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**VANECK EXPANDS MOAT INVESTING SUITE WITH LAUNCH OF ETF TARGETING  
SMALL- AND MID-CAP MOAT STOCKS**

*SMOT is the latest addition to VanEck's industry-leading lineup of moat-focused funds and comes at a time when small- and mid-cap stock valuations are at 20-year lows relative to large caps, presenting an opportunity to position for long-term growth.*

New York, (October 6, 2022) – [VanEck](#) today announced the launch of the [VanEck Morningstar SMID Moat ETF \(CBOE: SMOT\)](#), the newest addition to the firm's lineup of "moat"-focused equity funds.

SMOT is designed to provide investors with exposure to attractively priced U.S. small- and mid-cap (SMID-cap) companies that Morningstar believes possess long-term competitive advantages.

"Launching SMOT is an exciting natural progression for us as we continue to build out our moat-focused fund family," said Brandon Rakszawski, Director of Product Management with VanEck. "The flagship fund of this suite, the VanEck Morningstar Wide Moat ETF (MOAT), has attracted significant investment since its inception in 2012, driven in large part by the long-term success of its investment strategy. We're very pleased to be adding a SMID-cap offering built around the same industry-leading research from Morningstar."

SMOT seeks to track the Morningstar® US Small-Mid Cap Moat Focus Index<sup>SM</sup> (the "Index"), which targets a select group of at least 75 small- and mid-cap companies with moats that are trading at attractive valuations, according to Morningstar's equity research team.

A historically under-allocated segment in many investor portfolios, VanEck notes that the large universe of SMID-cap companies has considerably less analyst coverage than their large cap-counterparts, creating dispersion between stock prices and fair value. This dynamic reinforces the value of an index that draws on the collective insights of Morningstar's 100+ person equity research team.

"SMID-cap stocks are an attractive segment of the U.S. equity market, as they've historically provided greater return potential than large caps. We're currently seeing SMID-cap valuations at a 20-year low, relative to their large-cap counterparts, offering investors a timely and attractive entry point," added Rakszawski. "The key with this category is to approach it through a research-driven lens as the dispersions

in performance, valuations and more can be stark. That is why we're so pleased to continue our collaboration with Morningstar on these efforts, and why we see SMOT as a highly differentiated vehicle through which to add exposure to this category."

"This is a great opportunity to build on our longstanding and successful collaboration with VanEck, while extending the Moat index franchise," said Amelia Furr, Global Head of Sales for Morningstar Indexes. "Similar in approach to our highly successful Morningstar® Wide Moat Focus Index, the Morningstar® US Small-Mid Cap Moat Focus Index<sup>SM</sup> taps into the collective insights of the Morningstar Equity Research team to provide exposure to small- and mid-cap companies with strong Morningstar® Economic Moat<sup>TM</sup> Ratings that are trading at relatively low current market price to fair value estimates."

SMOT joins a suite of moat investing strategies from VanEck that also includes the \$5.9 billion (as of 9/30/2022) [VanEck Morningstar Wide Moat ETF \(MOAT\)](#), the international equity-focused [VanEck Morningstar International Moat ETF \(MOTI\)](#), the [VanEck Morningstar Global Wide Moat ETF \(MOTG\)](#), the [VanEck Morningstar ESG Moat ETF \(MOTE\)](#) as well as the [VanEck Morningstar Wide Moat Fund](#) .

The VanEck and Morningstar teams provide regular updates and insights on their [moat equity research and moat-style investing](#).

## **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 August 31, 2022, VanEck managed approximately \$66.7 billion 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**

Morningstar US Small-Mid Cap Index consists of U.S. stocks representing the bottom 27 percent capitalization of the investable universe.

The Morningstar Economic Moat Rating is subjective in nature and should not be used as the sole basis for investment decisions. Moat Ratings are based on Morningstar analysts' current expectations about future events and therefore involve unknown risks and uncertainties that may cause Morningstar's expectations not to occur or to differ significantly from what was expected. Morningstar does not represent the Morningstar Economic Moat Rating to be a guarantee, nor should it be viewed as an assessment of a security's creditworthiness.

The Morningstar<sup>®</sup> Wide Moat Focus Index<sup>SM</sup>, Morningstar<sup>®</sup> Global ex-US Moat Focus Index<sup>SM</sup>, Morningstar<sup>®</sup> Global Wide Moat Focus Index<sup>SM</sup>, Morningstar<sup>®</sup> US Sustainability Moat Focus Index<sup>SM</sup>, and Morningstar<sup>®</sup> US Small-Mid Cap Moat Focus Index<sup>SM</sup> were created and are maintained by Morningstar, Inc. Morningstar, Inc. does not sponsor, endorse, issue, sell, or promote the VanEck Morningstar Wide Moat ETF, VanEck Morningstar International Moat ETF, VanEck Morningstar Global Wide Moat ETF, VanEck Morningstar ESG Moat ETF, or VanEck Morningstar SMID Moat ETF and bears no liability with respect to the ETFs or any security. Morningstar<sup>®</sup> is a registered trademark of Morningstar, Inc. Morningstar Wide Moat Focus Index, Morningstar Global ex-US Moat Focus Index, Morningstar Global Wide Moat Focus Index, Morningstar<sup>®</sup> US Sustainability Moat Focus Index<sup>SM</sup>, and Morningstar<sup>®</sup> US Small-Mid Cap Moat Focus Index<sup>SM</sup> are service marks of Morningstar, Inc.

An investment in the VanEck Morningstar SMID Moat ETF may be subject to risks which include, among others, equity securities, small- and medium-capitalization companies, consumer discretionary sector, financials sector, health care sector, industrials sector, information technology sector, market, operational, index tracking, authorized participant concentration, new fund, absence of prior active market, trading issues, passive management, fund shares trading, premium/discount and liquidity of fund shares, non-diversified, and concentration risks, all of which may adversely affect the Fund. Small- and medium-capitalization companies may be subject to elevated risks.

**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 and summary prospectus, which contains this and other information, call 800.826.2333 or visit [vaneck.com](http://vaneck.com). Please read the prospectus and summary prospectus carefully before investing.**

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