



Media Contacts

Erin Walker
Head of Communications
ewalker@vaneck.com
+61 2 8038 3319
+61 434 244 138

Brad Livingstone-Foggo
Head of Marketing
bfoggo@vaneck.com
+61 2 8038 3321
+61 422 794 035

VanEck's Morningstar Wide Moat ETF receives 'Recommended' rating

Sydney, 06 March 2017 – VanEck today announced that Lonsec has upgraded its rating to 'Recommended' for VanEck's Morningstar Wide Moat ETF (ASX code: MOAT). The rating confirms that Lonsec has strong conviction that the ETF can generate risk-adjusted returns in line with relevant objectives.

Launched on the ASX in June 2015, MOAT tracks the Morningstar® Wide Moat Focus Index™ (MOAT Index), which gives investors exposure to at least 40 attractively priced US stocks that Morningstar considers to have wide 'economic moats'™. These companies have been identified by Morningstar as having sustainable competitive advantages and high barriers to entry and should be more likely to benefit from consistent earnings for 20+ years.

Arian Neiron, Managing Director VanEck Australia, said: "We are delighted that MOAT has received a 'Recommended' rating from Lonsec. MOAT is a smart beta ETF which offers a compelling investment strategy for Australian investors seeking quality and value exposure to the US equity market.

"US equities are performing well this year, however President Trump's foreign and domestic policies and other significant geopolitical and economic events are contributing to market uncertainty. It is important for investors to consider US companies with strong competitive advantages which can sustain significant market volatility," Mr Neiron said.

Heather Brilliant, CFA, Chief Executive Officer, Morningstar Australasia, said, "Lonsec's rating provides a great endorsement of our Wide Moat Focus Index, one of our family of transparent, rules-based benchmarks. These indexes are constructed based on independent, fundamental equity research undertaken by our large, experienced global team, which identifies undervalued, high-quality businesses. There are only 200 to 250 companies globally to which we assign a wide moat rating, which demonstrates the quality exposure the index provides," she said.

Lonsec confirmed that "the Fund is considered to provide a reasonably low cost exposure to US stocks exhibiting 'value' and 'quality' factors."

The report outlines that "Morningstar's 'quality' assessment is based around determining a company's sustainable competitive advantage, or 'economic moat'. An economic moat is a structural feature that allows a company to sustain excess returns over a long period of time. Morningstar believes that without a moat, a company's profits are more susceptible to competition... wide moat companies are likely to sustain excess returns beyond 20 years. The belief is that the longer a company generates economic profits, the higher its intrinsic value."

"Given the Fund's benchmark unaware, 'core' investment style and sector concentration, Lonsec believes it may make it suitable for use as a focused 'growth asset' exposure in a balanced portfolio," the report said.

MOAT's Index returned 23.02% in the twelve months ending 28 February 2017, outperforming the S&P 500 Index by 6.92%¹. The MOAT Index outperformed the S&P 500 Index over one, three, five and ten years.

VanEck manages over 75 Exchange Traded Products (ETPs), which marks the firm as one of the largest ETP providers worldwide in 2016, the report confirmed.

General information only

The Lonsec Rating (assigned February 2017) presented in this document is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445. The Rating is limited to "General Advice" (as defined in the Corporations Act 2001 (Cth)) and based solely on consideration of the investment merits of the financial product(s). Past performance information is for illustrative purposes only and is not indicative of future performance. It is not a recommendation to purchase, sell or hold VanEck product(s), and you should seek independent financial advice before investing in this product(s). The Rating is subject to change without notice and Lonsec assumes no obligation to update the relevant document(s) following publication. Lonsec receives a fee from VanEck for researching the product(s) using comprehensive and objective criteria.

For further information regarding Lonsec's Ratings methodology, please refer to Lonsec's website at:

<http://www.beyond.lonsec.com.au/intelligence/lonsec-ratings>

Issued by VanEck Investments Limited ABN 22 146 596 116 AFSL 416755 ('VanEck'). VanEck is a wholly owned subsidiary of Van Eck Associates Corporation based in New York, United States. VanEck Vectors ETF Trust ARBN 604 339 808 (the 'Trust') is the issuer of shares in the VanEck Vectors Morningstar Wide Moat ETF ('US Fund'). The Trust and the US Fund are regulated by US laws which differ from Australian laws. Trading in the US Fund's shares on ASX will be settled by CHES Depositary Interests ('CDIs') which are also issued by the Trust. The Trust is organised in the State of Delaware, US. Liability of investors is limited. VanEck Associates serves as the investment adviser to the US Fund. VanEck, on behalf of the Trust, is the authorised intermediary for the offering of CDIs over the US Fund's shares and issuer in respect of the CDIs and corresponding Fund's shares traded on ASX.

This is general information only and not financial advice. It does not take into account any person's individual objectives, financial situation or needs. Investing in international markets has specific risks that are in addition to the typical risks associated with investing in the Australian market. These include currency/foreign exchange fluctuations, ASX trading time differences and changes in foreign regulatory and tax regulations. Before making an investment decision in relation to the US Fund you should read the PDS and with the assistance of a financial adviser consider if it is appropriate for your circumstances. The PDS is available at www.vaneck.com.au or by calling 1300 68 38 37.

Past performance is not a reliable indicator of future performance. No member of the VanEck group of companies or the Trust gives any guarantee or assurance as to the repayment of capital, the payment of income, the performance or any particular rate of return from the US Fund.

The Morningstar® Wide Moat Focus Index™ was created and is maintained by Morningstar, Inc. Morningstar, Inc. does not sponsor, endorse, issue, sell, or promote the US Fund and bears no liability with respect to the US Fund or any security. Morningstar® and Morningstar® Wide Moat Focus Index™ are trademarks of Morningstar, Inc. and have been licensed for use by VanEck.

About VanEck

Founded in 1955, VanEck was among the first asset managers helping investors achieve greater diversification through global investing. Today we are recognised for being a pioneer in global markets and for drawing on our experience to offer innovative solutions. We offer these solutions to individual investors and institutions, including endowments, foundations, pension plans and private banks.

VanEck is one of the world's largest exchange traded product issuers. In Australia our range of ETFs offer investors intelligently designed investment strategies that take advantage of targeted market opportunities.

With offices in key financial centres and regions including New York, Sydney, Shanghai, Frankfurt, Madrid and Zurich, VanEck offers investors broad investment reach with deep experience.

Further information about VanEck is available at vaneck.com.au

###