February 2024

EMERGING MARKETS BOND

Back on the Map: The Time for EM Bonds

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The Time for EM bonds

I. Global Rates Context
- EM hiked early and large with rates at the end of a global hiking cycle

II. Fiscal and Monetary Policy Favor EM over DM
- Low debt allows high real interest rates
- Strong central banks are buying emerging market local-currency bonds

III. EM Bonds and Fund Positioning

IV. Curated Country Selection

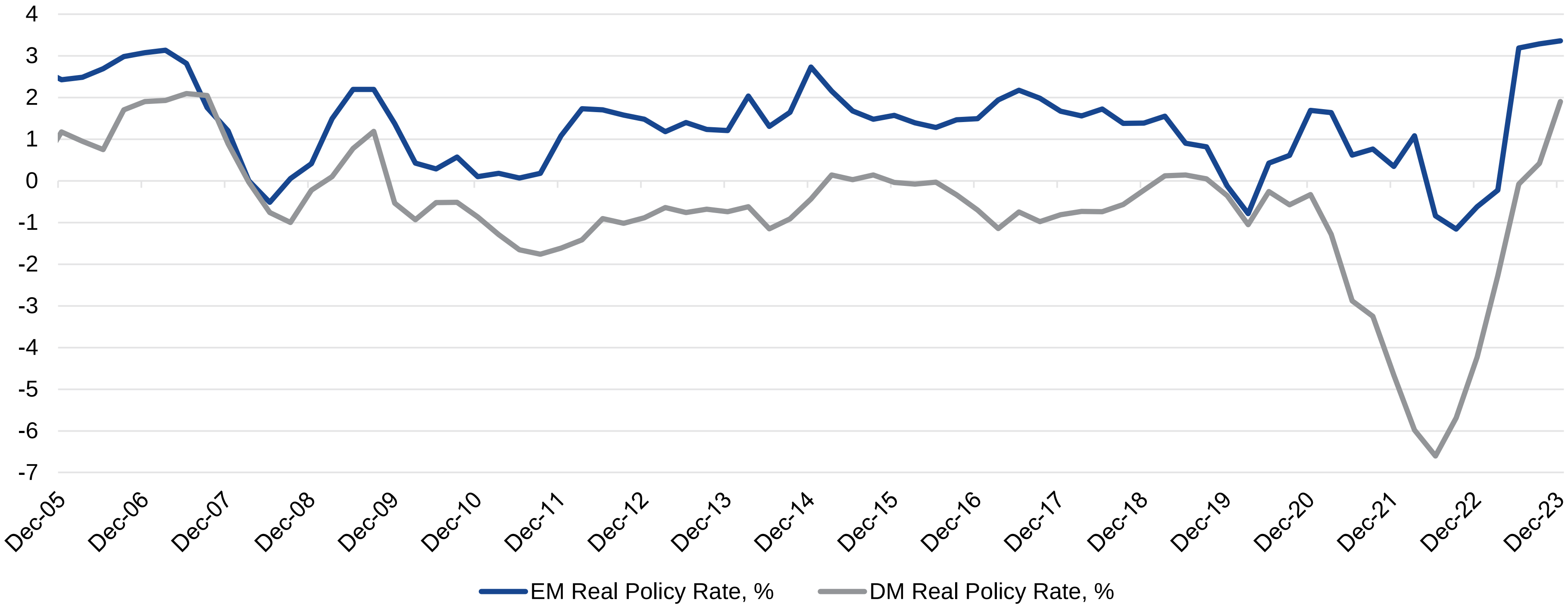
V. Appendix

I. Global Rates Context – Bullish for EM

EM Central Banks Hiked Early and Large

- The current global tightening cycle is unusual in the sense that it was led by emerging markets, which started hiking much earlier and larger than the Fed in order to address rising inflation pressures
- Real policy rates in emerging markets (EM) have been much higher than those in developed markets (DM), for decades

Real Policy Rates (adjusted by trailing CPI) in EM and DM, %

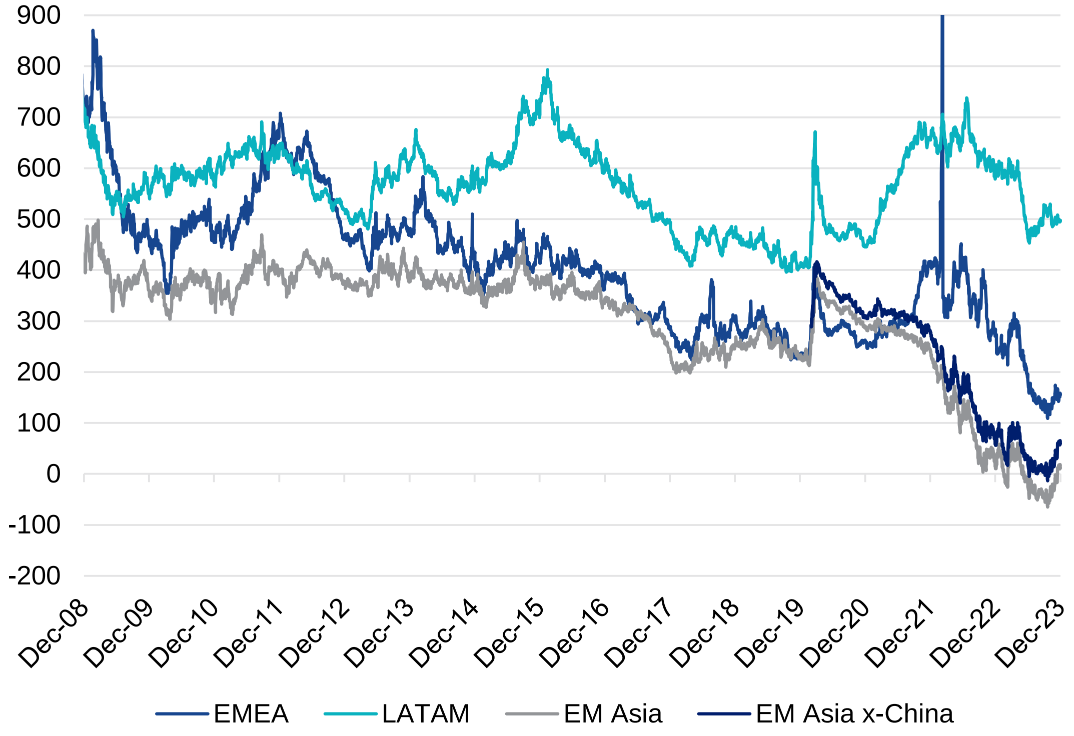


Source: VanEck Research; Bloomberg LP. Data as of December 31, 2023. Past performance is not indicative of future results.

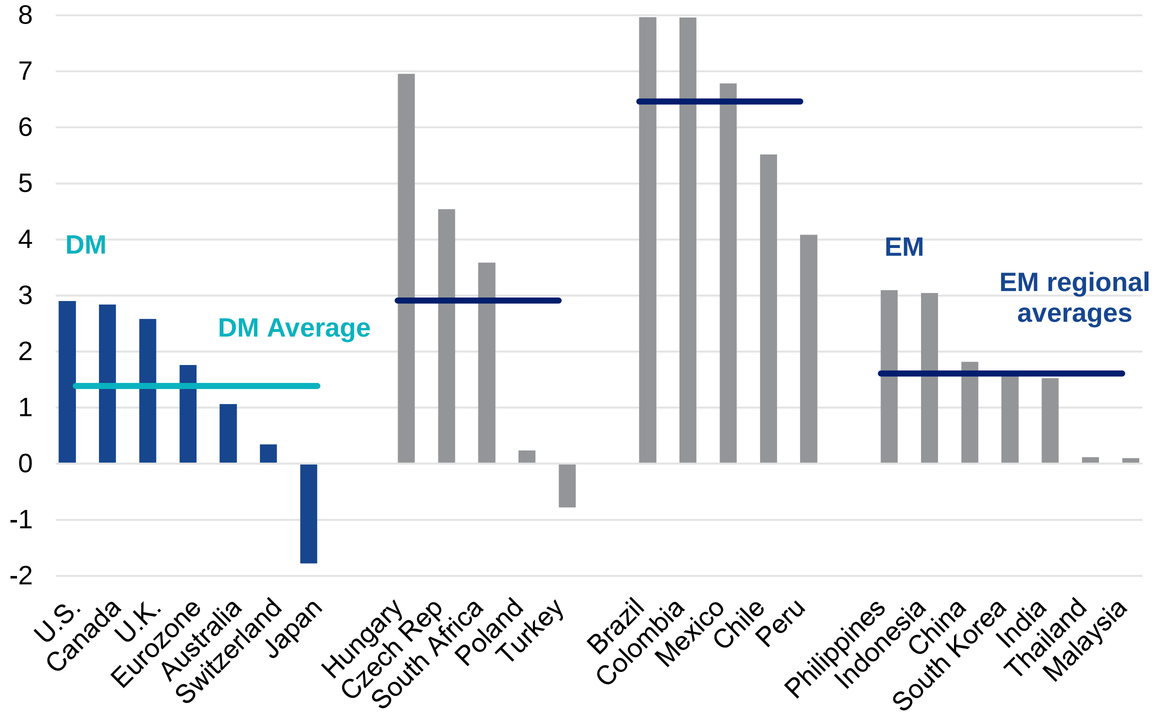
EM Asia Central Banks Are Most Respected

- EM Asia market interest rates are now flat to US rates
- EM Asia is home to the best of EM fundamentals (and EM fundamentals are already superior to DM's)
- The market is rewarding Asia's decades of fiscal and monetary policy rectitude

EM Regions - GBI-EM/5Y UST Yield Differentials, bps



Real Policy Rates in EM and DM



Source: VanEck Research; Bloomberg LP. Data as of December 31, 2023. Past performance is not indicative of future results. GBI-EM is represented by the J.P. Morgan GBI-EM Global Diversified Index; EMEA represented by J.P. Morgan GBI-EM Global Diversified Europe Index; Latam represented by J.P. Morgan GBI-EM Global Diversified Latin America Index; EM Asia represented by J.P. Morgan GBI-EM Global Diversified Asia Index; EM Asia x-China represented by J.P. Morgan GBI-EM Global Diversified Asia ex-China Index. Index performance is not representative of fund performance. It is not possible to invest directly in an index. Past performance does not guarantee future results.

EM's R-Star is Declining, DM's is…?

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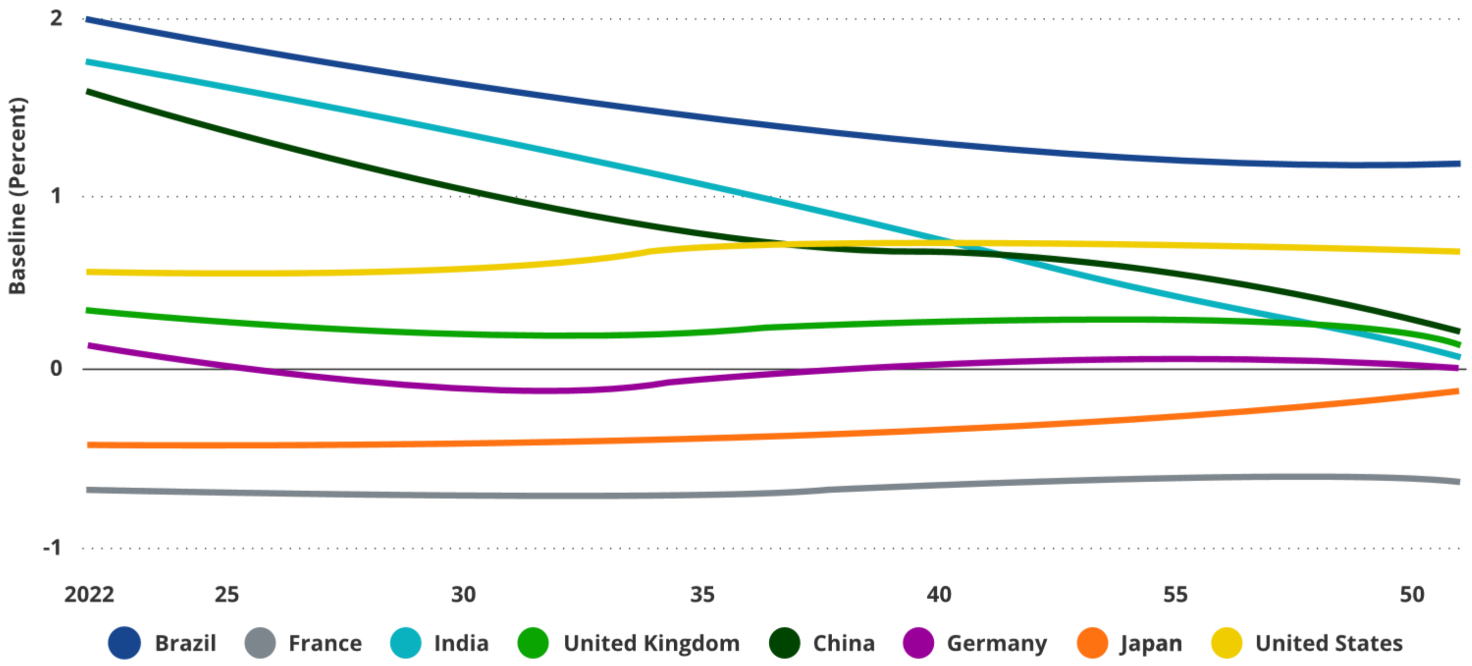
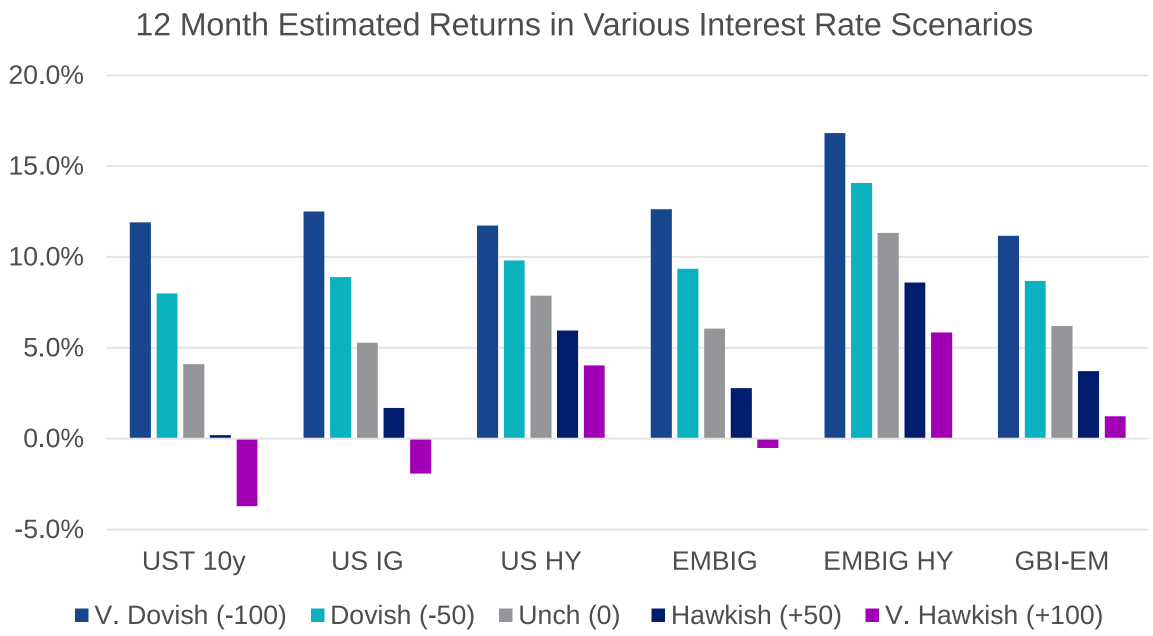
- EM's declining inflation is a secular trend, while DM risks "stagflation"
- EM Asia market interest rates are now flat to US rates.
- EM Asia is home to the best of EM fundamentals (which are already superior to DM's)
- The market is rewarding Asia's decades of fiscal and monetary policy rectitude.
- A "stagflation" scenario would underline, not reverse, these trends



Source: International Monetary Fund. Data as of December 2023. Past performance is not indicative of future results.

Bond Return Scenarios

- EM Bonds have strong upside/downside across interest rate scenarios
- EM bonds generate highest carry, cushioning potential interest rate rises
- EM bonds driven by diverse growth drivers and benefits from commodities, while DM bonds driven almost purely by US recession risk



Source: VanEck Research; Bloomberg LP. Data as of February 2024. UST 10YR (CT10 Govt) is defined as Current United States 10 Year Government Note. US IG (LUACTRUU) is defined as U.S. Corporate Investment Grade Index. The Bloomberg US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issues by US and non-US industrial, utility and financial issuers. US HY (LHVLSTAT) is defined as US High Yield Index. A component of the US Corporate High Yield Index that is deigned to track a more liquid component of the USD-denominated high yield, fixed-rate corporate bond market. The US High Yield VLI uses the same eligibility criteria as the US Corporate High Yield Index, but includes only bonds that have a minimum amount outstanding of USD500M and less than five years from issue date. EMBIG (JPGCGDCY) is defined as J.P. Morgan EMBI Global Diversified Current Yield. GBI-EM (JGENVHYG) is defined as J.P. Morgan GBI-EM Global Diversified Composite Yield to Maturity. Past performance is not indicative of future results. Please see important disclosures and definitions at the end of the presentation. Please see hypothetical performance disclosures at the end of the presentation.

I. Fiscal and Monetary Policy Favors EM over DM

Deficit Financing Means Competition for Global Savings

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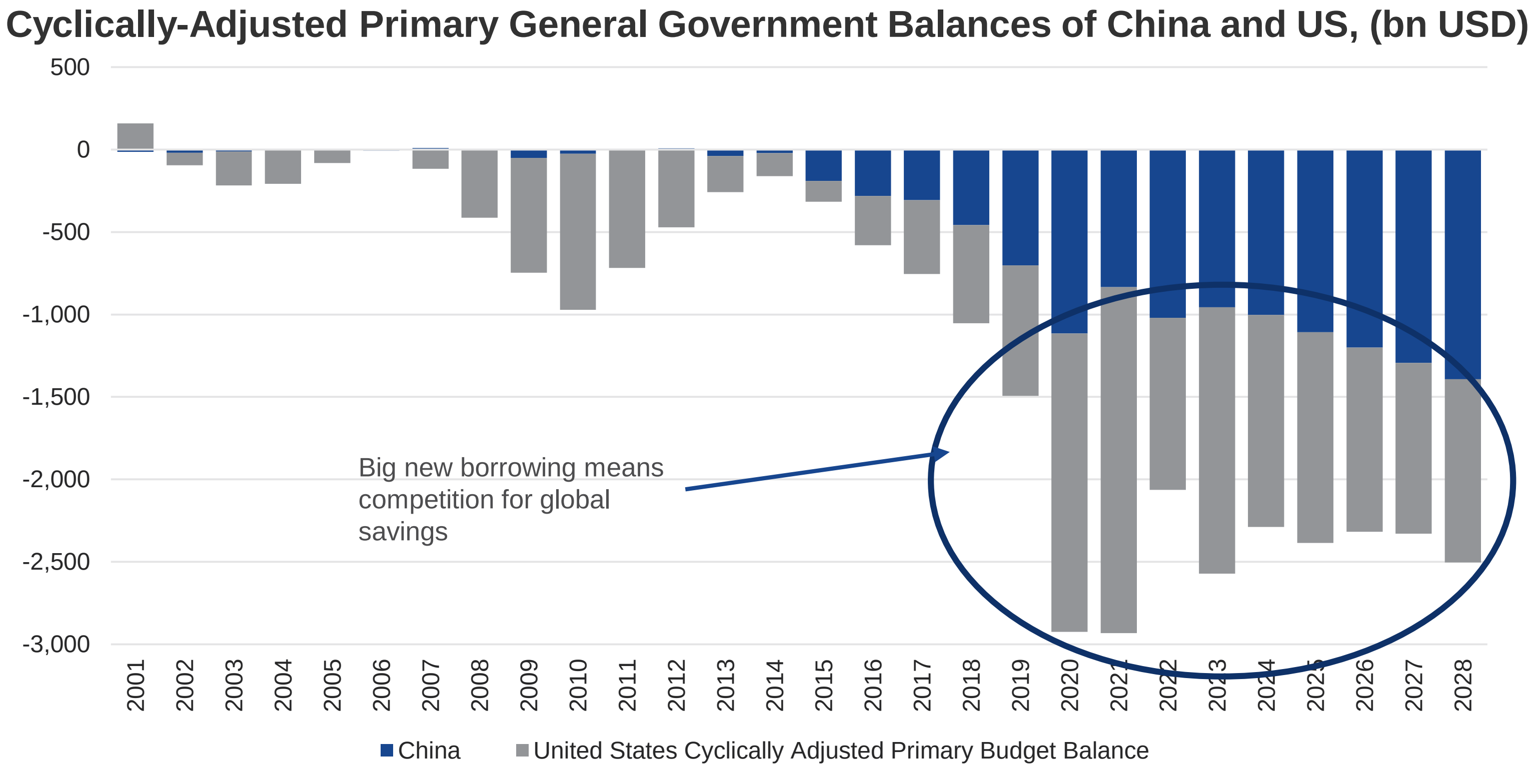
- As real yields rise to attract new price sensitive buyers, it reduces the pool of savings available to other borrowers and increases the risk of financial accidents.
- The US and the IMF want to incentivize the private sector to finance an ambitious global transition to green energy with the financing requirement being up to 50% of domestic GDP.
- China and the US's deficits combine to 2.5% of world GDP! China is one of the few countries that can afford to finance its green transition with its own savings.
- China has low government debt, though, and is allowing private debt to default, greatly enhancing its policy credibility

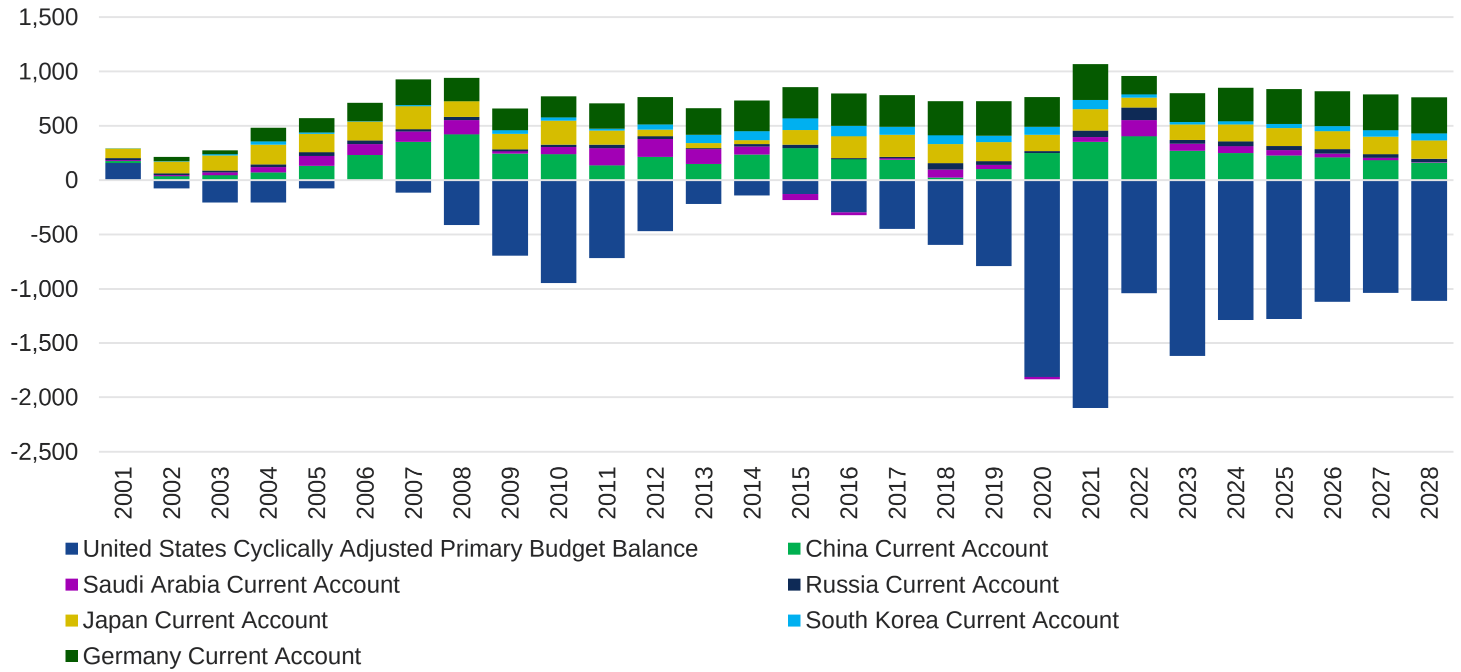


Source: VanEck Research; International Monetary Fund; Bloomberg LP; October 2023. Not intended as a prediction of future results. For illustrative purposes only.

Deficit Financing Means Competition for Global Savings

- Global savings are needed to finance increased US borrowing, but price sensitive private sector savings are not being properly compensated to increase their holdings.
- Large current account surplus countries such as China, Russia and Saudi Arabia are no longer interested in financing US borrowing. By sanctioning Russian holdings of US reserve assets, it sent the message that US treasuries were no longer a safe investment for central banks that were not in the US friend zone.
- China realized the mistake it made in hoarding US dollar reserves to protect for a financial crisis and instead is switching to holding strategic resources such as commodities as reserves instead for national security interests. Without price insensitive central bank buyers, more of the burden falls on private sector lenders, both domestic and foreign, who are highly price sensitive buyers.

US Cyclically-Adjusted Primary General Government Balance and Selected Current Account Surpluses (bn USD)



Source: VanEck Research; International Monetary Fund; Bloomberg LP; October 2023. Not intended as a prediction of future results. For illustrative purposes only.

US Treasury Supply Constrains Attractiveness of Duration

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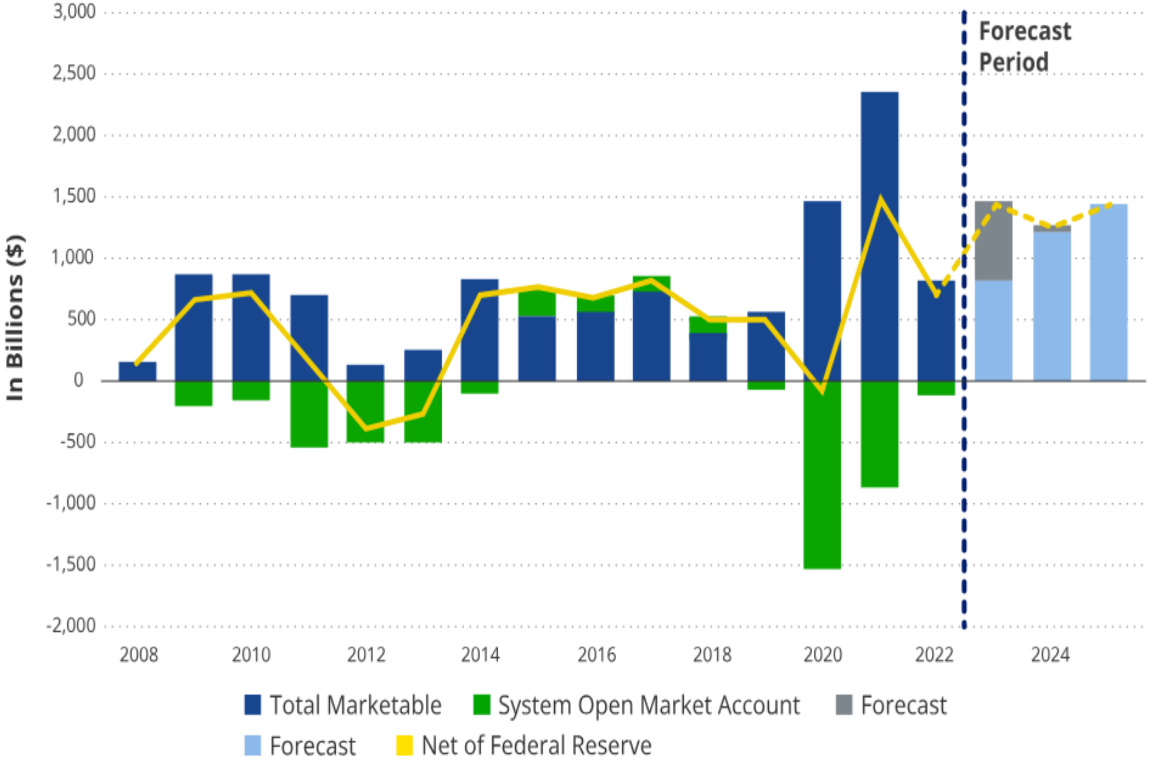
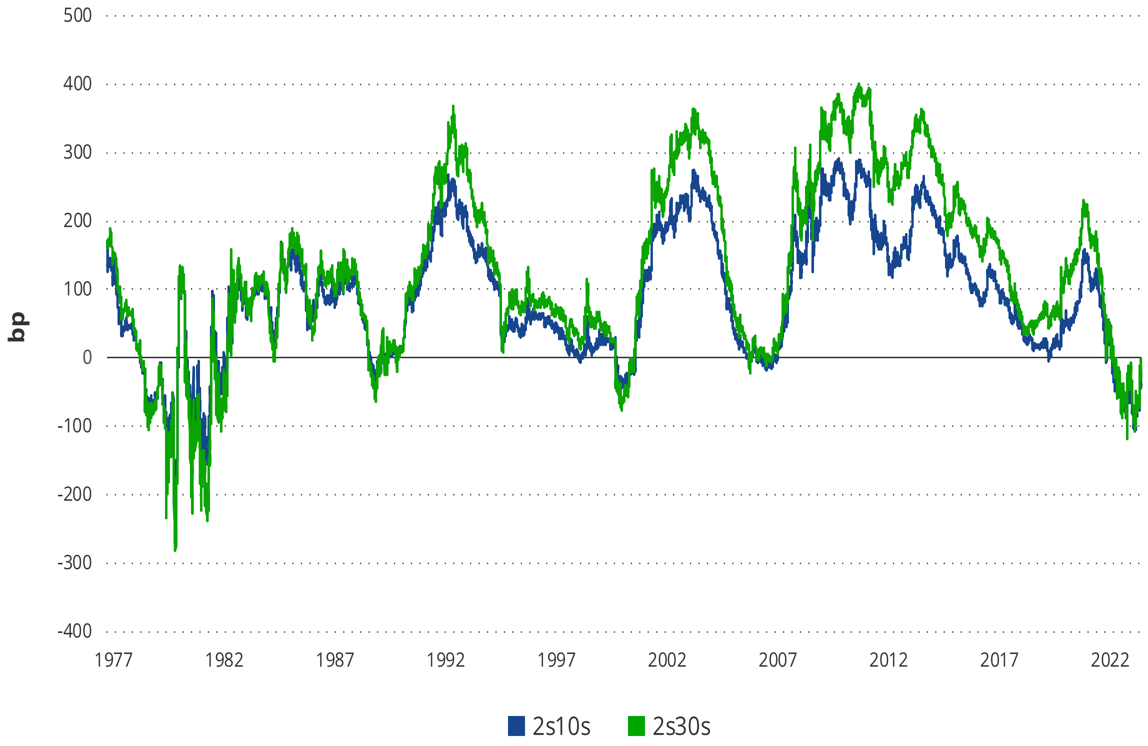
- US Treasury borrowing competes for global savings
- Raises global borrowing costs
- Has adverse long-term implications for duration
- US curve does not have steepness

Net US Treasury Duration Supply

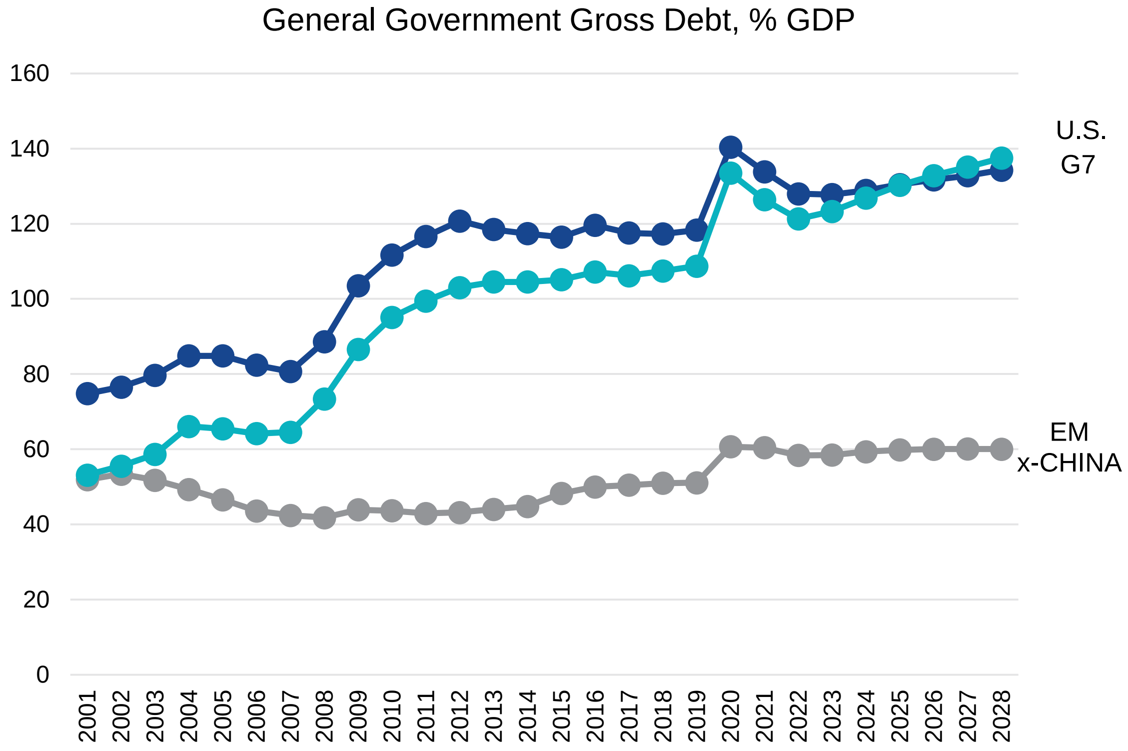


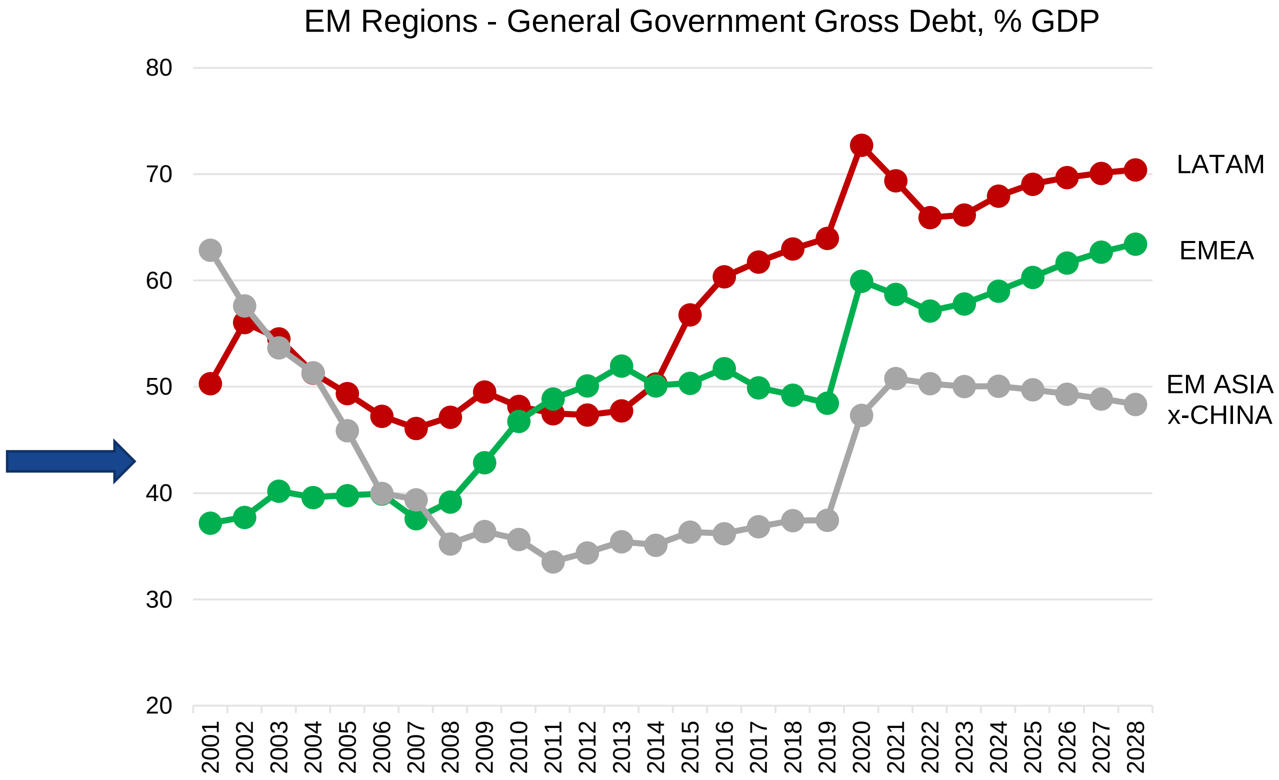


Source: International Monetary Fund; October 2023. Not intended as a prediction of future results. For illustrative purposes only.

EMs Have Low Debt (and DMs Have High and Persistent Debt)

- EM debt levels remain below DM, and Asian debt levels are lowest within EM
- This has very specific and supportive implications for bonds
- Adjusted for central bank reserves in USD, many EMs are net creditors in USD

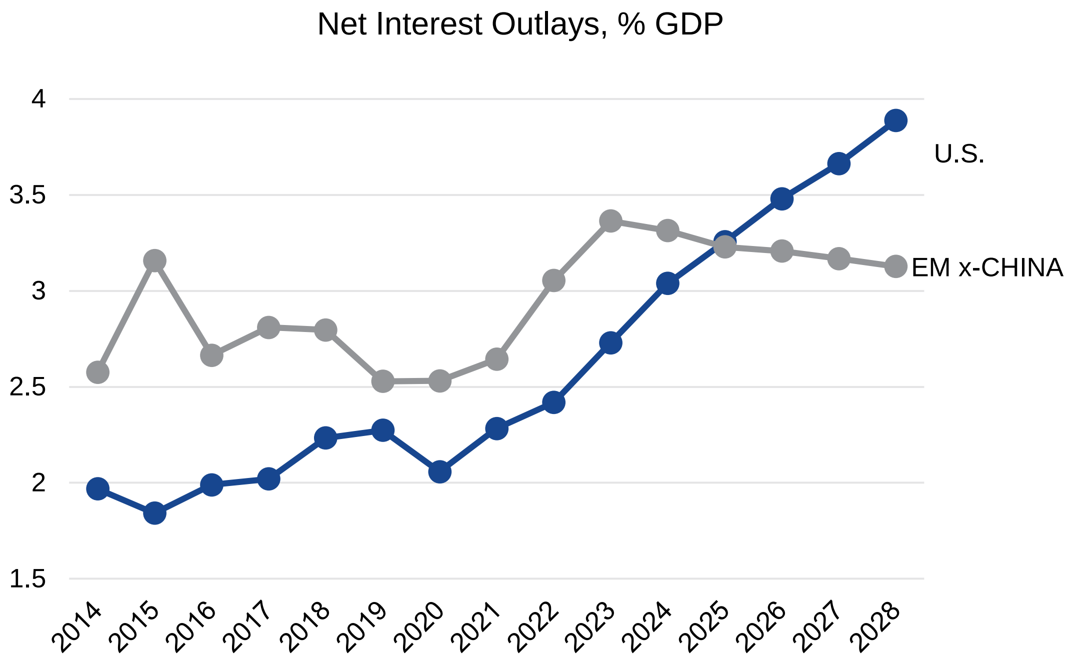


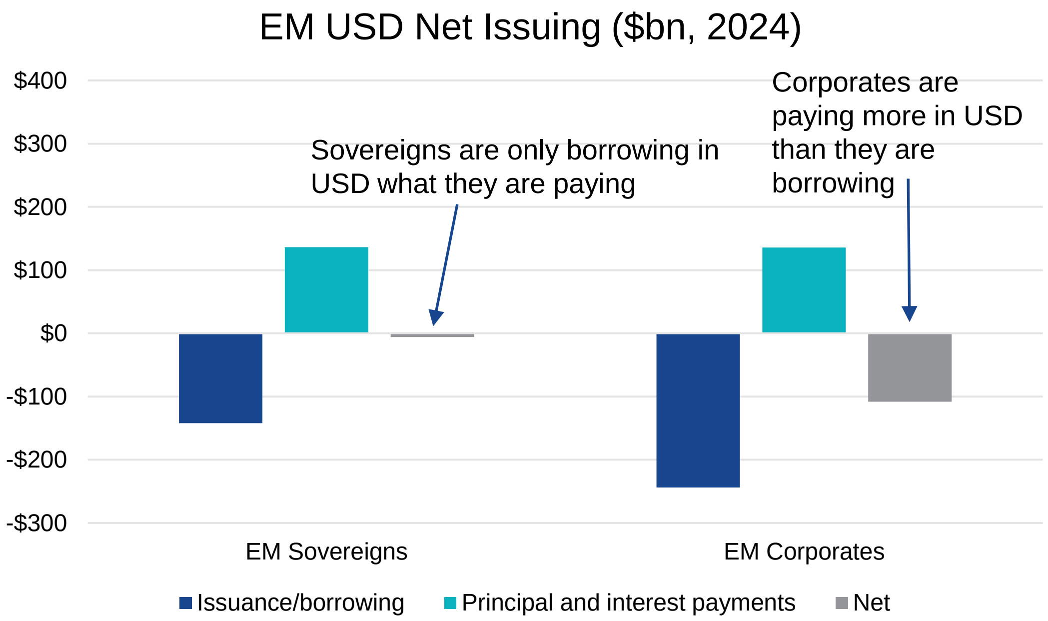


Source: VanEck Research; International Monetary Fund; Bloomberg LP. Data as of December 2023. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

EM Bond Technicals Strong vs. US/DM

- Popular media regularly put lens on DM debt sustainability (with interest expense a common lens); it's a "thing"
- EM sovereigns are paying more than they are borrowing in USD
- EM corporates are net borrowing a lot, but this is the same as DM corporates



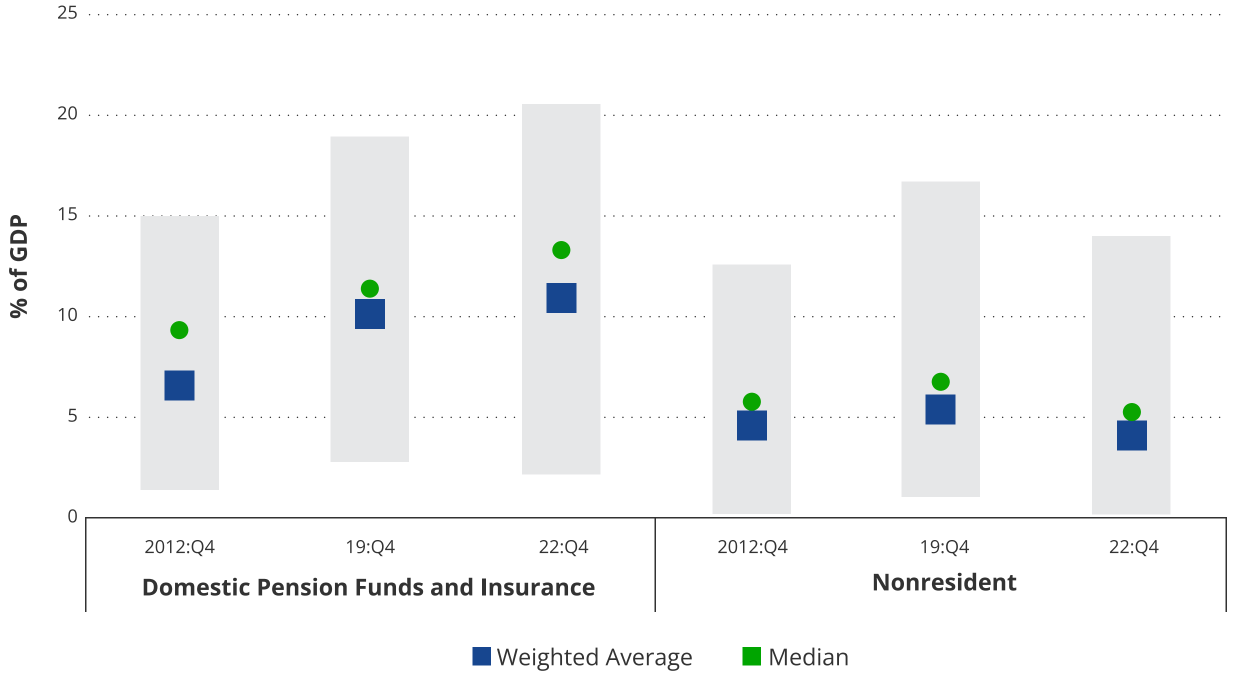


Source: VanEck Research; International Monetary Fund; Bloomberg LP. Data as of January 2024. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

DM Bond Technicals Weak vs. US/DM

- Against this concerning backdrop, the resilience of emerging market economies shone though. There was an abundance of praise for emerging market policy making across all geographies. Most EM central banks hiked interest rates early to levels high enough to begin the disinflation process before inflation expectations could deteriorate.
- For the most part they have consolidated fiscal policy after the COVID era extraordinary spending. Since EM economies have not been able to rely consistently on portfolio flows post 2013's taper tantrum, domestic institutions have filled the space to channel domestic savings to fund government borrowings.
- By doing so, it has greatly reduced the volatility and sensitivity of government bond yields to US bond yields.

Local Currency Government Bond Ownership for the Eight Largest Emerging Market Economies, by Institutions



Source: International Monetary Fund; October 2023.

EM Bonds Boosted Performance, DM Bonds Undermined Performance

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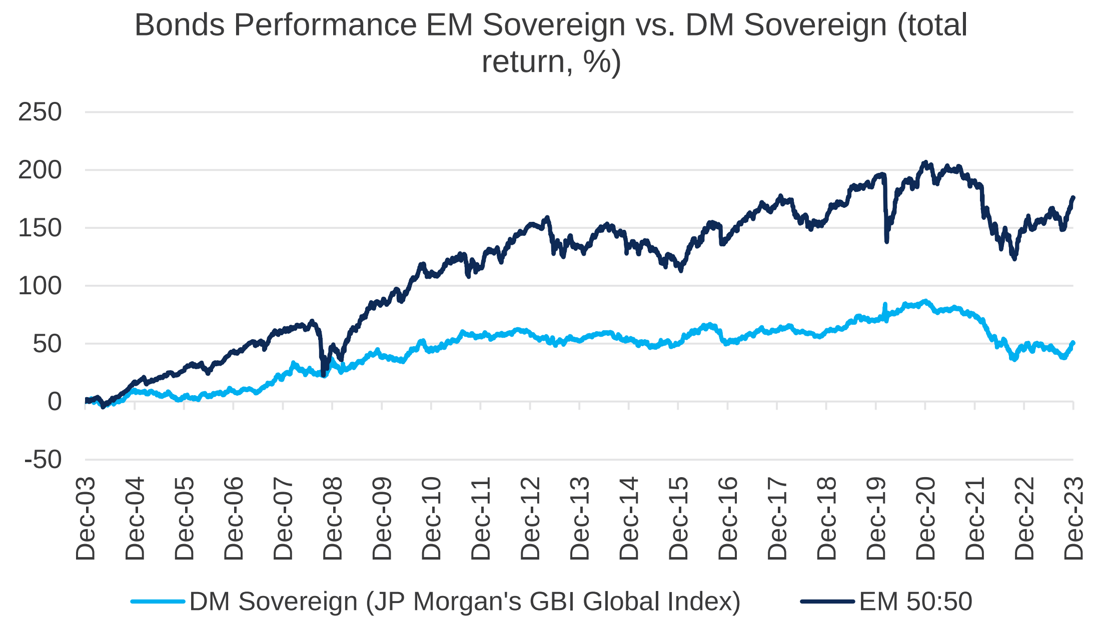
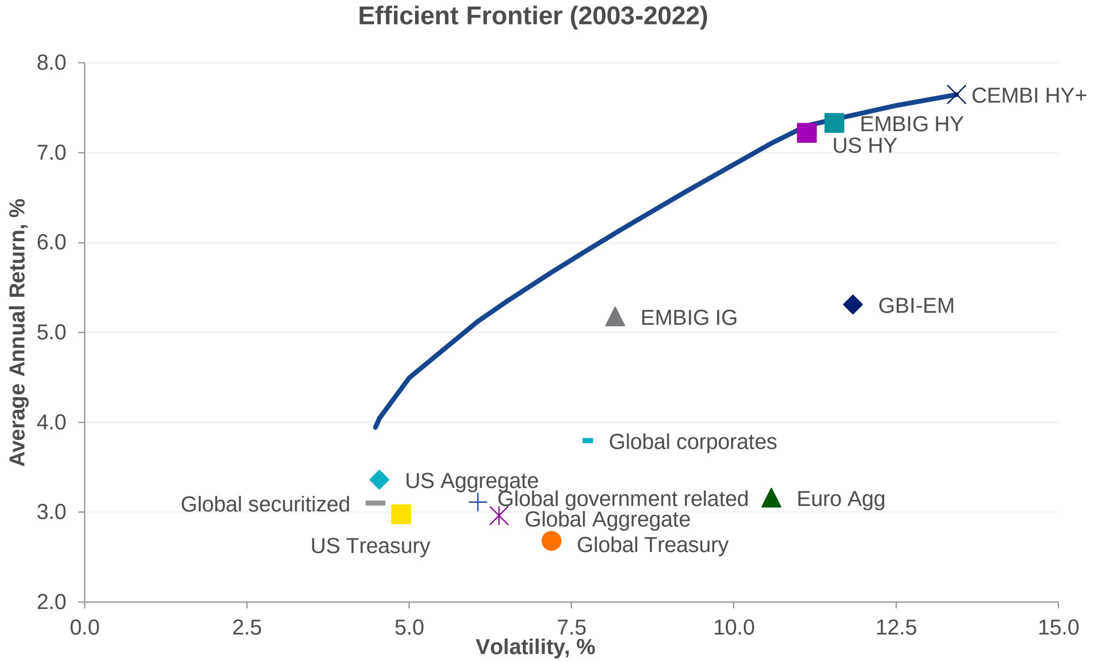
- EM bonds are the alpha space in global sovereign bonds
- On multiple trailing bases, including a 20-year, EM bonds (defined as the local sovereign and hard-currency sovereign benchmarks, EMBIG and GBIEM) outperformed DM sovereign bonds (defined as the G-7 sovereign benchmark)
- The "efficient frontier" optimizes 20 years of return/volatility to calculate optimal ex-post allocations, concluding that they are much higher allocations than most have (see our white paper on the topic)





Source: VanEck Research; Bloomberg LP. Data as of December 31, 2023 (left) and December 2022 (right). Past performance is not a guarantee of future results. GBI-EM is represented by the J.P. Morgan Global Diversified Index; EMBIG HY is represented by the J.P. Morgan EMBI Global Diversified Investment Grade Index; CEMBI HY+ is represented by the J.P. Morgan CEMBI High Yield Index; Global Aggregate is represented by the Bloomberg Global Aggregate Bond Index; Global Treasury is represented by Bloomberg Global Treasury Index; Global government related is represented by Bloomberg Global Aggregate Government Related Index; Global corporates represented by Bloomberg Global Aggregate Corporate Index; Global securitized represented by Bloomberg Global Aggregate - Securitized Index; US Aggregate represented by Bloomberg US Aggregate Bond Index; US HY represented by Bloomberg US Corporate High Yield Bond Index; Euro Agg represented by Bloomberg Euro-Aggregate Index; US Treasury represented by Bloomberg US Treasury Index; CEMBI IG+ represented by J.P. Morgan CEMBI Investment Grade Index; EMBIG IG represented by J.P. Morgan EMBI Global Diversified Investment Grade Index; EM FI represented by an equally weighted blend of the J.P. Morgan GBI-EM Global Diversified Index, the J.P. Morgan EMBI Global Diversified Index and J.P. Morgan CEMBI Broad Diversified Index; EM HCD is represented by 50% J.P. Morgan EMBI Global Diversified Index and 50% CEMBI Broad Diversified Index. Index performance is not representative of fund performance. It is not possible to invest directly in an index. Please see important index descriptions at the end of this presentation.

Fiscal and Geopolitics Favor EM, Disfavor DM

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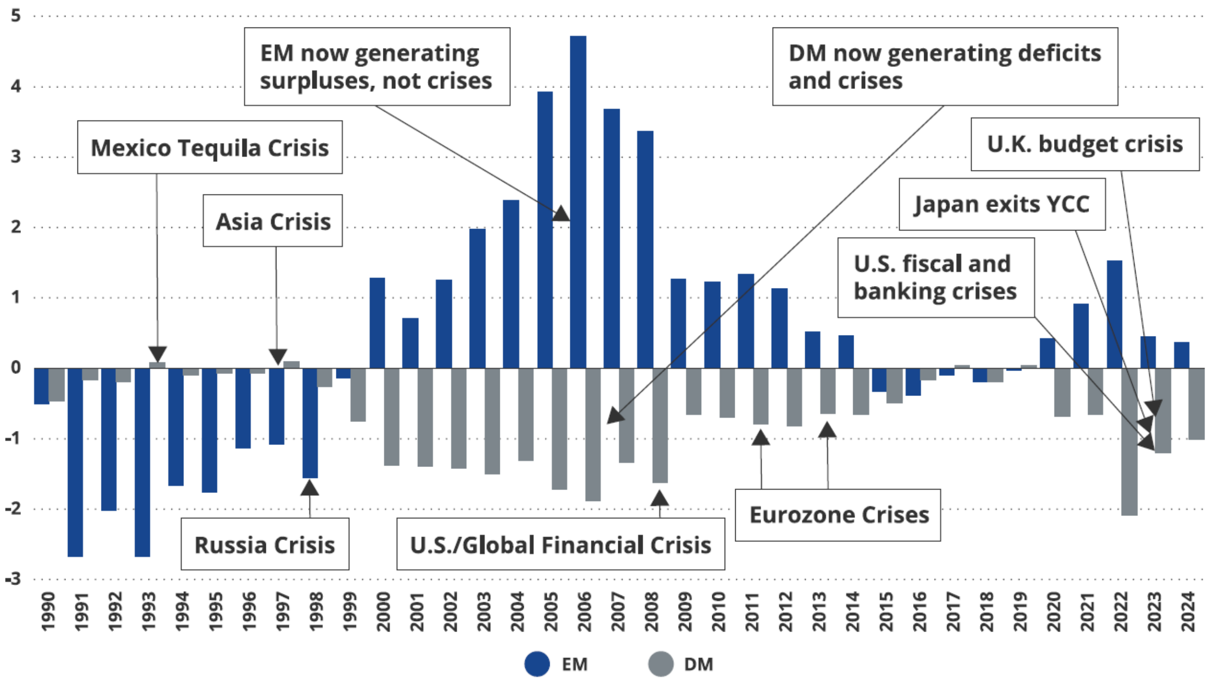
- EM has been stable for decades, but is viewed as risky due to its bad fiscal and monetary policy that ended in the late 1990s
- This has very specific and supportive implications for bonds
- Adjusted for central bank reserves in USD, many EMs are net creditors in USD

EM and DM Current Account Balances, % GDP



Foreign Exchange Holdings in U.S. Dollars, % of allocated reserves

Source: VanEck Research; Bloomberg LP. Data as of December 31, 2023. Past performance is not indicative of future results.

I. EM Bonds and Fund Positioning

EM Hard Currency Bonds

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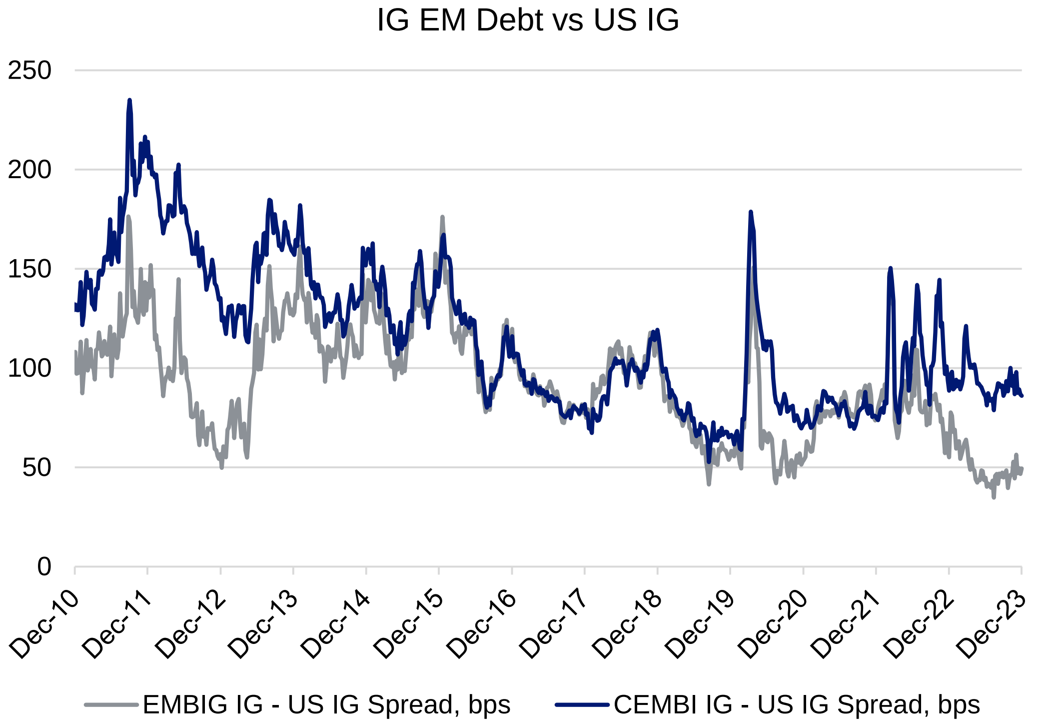
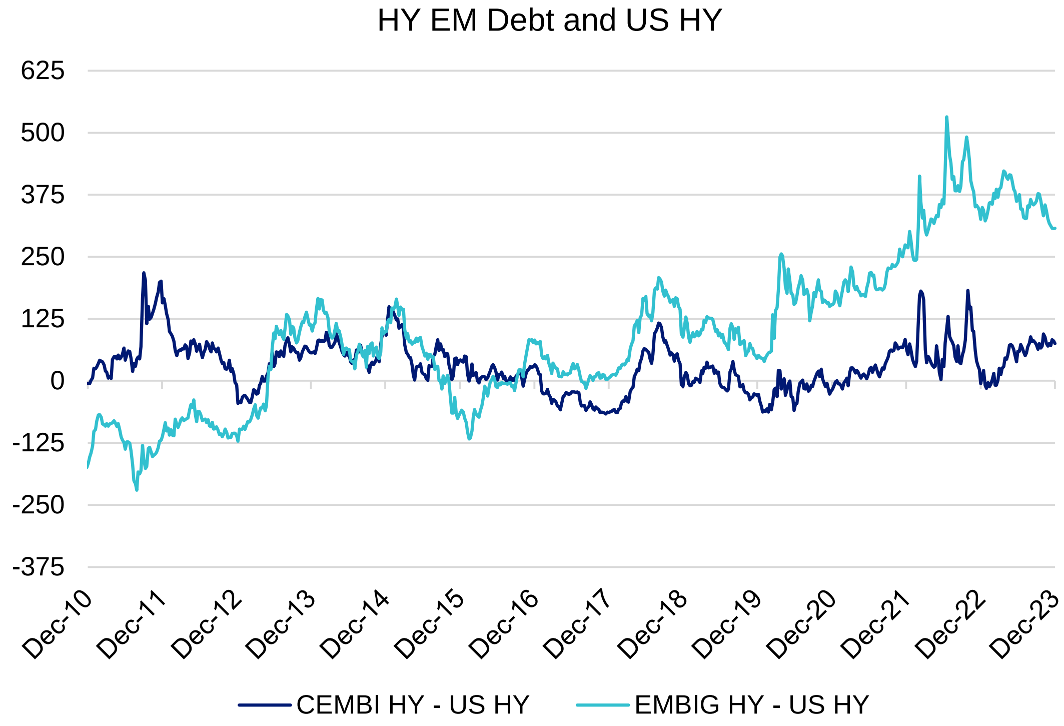
- EM IG Sovereigns have rallied to become treasury proxy trades
- EM HY Sovereign remains cheap and less correlated
- But, within all categories (IG/HY, sovereign/corporate) EM provides a ratings-adjusted spread pickup over DM





Source: VanEck Research; Bloomberg LP. Data as of December 31, 2023. EMBIG IG is represented by the J.P. Morgan EMBI Global Diversified Investment Grade Index; US IG is represented by the J.P. Morgan Global Aggregate IG North America Index; CEMBI IG is represented by the J.P. Morgan CEMBI Diversified High Grade Index; CEMBI HY is represented by the J.P. Morgan CEMBI Diversified High Yield Index; US HY is represented by the J.P. Morgan Global Aggregate HY North America Index; EMBIG HY is represented by the J.P. Morgan EMBI Global Diversified High Yield Index. Index performance is not representative of fund performance. It is not possible to invest directly in an index. Past performance does not guarantee future results.

EM Local Currency Bonds

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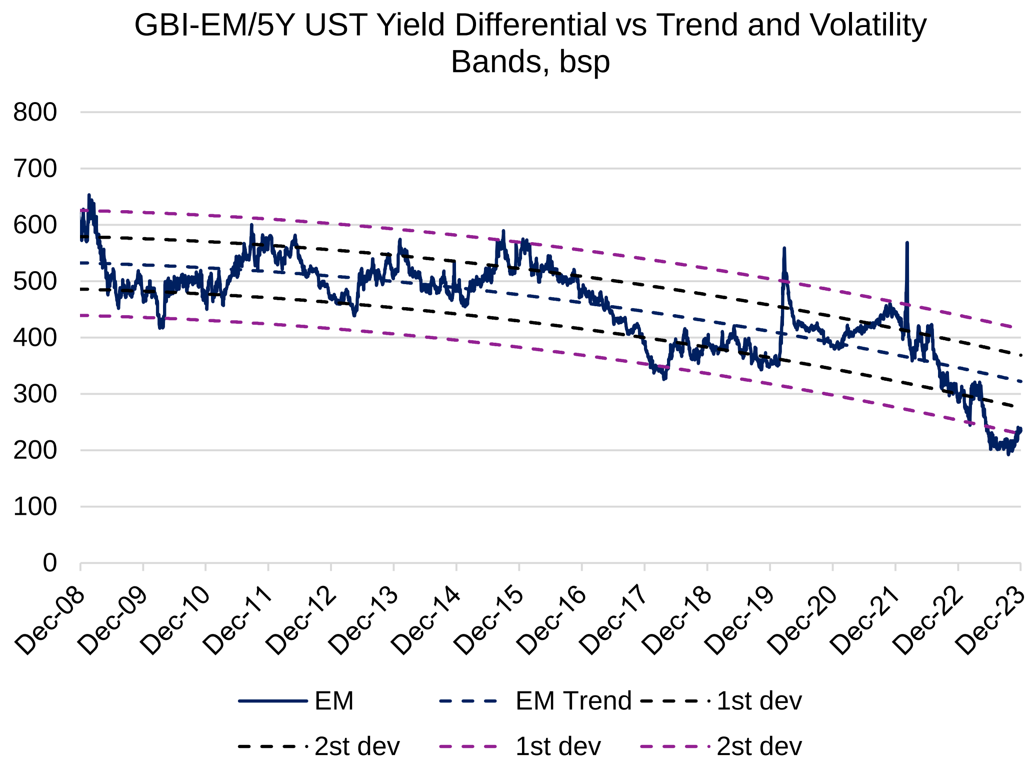
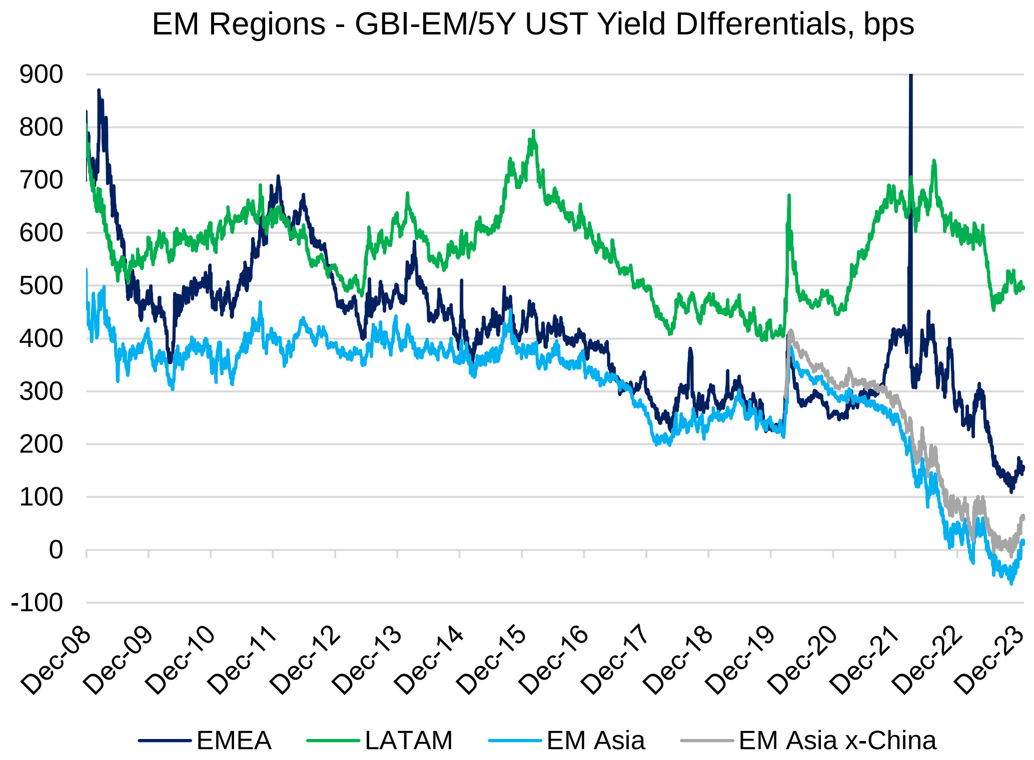
- EM local currency rallied to the point that its yield differential with US Treasury yield is now at record lows
- By region, though, this was led by well—deserving, "graduating" Asia, while Latam has not "caught up"





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US Rates, China, Commodities

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- Curation fits fundamental and market landscape
- EM Debt is not a monolith and is filled with alpha – sails for many winds

US Rate Risk

- Low/no long-duration IG in USD
- Attracted to EM HY sovereigns
- OK with duration in selected local with steep curves

China Up/Down Risks

- Selected China corporates where doom is most priced and policy is activated
- Commodity-exporting Latam and Asia (Brazil, Peru, Colombia, Ecuador, Chile, Dom. Rep., Indonesia, Malaysia, Philippines)
- Commodity-exporting Latam local-currency (Brazil, Peru, Colombia, Uruguay, Dom Rep)

Commodity Stability/Supply Risk

- Selected commodity corporates (Indonesia, Nigeria) in USD
- Selective commodity sovereigns (Sub-Saharan African hard currency sovereigns (HY) in USD
- Mexico quasi-sovereign (Pemex) in USD

Caution in some large benchmark weights

- South Africa – extremely cautious in local currency
- Mexico – cautious in local currency
- Limited long-duration IG in hard currency

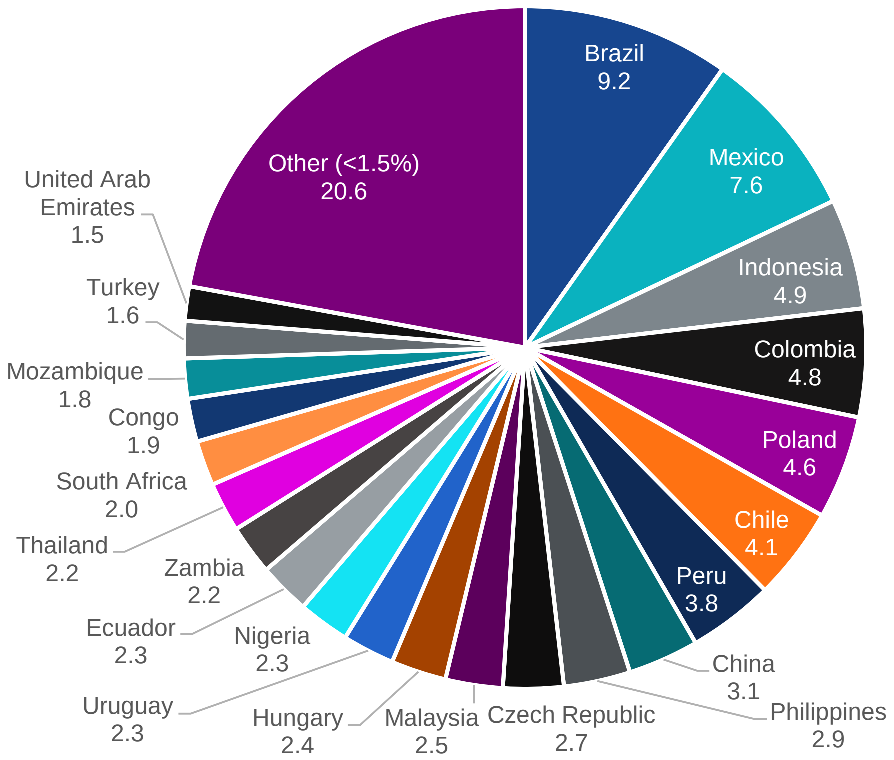
Source: VanEck Research. Data as of February 2024.

Carry and Diversification

As of 2/29/2024:

- Carry = 7.0%
- YTW = 8.7%
- Effective duration = 5.5
- Local currency exposure = 50.5%

Country Exposures



Composite Rating	% of Net Assets
AAA	1.0
AA	4.8
A	7.5
BBB	23.5
BB	20.1
B	10.6
CCC	5.0
CC	2.3
C	-
NR	19.3
Other	-
Cash	5.9

Source: VanEck. Data as of February 29, 2024. Based on the VanEck Emerging Markets Bond Fund portfolio. Past performance does not guarantee future results.

Fund Over/Under Performance 2023, by country

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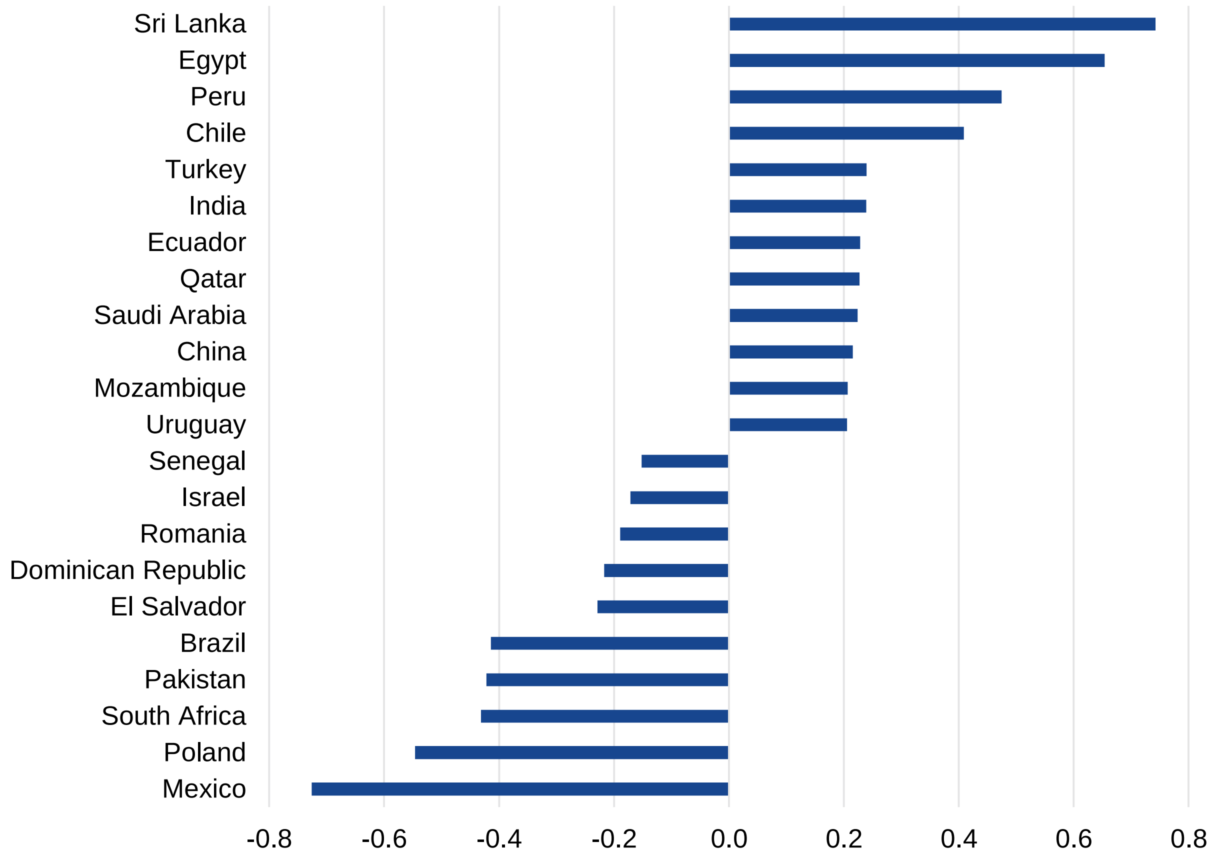
- **Sri Lanka was a big contributor**
  - Fund overweight to hard-currency has been the primary contributor
  - Overweight to local-currency also contributed
- **Egypt a winner**
  - Fund had no exposure to local currency and gained tactical exposure to dollar-denominated bonds
- **China a winner**
  - Fund had no exposure to China, but found opportunities after the collapse, as the Fund did in 2022
- **Peru an outperformer**
  - Strong economic policy and fundamentals won out over noisy headlines
- **Poland, Mexico, South Africa underperformers**
  - Big index names with high correlations were avoided

Top/Bottom Contributors to Return Difference from Benchmark (%)



Source: VanEck as of December 31, 2023.
Based on the VanEck Emerging Markets Bond Fund portfolio. Index is represented by the Fund's benchmark, 50% J.P. Morgan EMBI Global Diversified Index / 50% J.P. Morgan GBI-EM Global Diversified Index. Index performance is not representative of fund performance. It is not possible to invest directly in an index. Past performance does not guarantee future results.

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Average Annual Total Returns

Month end as February 29, 2023	1 MO*	3 MO*	YTD	1 YR	3 YR	5 YR	LIFE
USD R1 Inc (Inception 12/06/14)	0.16	2.97	-0.84	7.92	-0.42	2.18	0.16
USD I1 Inc (Inception 20/08/13)	0.20	3.10	-0.75	8.47	0.17	2.93	0.20
USD I2 Inc (Inception 20/08/13)	0.21	3.12	-0.74	8.58	0.27	3.02	0.21
USD M Inc (Inception 18/09/14)[1]	0.16	2.98	-0.83	7.98	-0.23	2.59	0.16
EUR Hedged I1 Inc (Inception 6/10/15)	0.06	2.64	-1.02	6.19	-1.84	0.67	0.06
EUR Hedged I2 Inc (Inception 22/08/17)	0.07	2.67	-0.98	6.31	-1.71	0.78	0.07
50% GBI-EM/50% EMBI - USD[2]	0.20	2.86	-1.07	9.72	-2.45	0.28	1.39
Global Bond Index	-1.26	1.43	-2.62	3.10	-5.52	-1.03	0.11

*Periods less than one year are not annualized.
[1]Investment through authorized financial institutions only.
[2]Life performance for the benchmarks is presented in USD as of Class R1 inception date of 12/06/2014.
Global Bond Index is represented by Bloomberg Global Aggregate Index is a flagship measure of global investment grade debt from a multitude local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging market issuers.

Source: VanEck. Data as of February 29, 2023.

For illustrative purposes only. Historical information is not indicative of future results; current data may differ from data quoted. Each index listed is unmanaged and the returns include the reinvestment of all dividends, but do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment in any fund. An index's performance is not illustrative of any fund's performance. You cannot invest in an index. Index descriptions are shown in the Appendix – supplemental information section.

Past performance of the sub-fund is no guarantee for future performance. Any performance presented herein is for illustrative purposes only. Historical information is not indicative of future results; current data may differ from data quoted. Performance information does not take into account the commissions and costs incurred on the issue and redemption of units. Performance information is presented net of fees, but gross of tax liabilities. Please call 800.826.2333 or visit vaneck.com for performance current to the most recent month ended.

Fund Performance

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Fund details

Inception date	20 August 2013
Legal structure	ICAV – UCITS Compliant
Registered in the following countries	Austria, Finland, Denmark, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Sweden, Switzerland, U.K.
Investment manager (by delegation of the management company)	VanEck Asset Management B.V.
Management company	VanEck Investments Limited
Central administration (by delegation of the management company), custodian and depositary	State Street Bank Ireland
Global distributor (by delegation of the management company)	VanEck (Europe) GmbH
Auditor	KPMG

Investment terms	Share Class USD R1 Inc
▪ Total Expense Ratio (TER)	1.20%
▪ Subscription Fee	Up to 5.00%
▪ Liquidity	Daily
▪ Subscription & redemption deadline	13:00 IST on (T)
▪ Subscription payment date	Before 8 am IST on the Dealing Day
▪ Redemption payment date	Within 3 Business Days following the relevant Dealing Day
▪ Redemption penalties	None
▪ Minimum investment	$100
▪ Reference currency	US$

Code	Share Class USD R1 Inc
▪ ISIN	IE00BYXQSJ74
▪ Valoren	36845145
▪ Wkn	A2DLGV
▪ Lipper	68428121
▪ Bloomberg ticker	VAEMBR1 ID

VanEck–Emerging Markets Bond UCITS

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Fund details

Investment terms	Share class USD I1 Inc	Share class USD I2 Inc	Share class USD M Inc[1]	Share class EUR Hedged I1 Inc
▪ Total Expense Ratio (TER)	0.70%	0.60%	0.90%	0.76%
▪ Subscription Fee	None	None	None	None
▪ Liquidity	Daily	Daily	Daily	Daily
▪ Subscription & redemption deadline	13:00 IST on (T)	13:00 IST on (T)	13:00 IST on (T)	13:00 IST on (T)
▪ Subscription payment date	Within 2 business days following the relevant dealing day	Within 2 business days following the relevant dealing day	Within 2 business days following the relevant dealing day	Within 2 business days following the relevant dealing day
▪ Redemption payment date	Within 3 business days following the relevant dealing day	Within 3 business days following the relevant dealing day	Within 3 business days following the relevant dealing day	Within 3 business days following the relevant dealing day
▪ Redemption penalties	None	None	None	None
▪ Minimum investment	$1.000.000	$20.000.000	$100.000	€1.000.000
▪ Reference currency	US$	US$	US$	EUR
Code	Share class USD I1 Inc	Share class USD I2 Inc	Share class USD M Inc	Share class EUR hedged I1 Inc
▪ ISIN	IE00BYXQSF37	IE00BYXQSG44	IE00BYXQSH50	IE00BYXQSD13
▪ Valoren	36845151	36845156	36845158	36845162
▪ Wkn	A2DLGS	A2DLGT	A2DLGU	A2DLGR
▪ Lipper	68428118	68428119	68428120	68428117
▪ Bloomberg ticker	VAUMUI1 ID	VAUMUI2 ID	VAUEMMI ID	VAEMI1H ID

V. Curated country selection

Turkey – policy U-turn is for real

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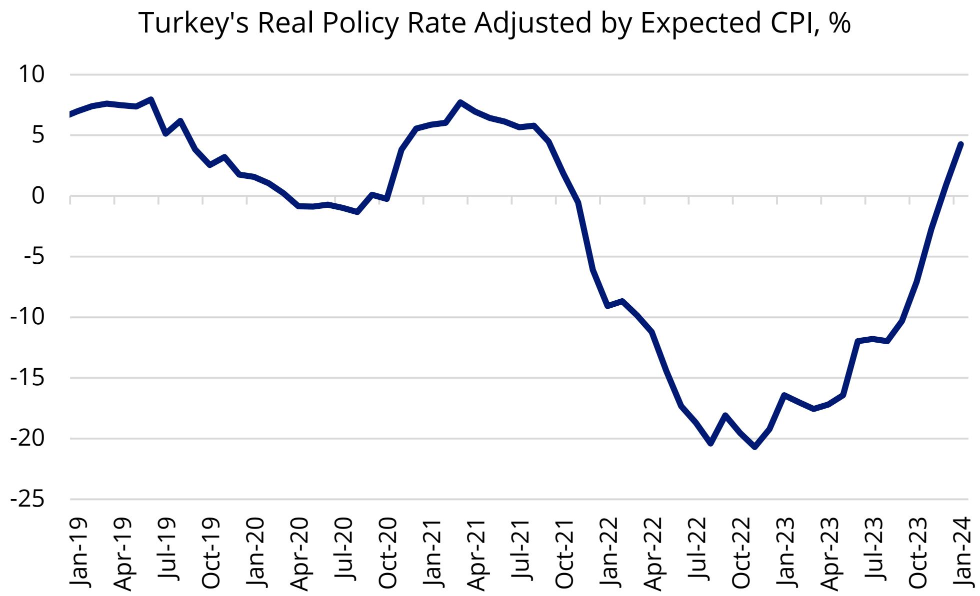
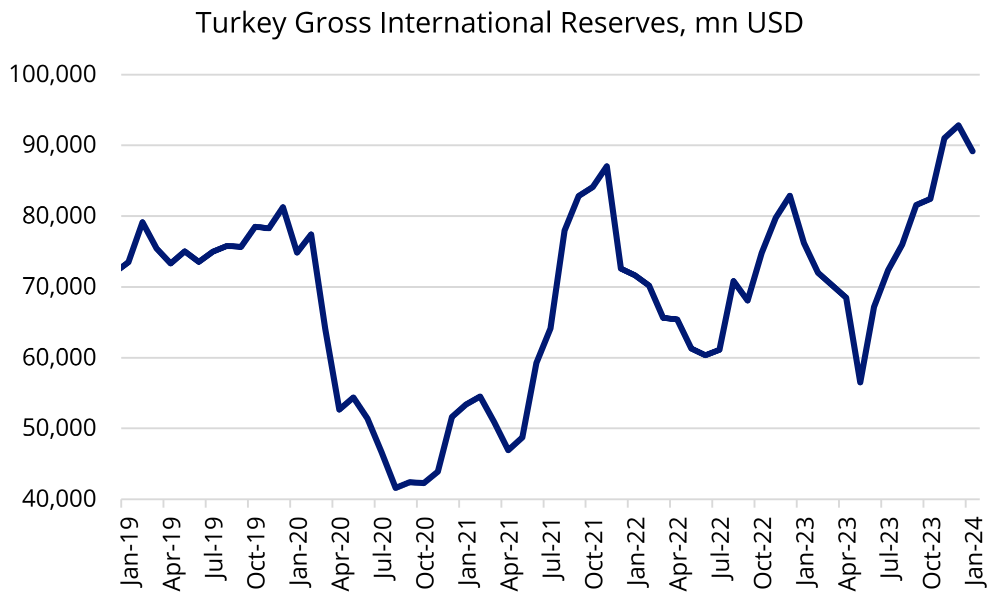
- The new cabinet made a compelling case that Turkey has credibly changed policy course by reducing the fiscal deficit, reducing the quantity of subsidized credit and tightening standards, allowing an exchange rate depreciation to restore competitiveness, begin rebuilding reserves and hike interest rates to levels restrictive enough bring inflation lower.
- Top officials made it clear that they have a mandate to hike interest rates to levels where monetary policy would be restrictive.
- But it’s largely over, with inflation now priced and the currency potentially vulnerable. Even inflation-linkers are unattractive.



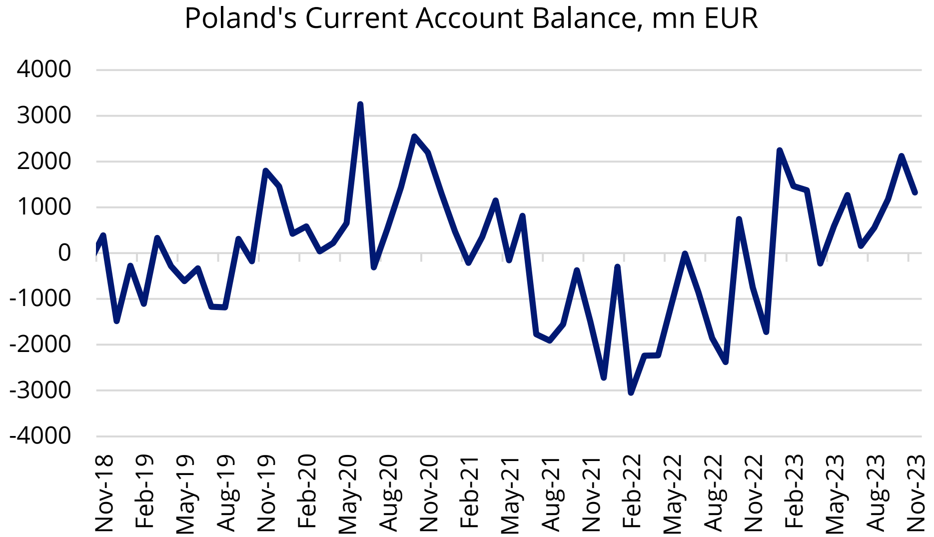


Source: VanEck Research; Bloomberg LP. Data as of January 2024. Past performance does not guarantee future results.

Certain statements contained herein may constitute projections, forecasts and other forward looking statements, which do not reflect actual results.

Poland – important political change

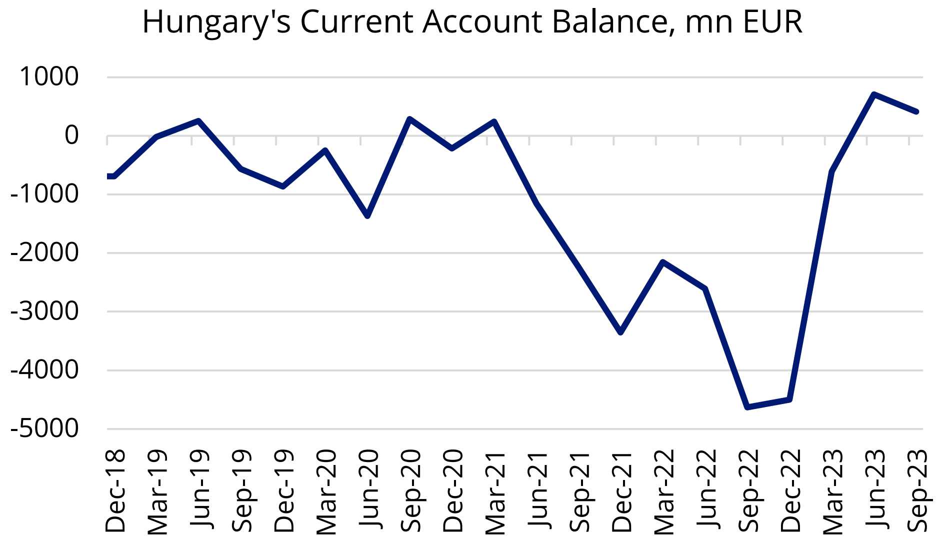
- The opposition's win in the general elections opens the way for the normalization of relations with the EU, including the disbursement of EU funds
- The new cabinet should also be expected to improve Poland's fiscal trajectory, which worsened in the past two years
- Poland's current account adjustment and successful disinflation provide supportive backdrop for local exposure
- Poland's central bank is hawkish (for bad political reasons, but hawkish nonetheless)

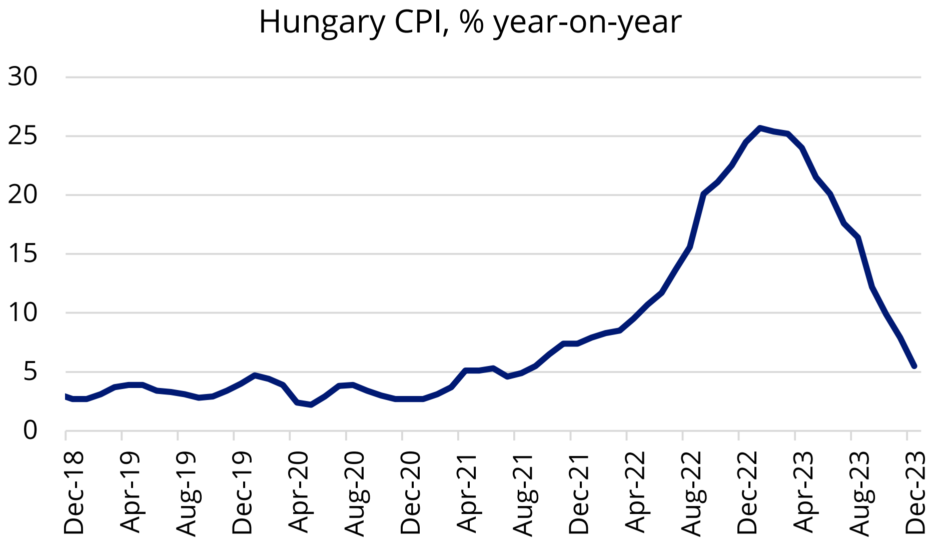


Source: VanEck Research; Bloomberg LP. Data as of November 2023 (left) and December 2023 (right). Past performance does not guarantee future results.

Hungary – focus on correcting past mistakes

- Hungary’s politics generates a lot of bad press
- But inflation is finally heading for single digits, allowing the central bank to start cutting rates
- Lower inflation improves growth prospects, which in turn should strengthen fiscal performance
- A major uncertainty is the disbursement of the EU funds, which has now abated





Source: VanEck Research; Bloomberg LP. Data as of September 2023 (left) and December 2023 (right). Past performance does not guarantee future results.

Czech Republic – "EM Graduate" coping well under stress

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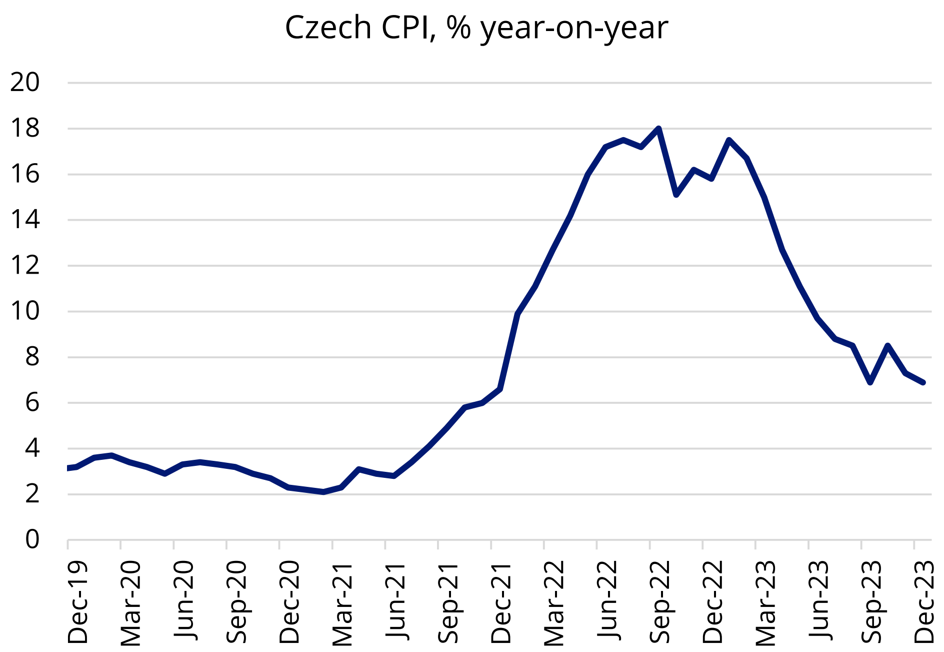
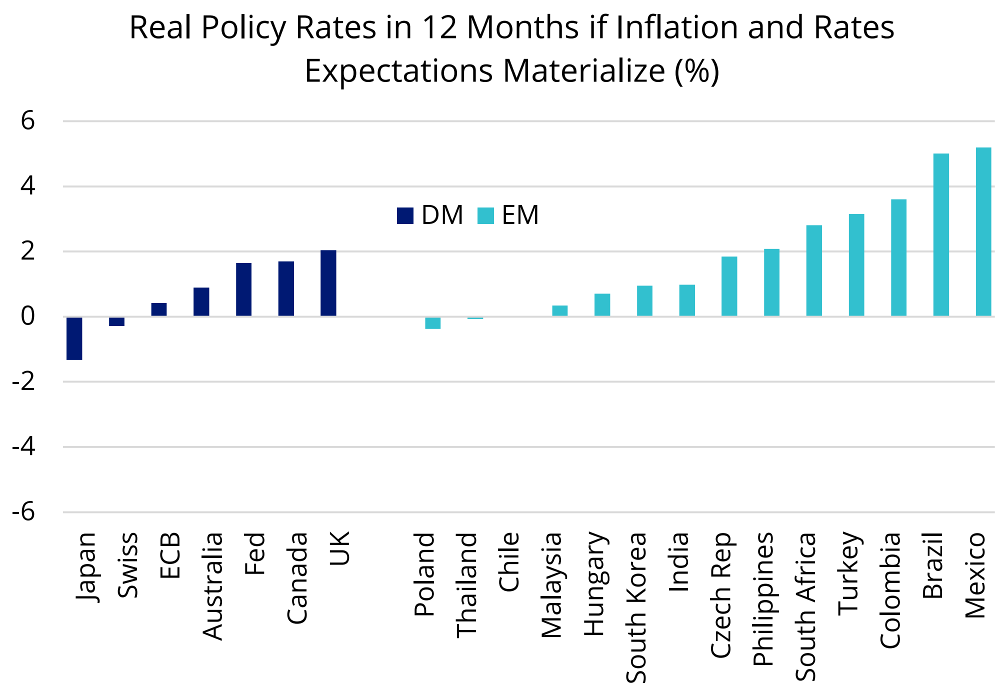
- Meaningful disinflation justifies the central bank's dovish pivot after a long pause, given than the 12M ahead real policy rate is now very positive and the economy adjusted to earlier policy tightening
- The government continues fiscal adjustment, which should keep both inflation and external imbalances in check





Source: VanEck Research; Bloomberg LP. Data as of December 2023. Past performance does not guarantee future results.

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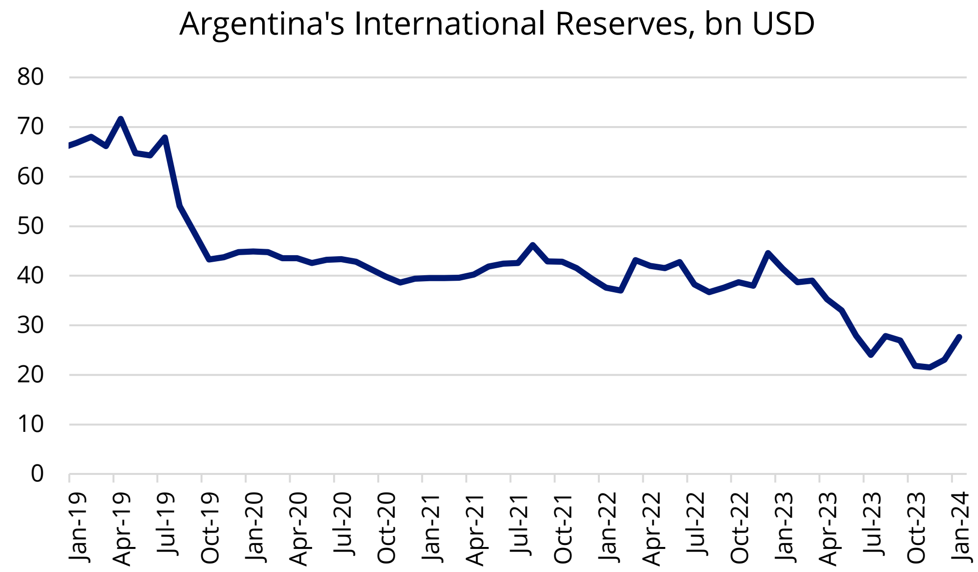
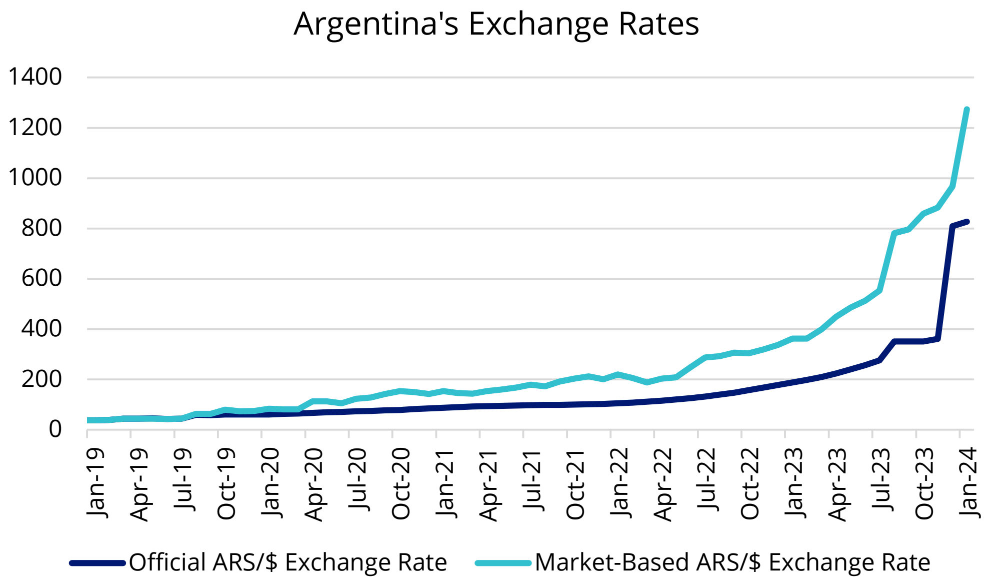
Argentina – structural issues, post-election opportunities?

- International reserves are low, inflation is sky-high, and the exchange rate system remains dysfunctional
- A new government can lead to fiscal consolidation and reforms, but the exchange rate unification is the key prerequisite for dealing with macroeconomic imbalances
- Managing the political and social transition during a big fiscal contraction and hyperinflation may not be possible





Source: VanEck Research; Bloomberg LP. Data as of January 2024. Past performance does not guarantee future results.

Brazil – politics challenging fundamentals

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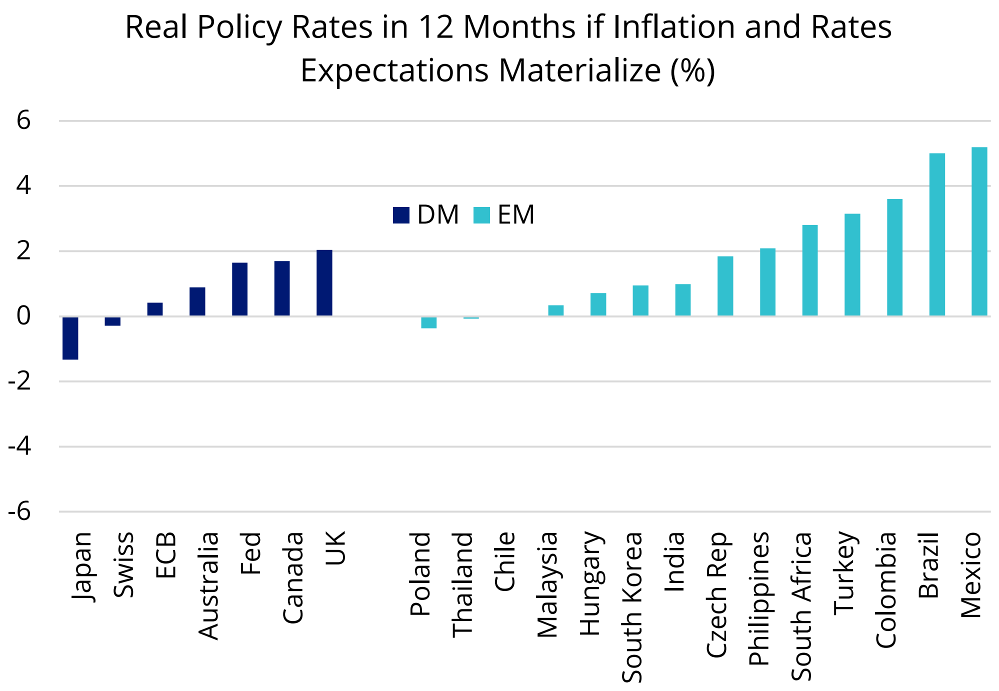
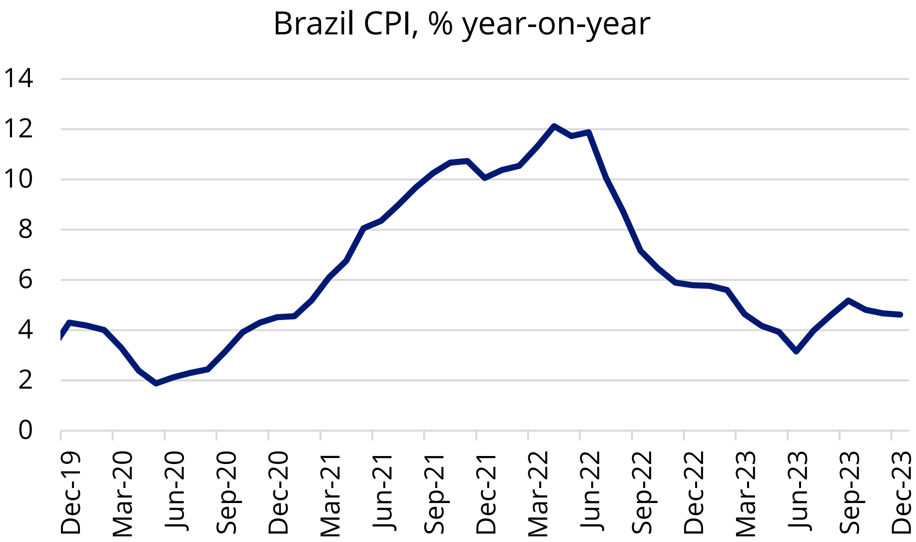
- The central bank's aggressive rate hike frontloading and on-going disinflation resulted in the highest real policy rate among major EMs, and the external balance still looks solid
- However, there is still lingering uncertainty about fiscal plans under Lula's administration, which explains the central bank's cautious pace of rate cuts





Source: VanEck Research; Bloomberg LP. Data as of December 2023. Past performance does not guarantee future results.

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Mexico – orthodox with some serious convergence trades

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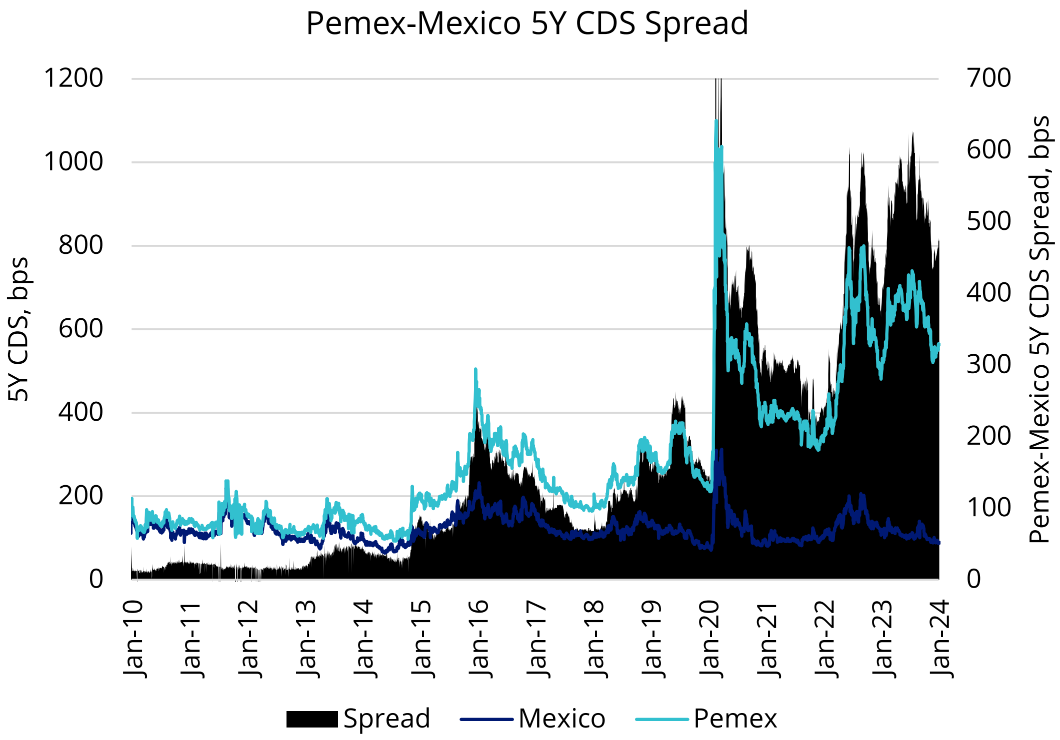
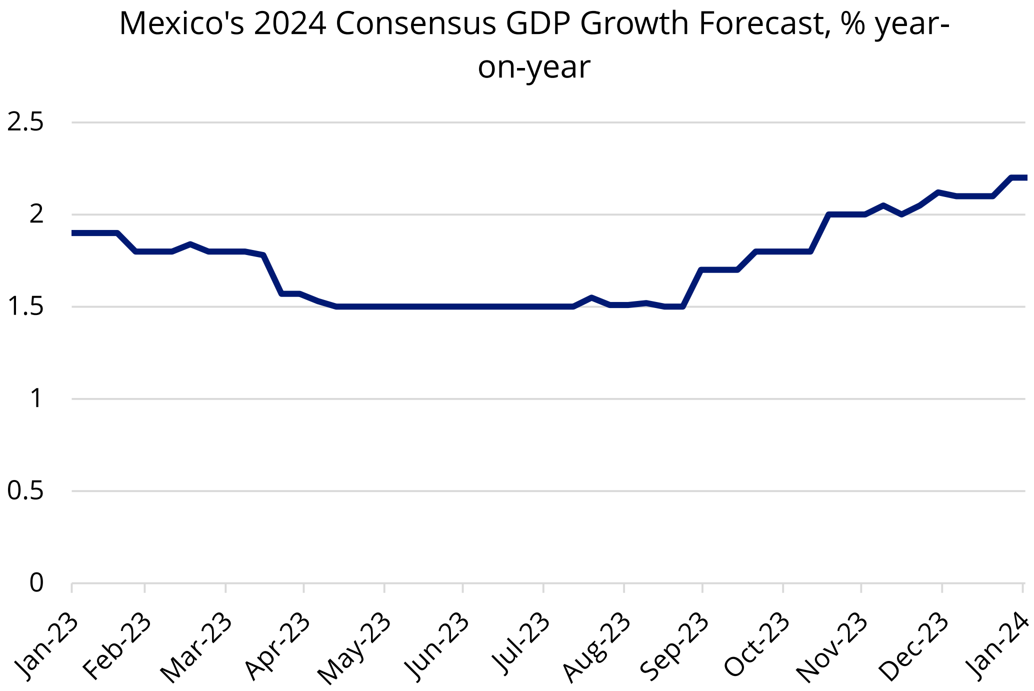
- A stronger recovery and pre-election spending can slow disinflation. However, the central bank is highly credible and unlikely to rush into premature policy easing.
- Mexico's Mbono market and economy are highly connected to the US'
- We believe Pemex hard currency debt is cheap relative to sovereign hard currency debt





Source: VanEck Research; Bloomberg LP. Data as of January 2024. Past performance does not guarantee future results.

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Indonesia – low inflation, credible policies, external buffers, what else do you want?

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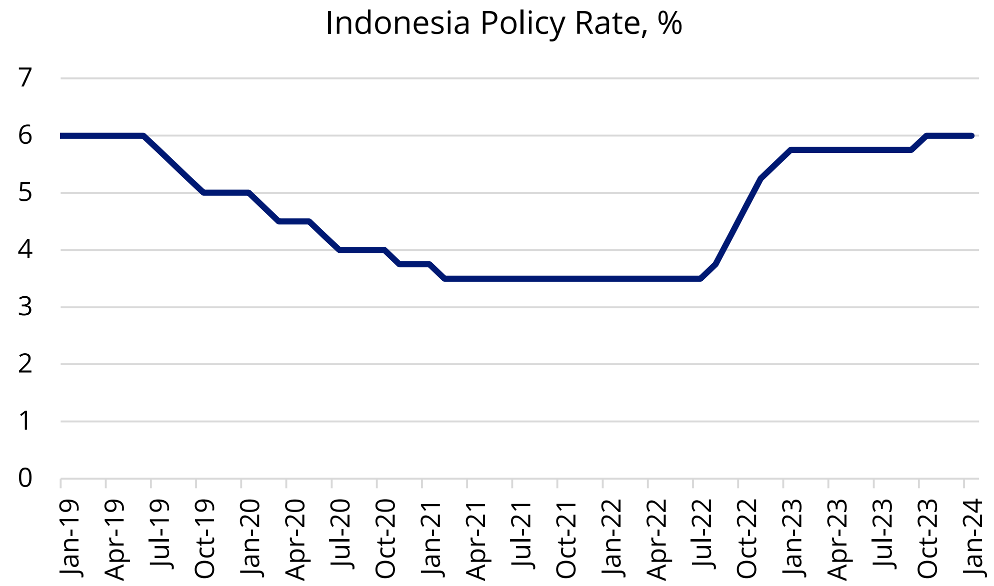
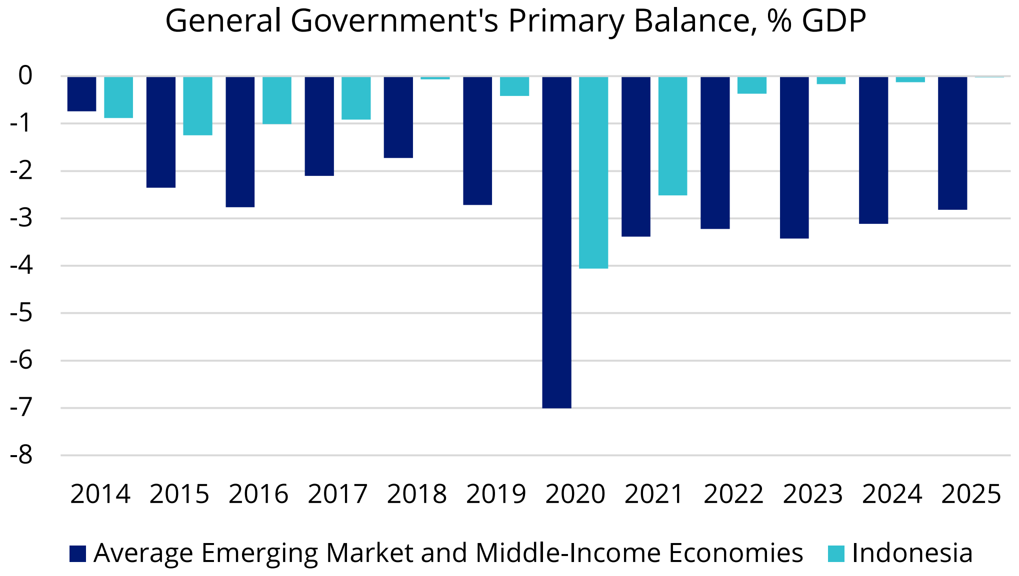
- The country is a bright – and higher-yielding - spot in EM Asia.
- Gradual growth recovery, fiscal discipline, and successful disinflation argue against additional policy tightening. But the global backdrop is getting more complicated (including geopolitics), and the central bank thought it warranted a pre-emptive rate hike in October 2023.
- Trade surplus (including solid and stable exports) provides fundamental support for the currency.
- Good economic policy supported by healthy and stable politics





Source: VanEck Research; Bloomberg LP (left); IMF (right). Data as of January 2024. For illustrative purposes only. Not intended as a forecast of future results. Past performance does not guarantee future results.

Thailand – major beneficiary from China re-opening

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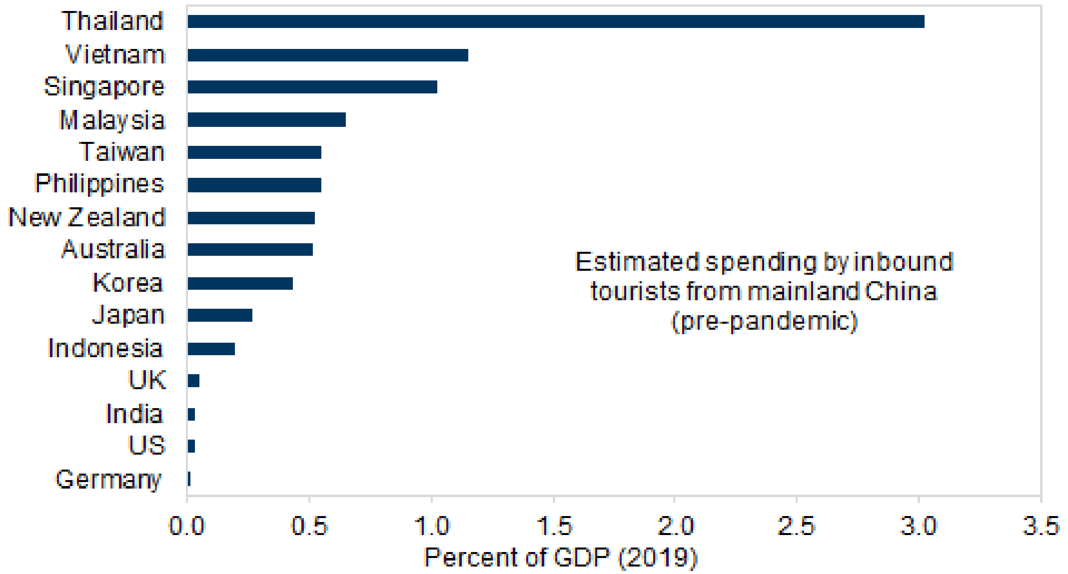
- Thailand is no longer a laggard in global/regional tightening cycles – against the backdrop of speedy disinflation
- Thailand is a MAJOR beneficiary of China's re-opening/growth rebound – both as regards tourism revenue (~3% of GDP) and export proceeds (around 24% of GDP)
- But, China's re-opening is fitful at best, Thai fiscal policy risks expanding and there's not much room for cuts



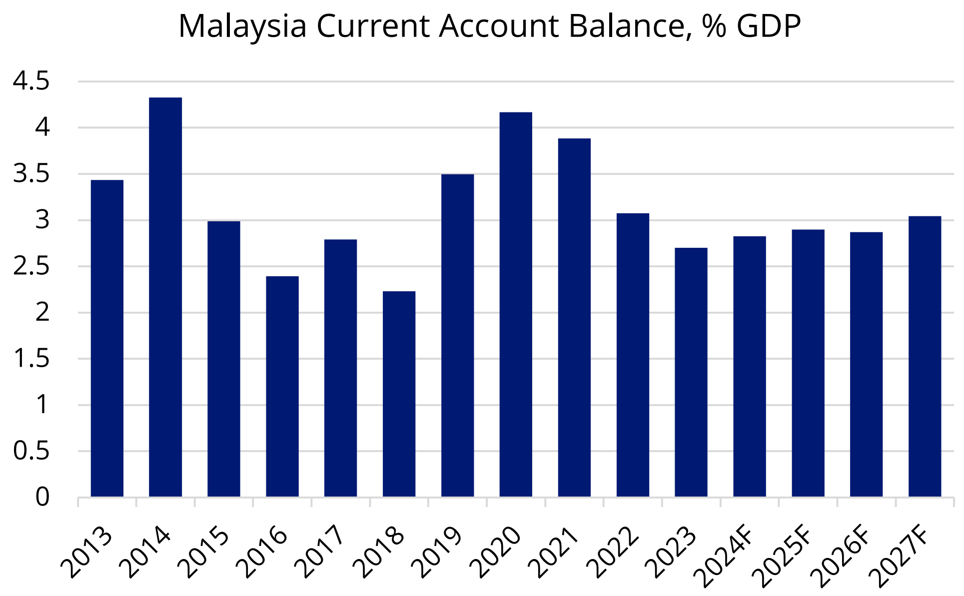
Note: Estimated using the share of tourist arrivals from China and travel service exports under balance of payments. (Hong Kong = ~6% of GDP)

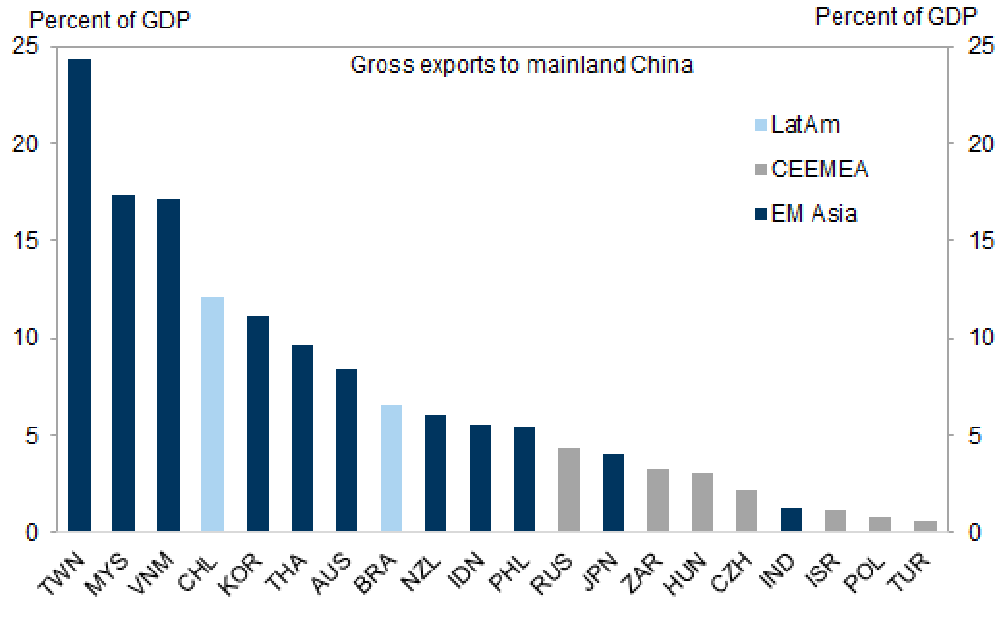
Source: CEIC, Haver Analytics, Goldman Sachs Global Investment Research

Source: Goldman Sachs (left); VanEck Research; Bloomberg LP (right). Data as of January 2023 (left), January 2024 (right). Past performance does not guarantee future results.

Malaysia – still going strong on many levels

- Lower but more sustainable and resilient 2023 growth (~4-4.5%)
- Disinflation justifies a policy rate pause
- Current account to remain in surplus and balance of payments could benefit from China tourism/FDI and sizable export exposure to mainland China (~17% of GDP)
- Political uncertainty likely abated after the 2022 elections
- Fiscal challenges remain, but the 2024 deficit is expected to narrow further





Source: VanEck Research; Bloomberg LP (left); Goldman Sachs (right). Data as of December 2023 (left); January 2023 (right). For illustrative purposes only. Not intended as a forecast of future results. Past performance does not guarantee future results.

South Korea – peak rate, China tailwinds

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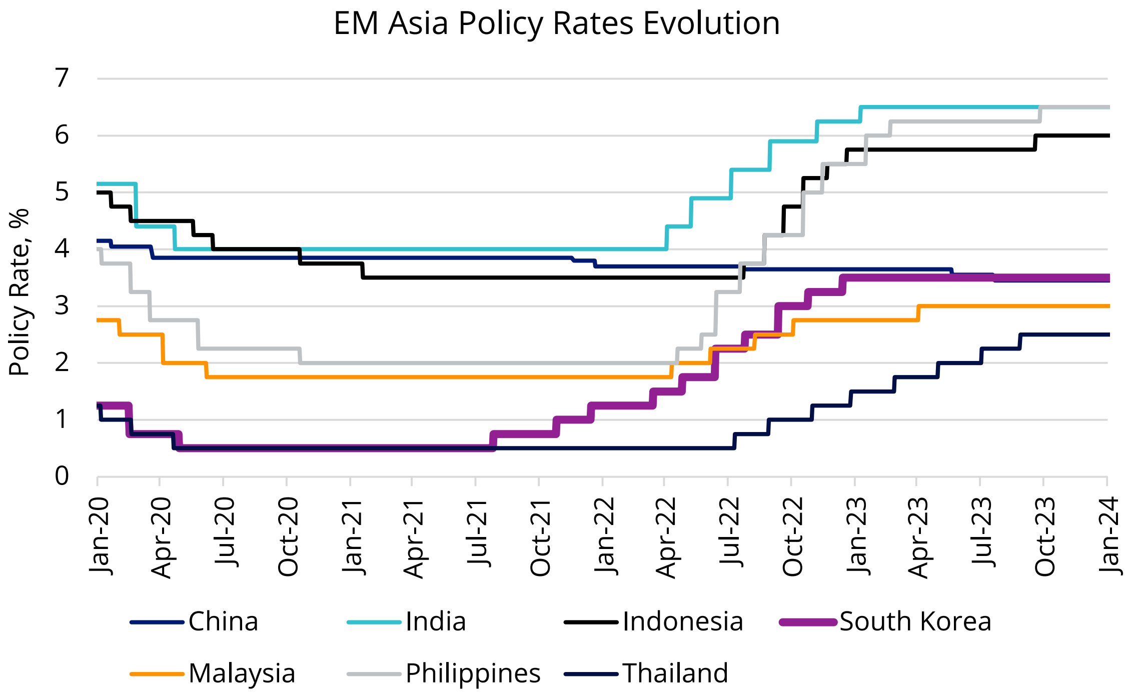
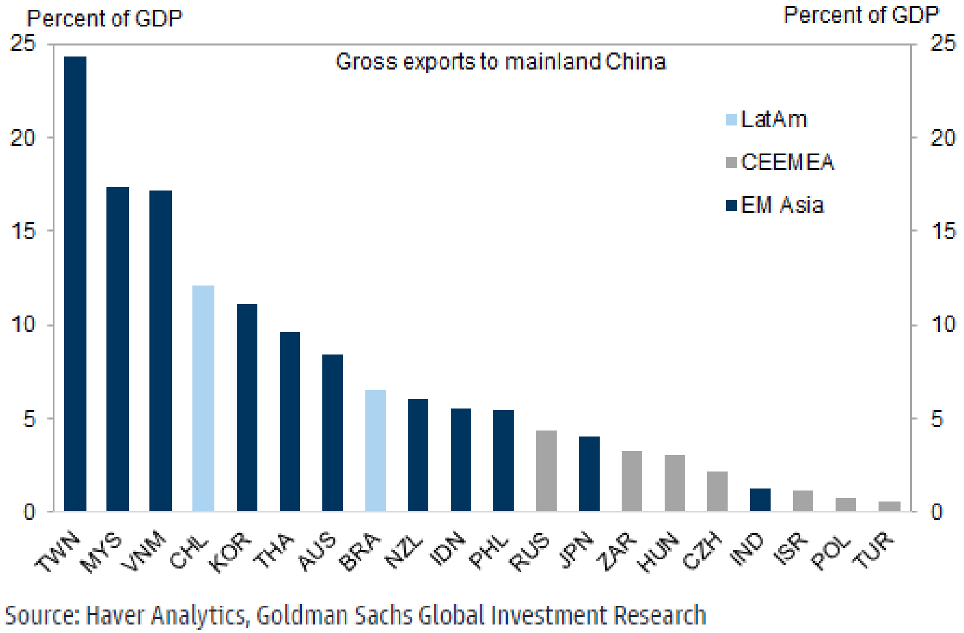
- Bank of Korea's proactive tightening puts it in a good position for a pause and eventual rate cuts as inflation is finally easing
- South Korea's sizable exposure to China's re-opening is a boon to GDP growth and balance of payments
- South Korea's low yields make it highly correlated to G-10 rates





Source: VanEck Research; Bloomberg LP (left); Goldman Sachs (right). Data as of January 2024 (left), January 2023 (right). Past performance does not guarantee future results.

Nigeria – finally turning orthodox?

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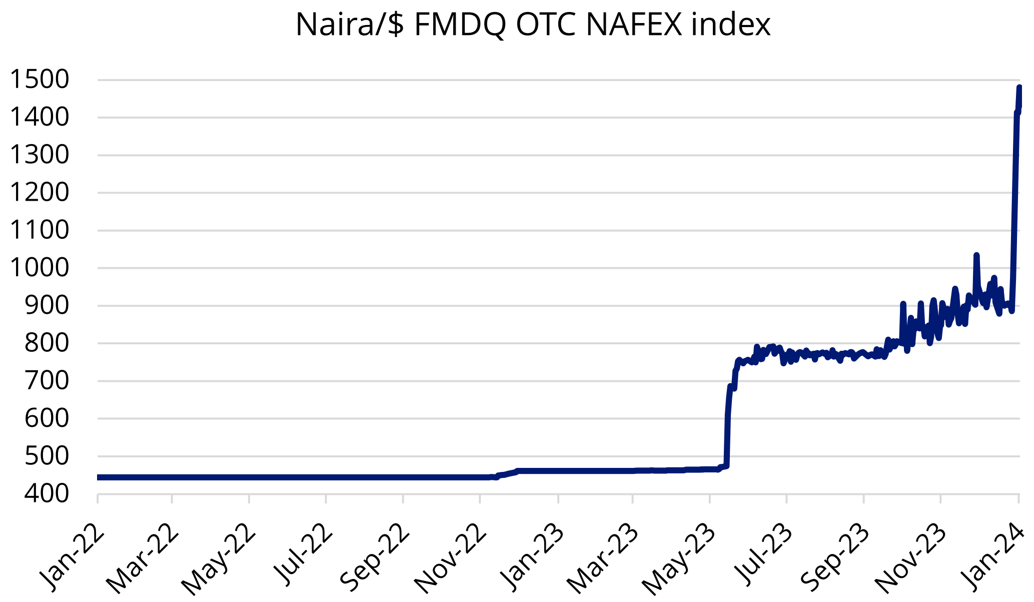
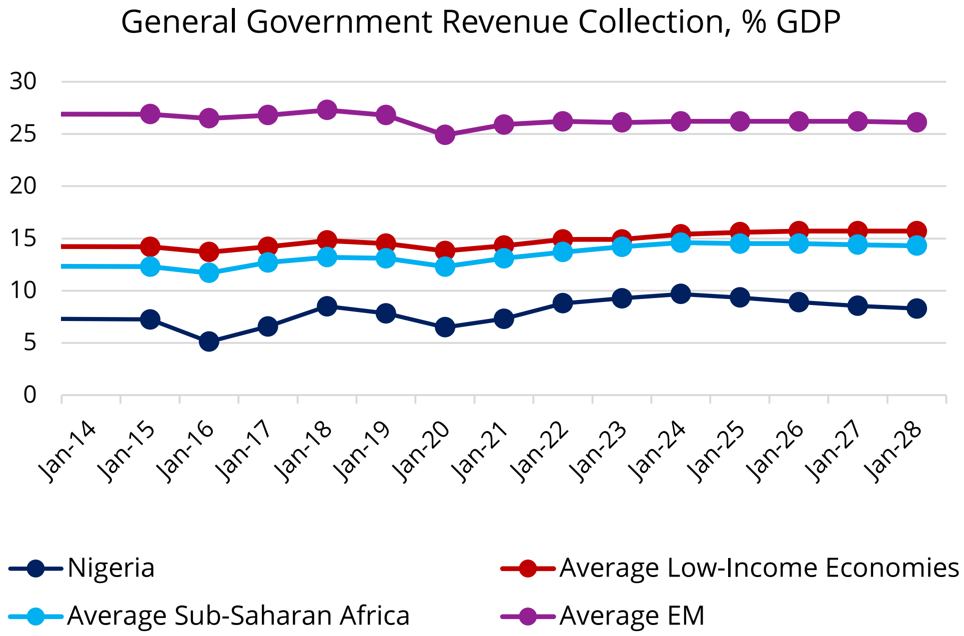
- Several good starting points immediately after the presidential elections on the structural front, including FX unification announcements and subsidy removal
- All cabinet ministers/central bank officials are now in place - the team with a great skillset
- The unification of multiple exchange rates – in practice! - and the elimination of FX backlogs are key
- Credible fiscal adjustment plan – especially as regards higher revenue collection - is another major requirement, as are pro-active rate hikes

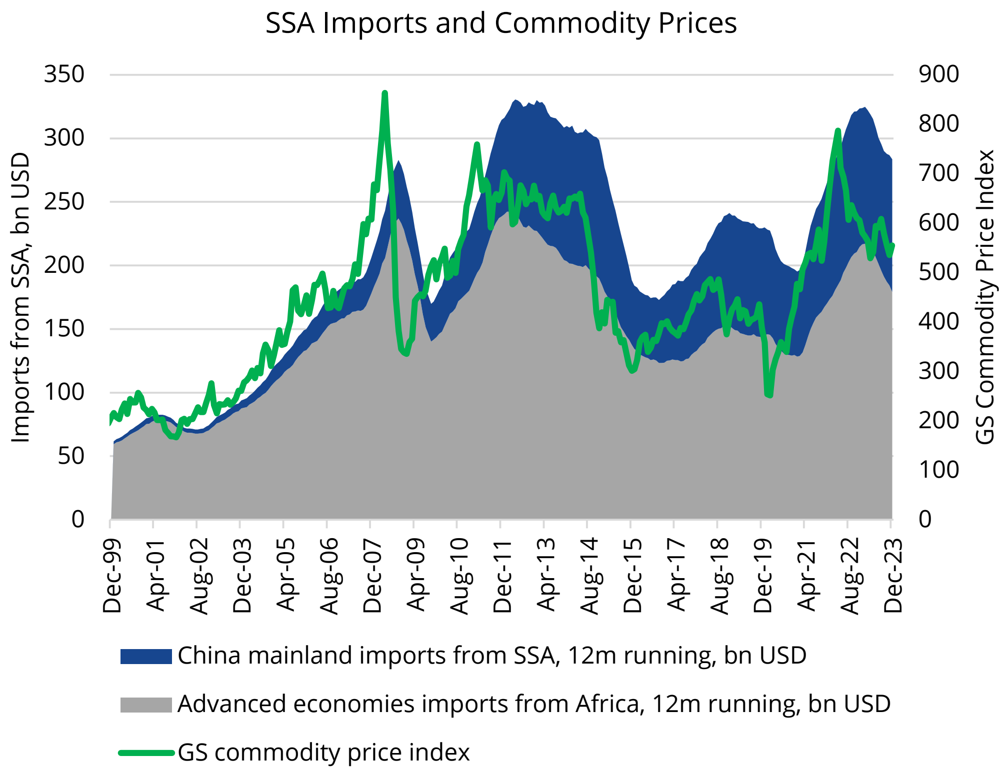


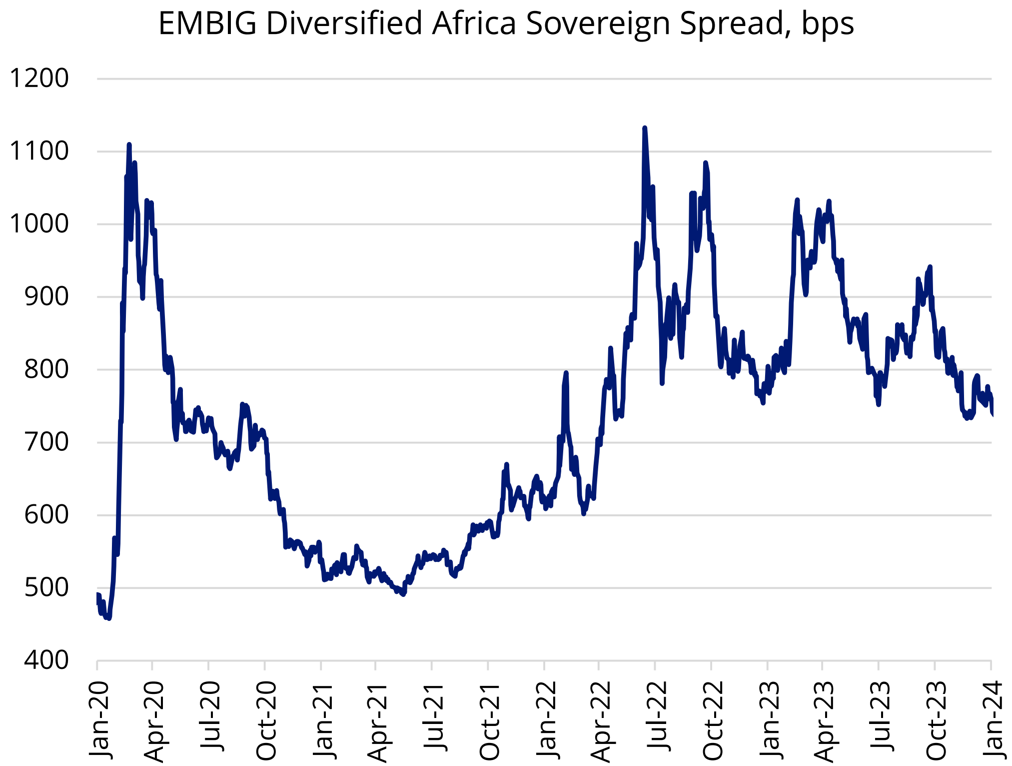


Source: VanEck Research; Bloomberg LP (left); IMF (right). Data as of January 2024 (left) and December 2023 (right). For illustrative purposes only. Not intended as a forecast of future results. Past performance does not guarantee future results.

Sub-Saharan Africa – upside from China's re-opening

- China's re-opening should be a major tailwind for Sub-Saharan Africa's commodity exports - both for growth and capital/FX inflows
- Lower contemporaneous external vulnerabilities due to renewed access to the international capital markets and clarity on debt restructuring (Ghana, Zambia), however, debt affordability/debt distress is a huge issue in the region





Source: VanEck Research; Bloomberg. Data as of December 2023 (left), January 2024 (right). Past performance does not guarantee future results.

VI. Appendix

Investment management team

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Eric Fine

Portfolio Manager

- 34 years of EM experience | 15 years at VanEck
- Portfolio Manager for the active Emerging Markets Fixed Income Strategy, Head of Active EM Debt
- Oversees the Emerging Markets Fixed Income Team including asset allocation, fixed income research and security selection
- Joined VanEck in 2009
- Prior to VanEck, held senior leadership positions and ran Morgan Stanley's Emerging Markets Fixed Income and Economics Research, and Global Emerging Markets Proprietary Trading
- Advised numerous governments on economic policies and debt profiles; restructured sovereign debts in Russia, Turkey and the Dominican Republic
- MPA, International Trade/Finance, Harvard University
- BA, Public Policy, Duke University

David Austerweil

Deputy Portfolio Manager

- 22 years of EM experience | 12 years at VanEck
- Deputy Portfolio Manager for the active Emerging Markets Fixed Income Strategy
- Joined VanEck in 2012
- Prior to VanEck, Vice President at ING Financial Services on the Emerging Markets Credit Trading & Structuring desk
- Previously, member of the portfolio management team at The Rohatyn Group and Director in the Quantitative Financial Research group at Fitch Ratings
- MS, Financial Engineering, Columbia University
- BA, Computer Science, Columbia University

Investment management team

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Natalia Gurushina

Chief Economist

- 29 years of industry experience | 11 years at VanEck
- Chief Economist for the active Emerging Markets Fixed Income Strategy
- Joined VanEck in 2013
- Prior to VanEck, worked at Roubini Global Economics in emerging markets currency/fixed income and G10 currency strategies
- Previously, Analyst at Pantera Capital Management and as EMEA Economist at Deutsche Bank and Russia/CIS Economist at Bankers Trust
- PhD, Economic History, University of Oxford
- BA, Economics, Moscow State University

Robert Schmieder

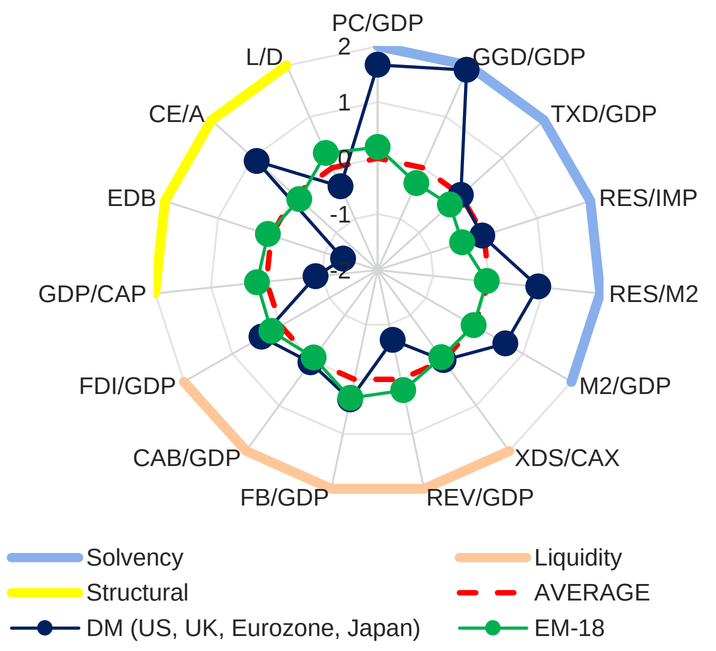
Senior Corporate Analyst

- 37 years of industry experience | 9 years at VanEck
- Senior Corporate Analyst for the active Emerging Markets Fixed Income Strategy
- Joined VanEck in 2015
- Prior to VanEck, Executive Director/Head of Latin America Credit Research at BBVA Securities
- Previously, Managing Director/Head of Latin America Corporate Credit Research at HSBC Securities (USA) Inc.
- MBA, International Finance, New York University
- MA, Spanish Literature, New York University
- BA, Spanish Language and Literature, New York University

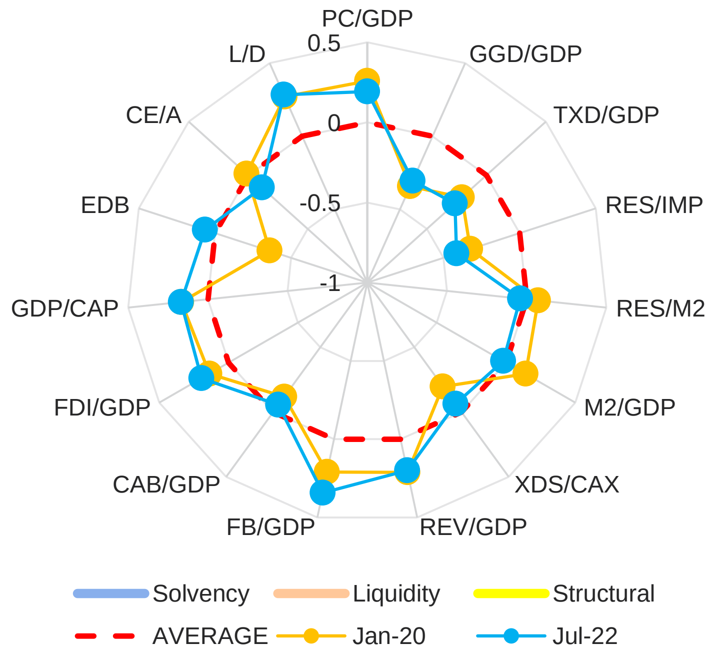
Economic landscape – EM fundamentals strong overall

- DM continues to have high government and private debt, low “reserves”, and leveraged banking systems
- EM fundamentals across a range of metrics look better/similar now compared to the pre-COVID time periods
- EM post-pandemic fundamentals continue to look much better than DM post-pandemic fundamentals across a range of metrics

EM vs. DM in 2022



EM - Before And After COVID



Source: VanEck Research, IMF, Moody’s, World Bank; Bloomberg LP. Data as of December 2022. Past performance is not indicative of future results.

Economic fundamentals more supportive

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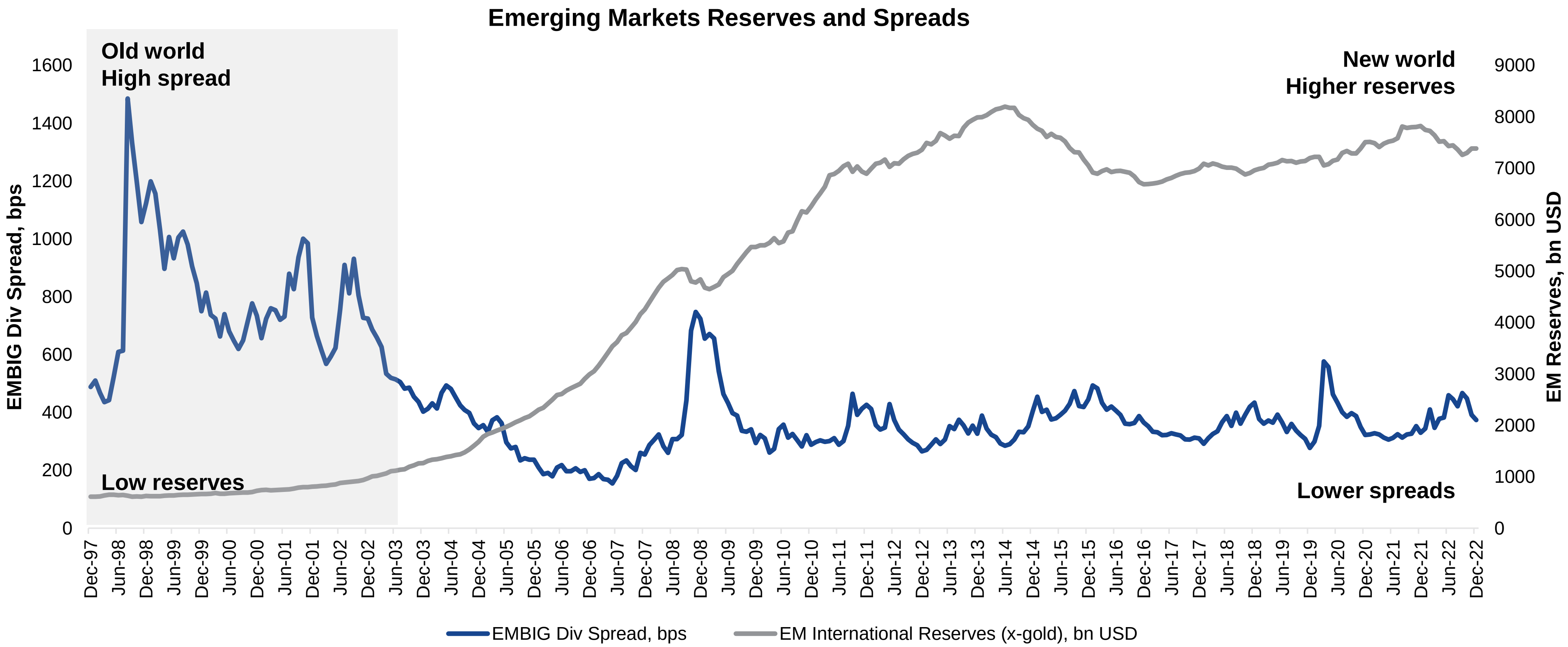
Higher foreign reserves has led to tighter spreads



Source: VanEck Research; Bloomberg, Data as at 31 December 2022. EMBIG spread is the difference between EM hard currency sovereign bonds and US treasuries, and is captured by the J.P. Morgan Emerging Bond Index Global Sovereign Spread. EM International Reserves is represented by Bloomberg's Index that shows IMF EM and Developing Country Total Reserves, excluding gold, converted from Special Drawing Rights (SDR) into U.S. Dollars. Index performance is not representative of fund performance. It is not possible to invest directly in an index. Past performance does not guarantee future results.

Curation generated by core of investment process

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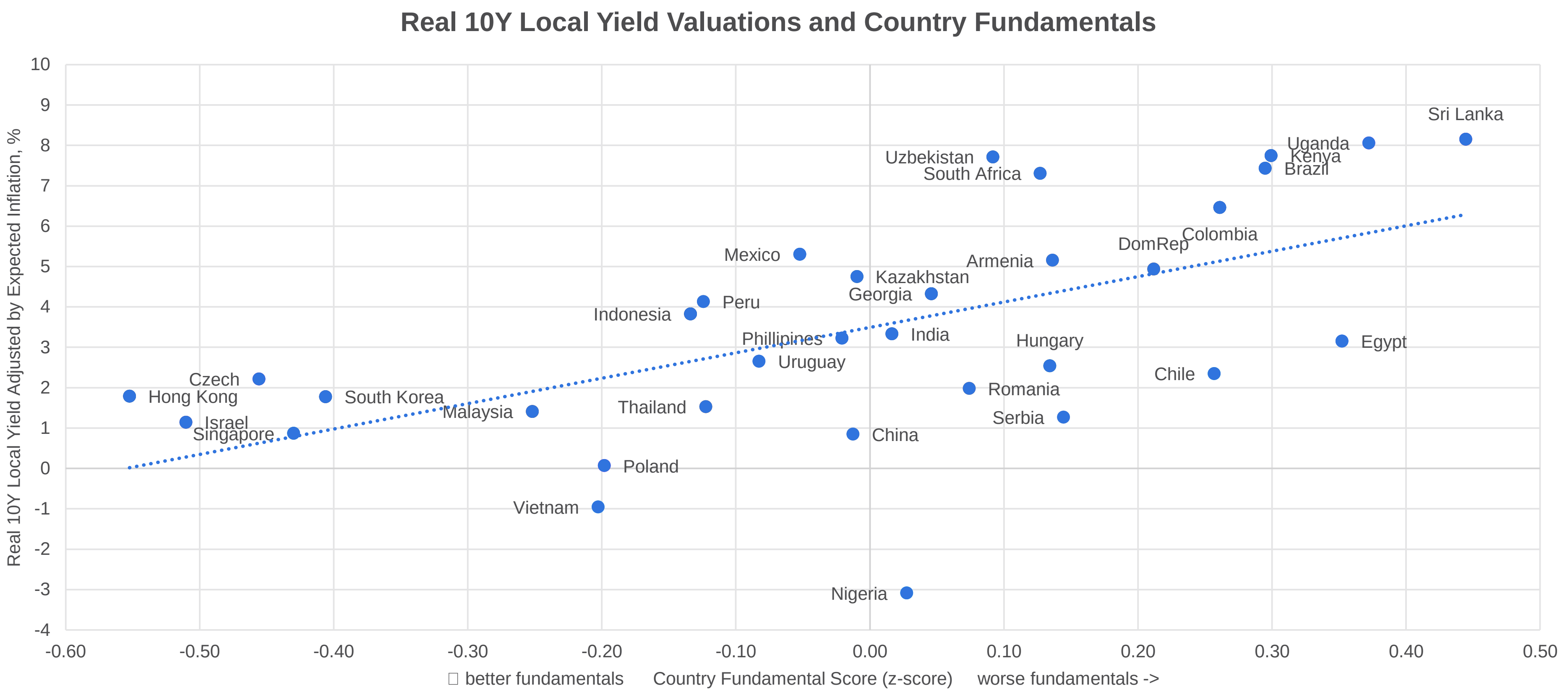
Local currency 10-year bonds process summary



Source: VanEck Research; State Street. Data as of September 2023. Past performance is not indicative of future results.

Z-score is a statistical measurement that describes a value's relationship to the mean of a group of values.

Curation generated by core of investment process

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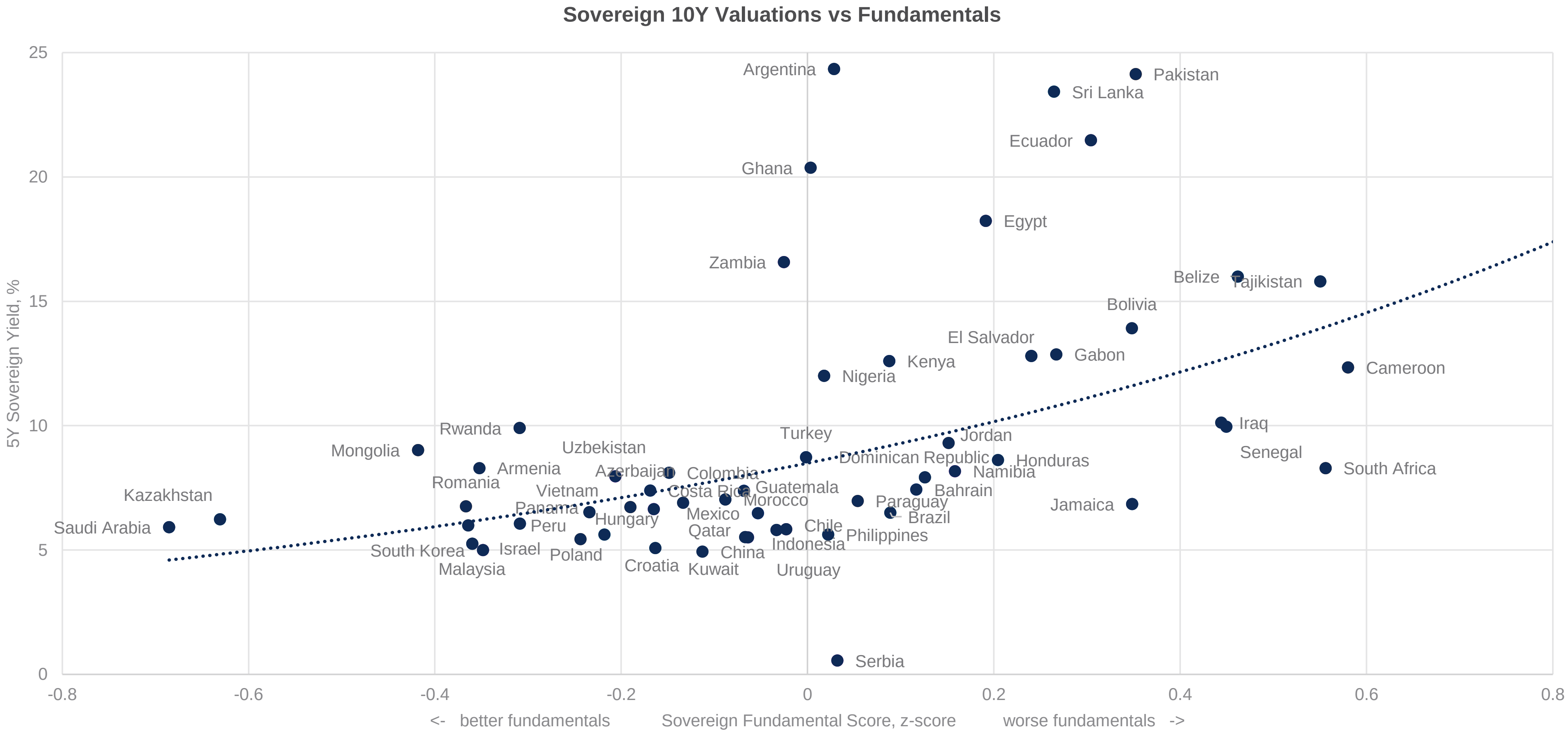
Hard-currency 5-year bonds process summary



Source: VanEck Research; State Street. Data as of September 2023. Past performance is not indicative of future results.

Z-score is a statistical measurement that describes a value's relationship to the mean of a group of values.

Index Disclosures and Definitions

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Broad based securities indices are unmanaged and are not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. **GBI-EM**: The J.P. Morgan Government Bond Index-Emerging Markets Global Diversified Index. The J.P. Morgan GBI-EM Global Diversified tracks local currency bonds issued by Emerging Markets governments. **EMBI**: The J.P Morgan Emerging Markets Bond Global Diversified Market Bond Index. It is a benchmark index that measures the bond performance of emerging countries and their respective corporate organizations. **CEMBI**: The JPM Corporate Emerging Market Bond Index. It tracks the performance of US dollar-denominated bonds issued by emerging market corporate entities. **50% GBI-EM /50% EMBI**: It is a blended index consisting of 50% J.P Morgan Emerging Markets Bond Index (EMBI) Global Diversified and 50% J.P. Morgan Government Bond Index-Emerging Markets Global Diversified (GBI-EM). **J.P. Morgan GBI-EM Global Diversified Europe Index** tracks local currency bonds issued by European Emerging Markets governments. **J.P. Morgan GBI-EM Global Diversified Asia Index** tracks local currency bonds issued by Asian Emerging Markets governments. **J.P. Morgan GBI-EM Global Diversified Latin America Index** tracks local currency bonds issued by Latin American Emerging Markets governments. **J.P. Morgan GBI-EM Global Diversified Asia ex-China Index** tracks local currency bonds issued by Asian Emerging Markets governments excluding China. **CEMBI HY+**: The J.P. Morgan Corporate Emerging Markets High Yield Bond index tracks U.S. dollar high yield bonds issued by emerging markets corporates. **CEMBI IG+**: The J.P. Morgan Corporate Emerging Markets High Yield Bond index tracks U.S. dollar investment grade bonds issued by emerging markets corporates. **EMBIG HY**: The J.P. Morgan EMBI Global Diversified High Yield index tracks returns for actively traded external high yield debt instruments in emerging markets, and is also J.P. Morgan's most liquid U.S dollar emerging markets high yield debt benchmark. **EMBIG IG**: The J.P. Morgan EMBI Global Diversified Investment Grade index tracks returns for actively traded external investment grade debt instruments in emerging markets, and is also J.P. Morgan's most liquid U.S dollar emerging markets investment grade debt benchmark. **Global Aggregate**: Bloomberg Global-Aggregate Total Return Index Value Unhedged USD is a sub-index of the Bloomberg Global Aggregate Index, which is a flagship measure of global investment grade debt from twenty-four local-currency markets. **Global Treasury**: The Bloomberg Global Treasury Index tracks fixed-rate, local currency government debt of investment grade countries, including both developed and emerging markets. **Global Government Related**: Bloomberg Global Aggregate Government Related Total Return Index Value Unhedged USD tracks global government debt issues. **Global Corporates**: The Bloomberg Global Aggregate Corporate Index is a flagship measure of global investment grade, fixed-rate corporate debt. **Global Securitized**: The Bloomberg Global Aggregate - Securitized Index tracks Securitized (Class 1= Securitized) bonds from the flagship Global Aggregate Index. **US Aggregate**: The Bloomberg US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. **US HY**: The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. **Euro Aggregate**: The Bloomberg Euro-Aggregate Index is a benchmark that measures the investment grade, euro-denominated, fixed-rate bond market, including treasuries, government-related, corporate and securitized issues. Inclusion is based on currency denomination of a bond and not country of risk of the issuer. **US Treasury**: The Bloomberg US Treasury Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. **US IG**: The Bloomberg US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issues by US and non-US industrial, utility and financial issuers. Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The index may not be copied, used or distributed without J.P. Morgan's written approval. Copyright 2014, J.P. Morgan Chase & Co. All rights reserved. The **Barclays Capital U.S Corporate High-Yield Bond Index** is composed of fixed-rate, publicly issued, non-investment grade debt. Barclays Capital U.S. Corporate Investment Grade Index consists of publicly issued, fixed rate, nonconvertible, investment grade debt securities. The **Barclays Capital U.S. Treasury Index** is an unmanaged index of public obligations of the U.S. Treasury with a remaining maturity of one year of more. The **MSCI All Country World Index** is an unmanaged, free float-adjusted market capitalization weighted index composed of stocks of companies located in countries throughout the world. It is designed to measure equity market performance in global developed and emerging markets. The index includes reinvestment of dividends, net of foreign withholding taxes. The **S&P 500 Index® (SPX)** includes 500 leading companies in the United States and captures approximately 80% coverage of available market capitalization. **GS Commodity Price Index** measures the price return of a broad-based and production weighted index that represents the global commodity market beta. **ICE BofA Japan Government Index** tracks JPY denominated sovereign debt publicly issued by the Japanese government in its domestic market. **ICE BofA UK Gilt Index** tracks GBP denominated sovereign debt publicly issued by the United Kingdom government in its domestic market. **ICE BofA US Treasury Index** tracks the performance of US dollar denominated sovereign debt publicly issued by the US government in its domestic market.

Past performance is not an indication, or guarantee, of future results. Hypothetical or model performance results have certain inherent limitations. Unlike an actual performance record, simulated results do not represent actual trading, and accordingly, may have undercompensated or overcompensated for the impact, if any, of certain market factors such as market disruptions and lack of liquidity. In addition, hypothetical trading does not involve financial risk and no hypothetical trading record can completely account for the impact of financial risk in actual trading (for example, the ability to adhere to a particular trading program in spite of trading losses). Hypothetical or model performance is designed with benefit of hindsight.

All investing is subject to risk, including the possible loss of the money you invest. As with any investment strategy, there is no guarantee that investment objectives will be met and investors may lose money. Diversification does not ensure a profit or protect against a loss in a declining market. Past performance is no guarantee of future results.

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