

Since our founding in 1955, putting our clients' interests first, in all market environments, has been at the heart of the firm's mission.

## Important Disclosures

**Digital asset prices are highly volatile and the value of digital assets can rise or fall dramatically and quickly. If their value goes down, there's no guarantee that it will rise again. As a result, there is a significant risk of loss of your entire principal investment.**

**VanEck Digital Transformation ETF (DAPP)** will not invest in digital assets (including cryptocurrencies) (i) directly or (ii) indirectly through the use of digital asset derivatives. The Fund also will not invest in initial coin offerings. Therefore the Fund is not expected to track the price movement of any digital asset.

**Investors in the Fund should be willing to accept a high degree of volatility in the price of the Fund's Shares and the possibility of significant losses. An investment in the Fund involves a substantial degree of risk. An investment in the Fund is not a deposit with a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Therefore, you should consider carefully various risks before investing in the Fund, each of which could significantly and adversely affect the value of an investment in the Fund.**

An investment in the Fund may be subject to risks which include, among others, risks related to investing in digital transformation companies, special risk considerations of investing in European issuers, equity securities, small- and medium-capitalization companies, information technology sector, financials sector, foreign securities, emerging market issuers, market, operational, index tracking, authorized participant concentration, no guarantee of active trading market, trading issues, passive management, fund shares trading, premium/discount and liquidity of fund shares, non-diversified and industry concentration risks, all of which may adversely affect the Fund. Emerging market issuers and foreign securities may be subject to securities markets, political and economic, investment and repatriation restrictions, different rules and regulations, less publicly available financial information, foreign currency and exchange rates, operational and settlement, and corporate and securities laws risks. Small- and medium-capitalization companies may be subject to elevated risks.

*The technology relating to digital assets, including blockchain, is new and developing and the risks associated with digital assets may not fully emerge until the technology is widely used. Digital asset technologies are used by companies to optimize their business practices, whether by using the technology within their business or operating business lines involved in the operation of the technology. The cryptographic keys necessary to transact a digital asset may be subject to theft, loss, or destruction, which could adversely affect a company's business or operations if it were dependent on the digital asset. There may be risks posed by the lack of*

*regulation for digital assets and any future regulatory developments could affect the viability and expansion of the use of digital assets.*

An investment in the **VanEck Ethereum Strategy ETF (EFUT)** may be subject to risks which include, but are not limited to, risks related to market and volatility, investment (in ETH futures), ETH and ETH futures, futures contract, derivatives, counterparty, investment capacity, target exposure and rebalancing, borrowing and leverage, credit, interest rate, liquidity, investing in other investment companies, management, new fund, non-diversified, operational, portfolio turnover, regulatory, repurchase agreements, tax, cash transactions, authorized participant concentration, no guarantee of active trading market, trading issues, fund shares trading, premium/discount risk and liquidity of fund shares, U.S. government securities, debt securities, municipal securities, money market funds, securitized/mortgage-backed securities, sovereign bond, ETH-related company, ETH-related concentration, and equity securities risks, all of which could significantly and adversely affect the value of an investment in the Fund.

**The value of Ethereum (ETH) and the Fund's ETH Futures holdings, could decline rapidly, including to zero. You should be prepared to lose your entire investment. The Fund does not invest in ETH or other digital assets directly.**

The further development and acceptance of the ETH network, which is part of a new and rapidly changing industry, is subject to a variety of factors that are difficult to evaluate, the slowing, stopping or reversing of the development or acceptance of the ETH network may adversely affect the price of ETH and therefore cause the Fund to suffer losses, regulatory changes or actions may alter the nature of an investment in ETH or restrict the use of ETH or the operations of the ETH network or venues on which ETH trades in a manner that adversely affects the price of ETH and, therefore, the Fund's ETH Futures. ETH generally operates without central authority (such as a bank) and is not backed by any government, ETH is not legal tender and federal, state and/or foreign governments may restrict the use and exchange of ETH, and regulation in the United States is still developing.

An investment in the **VanEck Bitcoin Strategy ETF (XBTF)** may be subject to risks which include, among others market and volatility, investment, futures contract, derivatives, investments related to bitcoin and bitcoin futures, derivatives, counterparty, investment capacity, target exposure and rebalancing, borrowing and leverage, indirect investment, credit, interest rate, illiquidity, investing in other investment companies, management, new fund, non-diversified, operational, portfolio turnover, regulatory, repurchase agreements, tax, of cash transactions, authorized participant concentration, no guarantee of active trading market, trading issues, fund shares trading, premium/discount and liquidity of fund shares, U.S. government securities, debt securities, municipal securities, money market funds, securitized/asset-backed securities, and sovereign bond risks, all of which could significantly and adversely affect the value of an investment in the Fund.

**The value of Bitcoin and the Fund's Bitcoin Futures holdings, could decline rapidly, including to zero. You should be prepared to lose your entire investment. The Fund does not invest in bitcoin or other digital assets directly.**

The further development and acceptance of the Bitcoin network, which is part of a new and rapidly changing industry, is subject to a variety of factors that are difficult to evaluate, the slowing, stopping or reversing of the development or acceptance of the Bitcoin network may adversely affect the price of bitcoin and therefore cause the Fund to suffer losses, regulatory changes or actions may alter the nature of an investment in bitcoin or restrict the use of bitcoin or the operations of the Bitcoin network or venues on which bitcoin trades in a manner that adversely affects the price of bitcoin and, therefore, the Fund's Bitcoin Futures. Bitcoin generally operates without central authority (such as a bank) and is not backed by any government, Bitcoin is not legal tender and federal, state and/or foreign governments may restrict the use and exchange of Bitcoin, and regulation in the United States is still developing.

#### **VanEck Ethereum Strategy ETF (EFUT) and VanEck Bitcoin Strategy ETF (XBTF)**

**Futures Contract Risk.** The use of futures contracts involves risks that are in addition to, and potentially greater than, the risks of investing directly in securities and other more traditional assets. The market for Bitcoin and Ethereum Futures may be less developed, and potentially less liquid and more volatile, than more established futures markets. Bitcoin and Ethereum Futures are subject to collateral requirements and daily limits that may limit the Funds' ability to achieve their target exposure. Margin requirements for Bitcoin and Ethereum Futures traded on the Chicago Mercantile Exchange ("CME") may be substantially higher than margin requirements for many other types of futures contracts. Futures contracts exhibit "futures basis," which refers to the difference between the current market value of the underlying bitcoin or ethereum (the "spot" price) and the price of the cash-settled futures contracts.

**This risk may be adversely affected by "negative roll yields" in "contango" markets.** The Funds will "roll" out of one futures contract as the expiration date approaches and into another futures contract on bitcoin or ethereum with a later expiration date. The "rolling" feature creates the potential for a significant negative effect on the Funds' performance that is independent of the performance of the spot prices of bitcoin and ethereum. A

market where futures prices are generally greater than spot prices is referred to as a "contango" market. Therefore, if the futures market for a given commodity is in contango, then the value of a futures contract on that commodity would tend to decline over time (assuming the spot price remains unchanged), because the higher futures price would fall as it converges to the lower spot price by expiration. Extended period of contango may cause significant and sustained losses.

VanEck Absolute Return Advisers Corporation is registered with the CFTC as both commodity pool operator and commodity trading advisor, and is a member of the National Futures Association. EFUT and XBTF are speculative in nature and involves a high degree of risk. An investor may lose all or substantially all of an investment in EFUT and XBTF. Commodity futures generally are volatile and these Funds may not be suitable for all investors.

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

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