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VanEck MSCI International Value ETF (ASX: VLUE)

Q1 2025 Update

VLUE

Fund summary

VanEck MSCI International Value ETF (VLUE) gives investors a diversified portfolio of 250 international developed market large- and mid-cap companies, with high value scores as calculated by MSCI at each rebalance. VLUE aims to provide investment returns before fees and other costs which track the performance of the Index.

VLUE tracks the MSCI World ex Australia Enhanced Value Top 250 Select Index. The index measures the performance of 250 international large- and mid-cap companies selected from the MSCI World ex Australia Index with high value scores relative to their peers at rebalance.

Quarterly summary

- VLUE returned 5.90% for the quarter ended 31 March 2025, outperforming the MSCI World ex Australia Index by 8.31%.
- The fund's stock selection within Information Technology (+3.08%), Financials (+2.05%) and Communication Services (+1.38%) sectors were the largest contributors to relative performance as value stocks fared strongly.

Quarter end performance as at 31 March 2025

	1 month	3 months	6 months	1 year	3 years (p.a.)	5 years (p.a.)	Since VLUe inception (p.a.)
Price Return (%)	-0.42	5.90	13.21	4.58	9.18	--	9.03
Income Return (%)	0.00	0.00	0.00	4.26	3.49	--	2.69
Total Return (%)	-0.42	5.90	13.21	8.84	12.67	--	11.72
MSCI World ex Australia Index (%)	-4.67	-2.41	9.42	12.28	14.65	15.75	14.82

Source: VanEck.

The tables above show past performance of the ETF from 8 March 2021. Index performance shown prior to 15 February 2021 ("Launch Date") is simulated based on the current Index methodology. Results are calculated to the last business day of the month and assume immediate reinvestment of distributions. ETF results are net of management fees and costs, but before brokerage fees or bid/ask spreads incurred when investors buy/sell on the ASX. Returns for periods longer than one year are annualised. Past performance is not a reliable indicator of current or future performance which may be lower or higher.

The MSCI World ex Australia Index ("MSCI World ex Aus") is shown for comparison purposes as it is the widely recognised benchmark used to measure the performance of developed market large- and mid-cap companies, weighted by market capitalisation. VLUe's index measures the performance of 250 companies selected from MSCI World ex Aus based on MSCI value scores, weighted by market cap x value score at rebalance. Consequently VLUe's index has fewer companies and different country and industry allocations than MSCI World ex Aus.

Key benefits

International companies exhibiting value characteristics:

Access a portfolio of international companies that are selected for their high value score relative to sector peers as measured by MSCI based on: (i) price to book value; (ii) price to forward earnings; and (iii) enterprise value to cash flow from operations.

Long term focus, capturing value across the market cycle:

The index is designed to capture a high level of exposure to value while minimising unintended and unwanted sector bets.

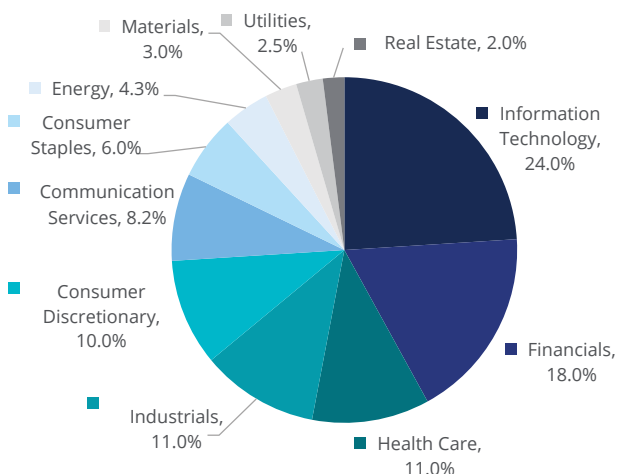
Diversified across countries, sectors and companies:

Offering investors a portfolio of 250 companies across a range of geographies, sectors and economies.

Key risks

An investment in the ETF carries risks associated with: ASX trading time differences, financial markets generally, individual company management, industry sectors, foreign currency, country or sector concentration, political, regulatory and tax risks, fund operations and tracking an index. See the [PDS](#) for details.

Sector breakdown



Source: VanEck, as at 31 March 2025.

Fundamentals

Constituents (#)	245
Return on equity (%)	11.12
Price/Earnings (x)	11.71
Dividend yield (%)	3.59
Price/Book (x)	1.16
Price/Sales (x)	0.73

Source: VanEck, as at 31 March 2025.

VanEck MSCI International Value ETF: Top and bottom performers

Top contributors	Active weight (%)	Contribution to relative performance (%)	Sector	Commentary
NVIDIA Corporation	-4.51	0.86	Information Technology	Shares in NVIDIA fell almost 20% for the quarter, and not holding the chip maker in VLUE was the largest contributor to relative performance due to its large weighting in the broad based benchmark. The decline was driven largely by broad market consensus and uncertainty around tariffs and global escalating trade tensions. Due to its reliance on global supply chains, investors have been cautious of the impact of tariffs on the semiconductor industry.
Tesla Inc	-1.40	0.59	Consumer Discretionary	The first quarter of 2025 saw Tesla stock fall over 35% after the EV maker reported significant reductions in sales across Europe and China. The company also experienced a large reduction in the number of cars produced relative to the previous year. The announcement of new tariffs by the U.S. Government has also raised concerns from investors on the impacts this may have to Tesla's supply chain.
Apple Inc	-5.07	0.54	Information Technology	Not holding shares in Apple was also a large contributor to VLUE's relative outperformance for the quarter as investors sold off shares due to uncertainty around the implications tariffs would have on the company's supply chains.
Bottom performers	Active weight (%)	Contribution to relative performance (%)	Sector	Commentary
Hewlett Packard Enterprise Co.	0.94	-0.27	Information Technology	Hewlett Packard Enterprise provides IT infrastructure, software and services to businesses. The company's shares fell nearly 30% for the quarter after delays and inefficiencies in deliverables contributed to an earnings miss and revenue downgrade.
Toyota Motor Corp.	1.80	-0.18	Consumer Discretionary	Shares in Japanese car manufacturer, Toyota suffered losses in the first quarter as the market reacted to tariff announcements from the U.S. Government in late March. Tariffs threaten to increase costs for international automakers leading to reduced competitiveness against domestic manufacturers.
Berkshire Hathaway Inc. Class B	-0.92	-0.18	Financials	Berkshire Hathaway stock rose during the quarter by 17% after reporting a positive earnings surprise. Investors were also drawn to the company's sizeable cash reserves as a defensive investment strategy amid market volatility. Due to the company's strong performance, not holding the position in VLUE was a large detractor to relative performance.

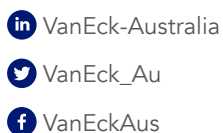
Source: VanEck, as at 31 March 2025.

Outlook

- There has been a rotation to Value companies recently, as growth companies have been considered too expensive.
- Manufacturing activity may stall as companies look to reposition supply chains to navigate tariffs. This could result in an economic slowdown or contraction. However, this has been a direct result of US policy, and the economic fundamentals could still favour undervalued investments. When looking to deploy capital in this environment it's likely that an undervalued company would be favourable to growth company.
- There are evident global risks heading into the next quarter, but those companies that have solid fundamentals and are undervalued relative to peers could outperform.

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