Manager Commentary

Refiners Benefit From Boom in U.S. Domestic Supply of Crude Oil from *Unconventional Resources*

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Summary

- Performance driven by oil and gas refining and marketing
- Fund underperforms benchmark index, but still returns 3.11% for quarter
- Fund maintains focus on unconventional energy resources

Average Annual Total Returns (%) as of December 31, 2013

	4Q13^	YTD	Life
USD R1 Acc (Inception 24/1/13)	3.11	--	5.15
USD I1 Acc (Inception 24/1/13)	3.34	--	6.03
USD I2 Acc (Inception 1/8/13)	3.37	--	7.12
USD I3 Acc (Inception 28/3/13)	3.40	--	7.61
SGD I5 Acc (Inception 6/11/13)	--	--	1.11
SPGINRTR Index - USD[1]	5.26	--	--
SPGINRTR Index - SGD[1]	5.89	--	--
SPGNRUN Index[2]	4.56	--	--
MSCI ACP Index[3]	4.51	--	--
S&P® 500 Index[4]	10.51	--	--
SPGSCITR Index[5]	-0.33	--	--

^Quarterly returns are not annualized.

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. Each index listed is unmanaged and the returns include the reinvestment of all dividends, but do not reflect the payment of transaction costs, fees or expenses that are associated with an investment in any fund. An index's performance is not illustrative of a Fund's performance. You cannot invest in an index.

Performance Review

Class R1 shares of the Global Hard Assets UCITS (the "Fund") returned 3.11% for the fourth quarter (excluding sales charge). And the Fund itself, reversing its behavior over the previous quarter, slightly underperformed its commodity equities-based benchmark index, the Standard & Poor's® (S&P) North American Natural Resources Sector Index (SPGINRTR)[1], which returned 5.26%.

The Fund's performance was driven primarily by the Oil & Gas Refining & Marketing sub-sector, with further small positive contributions from the Oil & Gas Exploration & Production, Oil & Gas Equipment & Services, and Steel sub-sectors. The Oil & Gas Refining & Marketing sub-sector, which accounted for 11.5% of Fund net assets*, contributed nearly 3% to the Fund's total return. The Oil & Gas Exploration & Production sub-sector, which accounted for 30.1% of Fund net assets*, the Oil & Gas Equipment & Services sub-sector, which accounted for 17.4% of Fund net assets*, and the Steel sub-sector, which accounted for 2.2% of Fund net assets*, each contributed around 0.5% to the Fund's performance.

For comparative purposes we continue to include total return figures for two further indices: the Standard & Poor's® (S&P) Global Natural Resources Index (SPGNRUN)[2] and the MSCI ACWI Commodity Producers Index (MSCI ACP)[3].

Market Review

On a macro level, during the quarter the market had to contend with the reappearance of concerns about China. On the sector level, Energy continued to perform strongly during the quarter. The performance of the Oil & Gas Refining & Marketing sub-sector was particularly robust, as it benefited significantly from the increase in domestic crude oil supply from unconventional resources and the beneficial impact on domestic refining margins.

The strong performance demonstrated by the Oil & Gas Exploration & Production sub-sector in the previous three quarters continued into the fourth quarter. Such performance was, however, slightly offset by concerns about lower crude oil prices during the quarter. And while, in the third quarter, a number of larger traditional producers involved in unconventional energy resources both wrote down and divested themselves of assets, during the fourth quarter there were no further such actions of note. As in the third quarter, other, smaller companies that identified better properties earlier in the exact same places continued to thrive.

*All company and sector weightings as of December 31, 2013.

Please note that the information herein represents the opinion of the portfolio manager and these opinions may change at any time and from time to time.

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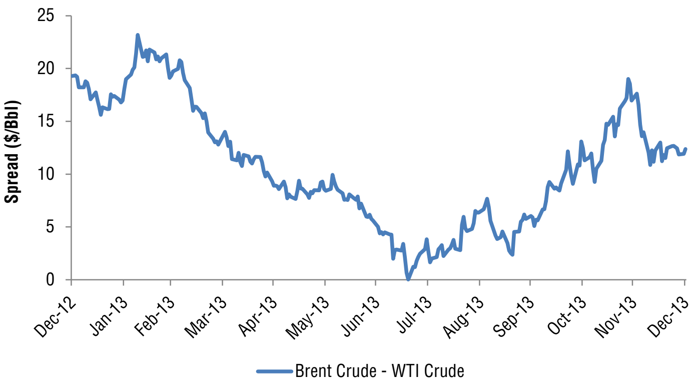
Exhibit 1: Brent Crude / WTI Crude Spread



Source: Bloomberg, Van Eck Research. Data as of December 31, 2013.

In the third quarter, a number of those major global mining companies in the throes of their massive restructuring and strategic repositioning exercises appeared to receive some credit for their efforts from the market. In the fourth quarter, however, as they continued to work through their exercises, rewards from the market were not as forthcoming, in our view, as renewed concerns about emerging markets growth weighed on the share prices.

Fund Attribution

In a complete reversal from what we saw during the last quarter, and reflecting the strong performance of the Oil & Gas Refining and Marketing sub-sector, the five biggest individual contributors to Fund performance during the quarter were North American refiners: Marathon Petroleum (2.5% of Fund net assets*), Phillips 66 (2.6% of Fund net assets*), Tesoro (2.6% of Fund net assets*), Delek US Holdings (1.1% of Fund net assets*), and Hollyfrontier (2.5% of Fund net assets*). All benefited from the favorable combination of a widening in the spread between West Texas Intermediate crude and Brent crude, and seasonally strong refined product margins.

Of the five worst performing stocks in the Fund's portfolio over the quarter, three were gold mining companies – all hit by falling gold prices. These three were: Newmont Mining (1.2% of Fund net assets*), Goldcorp (1.1% of Fund net assets*) and Randgold Resources (1.3% of Fund net assets*). The other two stocks were: Anadarko Petroleum (3.0% of Fund net assets*), following a negative ruling in a long-running environmental lawsuit in which it is involved, and, following profit taking, Glencore Xstrata (5.1% of Fund net assets*).

Positioning and Outlook

We continue to maintain the validity of our focus on the key theme of unconventional energy resources. We believe it still has a good amount of potential running room ahead of it. While we accept that it will be impacted by perceptions around the direction of oil prices, we still believe that, within our outlook for crude oil prices, the unconventional theme remains very valid.

As during the last quarter, we continue to keep an eye on the massive restructurings and strategic repositionings taking place among a number of the big mining companies. We still believe that, if successful, these companies will pass through three different phases as they shift away from growth at any cost.

As we mentioned last quarter, during the second phase (once the stables have been cleansed), tangible results should start to become evident, as costs are cut and clear strategic repositioning plans executed. The phase itself will, though, tend to be both extended and inconsistent. And, in addition, progress during this phase will certainly not be uniform across the industry.

While we still believe that a number of the big mining companies have entered this second phase, as during any of the three phases, the market will be looking not only to see just who is executing, but also who is delivering. The fact that few, if any, rewards were forthcoming in this quarter only goes to show that passage through this phase is by no means guaranteed plain sailing.

*All company and sector weightings as of December 31, 2013.

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All data of December 31, 2013.

All indices listed are unmanaged indices and include the reinvestment of dividends, but do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment in the Fund. An index's performance is not illustrative of the Fund's performance. Indices are not securities in which investments can be made. [1]The S&P North American Natural Resources Sector Index (SPGINRTR) includes mining, energy, paper and forest products, and plantation-owning companies. [2]The S&P Global Natural Resources Index (SPGNRUN) includes 90 of the largest publicly traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified and investable equity exposure across three primary commodity-related sectors: agribusiness, energy, and metals and mining. [3]The MSCI ACWI Commodity Producers Index (MSCI ACP) is a free float-adjusted market capitalization index designed to reflect the performance of listed commodity producers across three industry (or sub-industry) categories as defined by the Global Industry Classification Standard: energy, metals, and agriculture. [4]The S&P® 500 Index includes 500 leading companies in leading industries of the U.S. economy. The Index focuses on large-cap segments of the market, with approximately 75% coverage of U.S. equities. [5]The S&P Goldman Sachs Commodity Index (SPGSCITR) is a composite index of commodity sector returns, representing an unleveraged, long-only investment in commodity futures.

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Please see the prospectus and key investor information document for information on these as well as other risk considerations.

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