



Annual
Report

Virtus Foreign Opportunities Fund

TRUST NAME:
VIRTUS
OPPORTUNITIES
TRUST

September 30, 2009



No Bank Guarantee

Not FDIC Insured

May Lose Value

Table of Contents

Virtus Foreign Opportunities Fund

(“Foreign Opportunities Fund”)

Message to Shareholders	1
Key Investment Terms and Footnote Legend	3
Disclosure of Fund Expenses	4
Fund Summary	6
Schedule of Investments	8
Statement of Assets and Liabilities	11
Statement of Operations	12
Statement of Changes in Net Assets	13
Financial Highlights	14
Notes to Financial Statements	16
Report of Independent Registered Public Accounting Firm . . .	25
Tax Information Notice	26
Fund Management Tables	27

PROXY VOTING PROCEDURES (FORM N-PX)

The adviser and subadviser vote proxies relating to portfolio securities in accordance with procedures that have been approved by the Trust’s Board of Trustees. You may obtain a description of these procedures, along with information regarding how the Fund voted proxies during the most recent 12-month period ended June 30, 2009, free of charge, by calling toll-free 1-800-243-1574. This information is also available through the Securities and Exchange Commission’s website at <http://www.sec.gov>.

FORM N-Q INFORMATION

The Trust files a complete schedule of portfolio holdings for the Fund with the Securities and Exchange Commission (the “SEC”) for the first and third quarters of each fiscal year on Form N-Q. Form N-Q is available on the SEC’s website at <http://www.sec.gov>. Form N-Q may be reviewed and copied at the SEC’s Public Reference Room. Information on the operation of the SEC’s Public Reference Room can be obtained by calling toll-free 1-800-SEC-0330.

This report is not authorized for distribution to prospective investors in the Virtus Foreign Opportunities Fund unless preceded or accompanied by an effective prospectus which includes information concerning the sales charge, the Fund’s record and other pertinent information.

MESSAGE TO SHAREHOLDERS

Dear Fellow Shareholders of Virtus Mutual Funds:



Investors who were calmed by the positive news from the financial markets in the second quarter of 2009 may have had a reason to regain some of their enthusiasm during the third quarter. There were numerous signs pointing to an end to the recession: gross domestic product grew by an annualized 3.5 percent, matching its average growth rate of the last 80 years; a measure of stability appeared in the housing market; consumer confidence inched up; and better-than-expected profits and rosier outlooks were reported by many corporations.

The capital markets continued their recovery during the quarter, with most major stock market indices up by double digits for the quarter. The S&P 500® Index was up 15.6 percent in the quarter and in late September was at its highest level in nearly a year. The Dow Jones Industrial AverageSM increased 15.8 percent in the third quarter, and as of September 30 had improved by 13.5 percent for the year. These figures are even more encouraging when compared with market lows in early March and the double-digit losses both indices recorded during the first quarter of the year. Bonds also participated in the third-quarter rally, with the Barclays Capital U.S. Aggregate Bond Index ahead by 3.74 percent and the Barclays Capital U.S. Municipal Bond Index up 7.12 percent.

Although the Federal Open Market Committee acknowledged that “economic activity has picked up following its severe downturn,” these recent gains should not unleash any 1990s-style market “exuberance.” The strength and timing of a full recovery is yet to be realized. Unemployment rates that probably have not peaked remain a drag on consumer spending, and with an expected slowdown of the government’s monetary and fiscal stimulus, some economists speculate that the growth from the second and third quarter may not be sustainable into next year.

These factors suggest this is an important time to rely on the experience of your personal financial adviser and the investment professionals who manage your assets in the Virtus Mutual Funds. We encourage you to carefully consider the commentary of our investment professionals on the following pages and meet with your adviser to review your portfolio and, when appropriate, adjust it to fit your current investment objectives and your tolerance for risk.

Our wide range of equity, fixed income, and alternative investments allow you to allocate your assets and design a portfolio tailored to your individual needs. Information about your investments is always available on our website, www.virtus.com, and from our customer service staff at 1-800-243-1574. While there are no guarantees in the world of investing, I can assure you that we will do our very best to meet your expectations.

On behalf of the entire team at Virtus Investment Partners, I thank you for entrusting your financial assets to us.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Aylward". The signature is fluid and cursive, with the first letter of the first name being a large, stylized "G".

George R. Aylward
President, Virtus Mutual Funds

November 1, 2009

Whenever you have questions about your account or require additional information, please visit us at www.virtus.com or call our shareowner services group, toll free, at 1-800-243-1574.

Performance data quoted represents past results. Past performance is no guarantee of future results and current performance may be higher or lower than performance shown above.

KEY INVESTMENT TERMS AND FOOTNOTE LEGEND

KEY INVESTMENT TERMS

ADR (American Depositary Receipt)

Represents shares of foreign companies traded in U.S. dollars on U.S. exchanges that are held by a U.S. bank or trust. Foreign companies use ADRs in order to make it easier for Americans to buy their shares.

MSCI EAFE® Index (Net)

A free float-adjusted market capitalization index that measures developed foreign market equity performance, excluding the U.S. and Canada. The index is calculated on a total return basis with gross dividends reinvested.

Sponsored ADR

(American Depositary Receipt)

An ADR which is issued with the cooperation of the company whose stock will underlie the ADR. Sponsored ADRs generally carry the same rights normally given to stockholders, such as voting rights. ADRs must be sponsored to be able to trade on a major U.S. exchange such as the NYSE.

S&P 500® Index

The S&P 500® Index is a free-float market capitalization-weighted index of 500 of the largest U.S. companies. The index is calculated on a total return basis with dividends reinvested.

FOOTNOTE LEGEND

- ⁽¹⁾ Federal Income Tax Information: For tax information at September 30, 2009, see Note 10 Federal Income Tax Information in the Notes to Financial Statements.

The indexes are unmanaged and not available for direct investment; therefore, their performance does not reflect the expenses associated with active management of an actual portfolio.

VIRTUS FOREIGN OPPORTUNITIES FUND Disclosure of Fund Expenses (Unaudited)

For the six-month period of April 1, 2009 to September 30, 2009

We believe it is important for you to understand the impact of costs on your investment. All mutual funds have operating expenses. As a shareholder of the Virtus Foreign Opportunities Fund (the "Fund") you may incur two types of costs: (1) transaction costs, including sales charges on purchases of Class A shares and contingent deferred sales charges on Class C shares; and (2) ongoing costs, including investment advisory fees; distribution and service fees; and other expenses. Class I shares are sold without a sales charge and do not incur distribution and service fees. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. These examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire six-month period. The following Expense Table illustrates your fund's costs in two ways.

Actual Expenses

The first section of the accompanying table provides information about actual account values and actual expenses. You may use the information in this section, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your fund under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes

The second section of the accompanying table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not your Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in your Fund and other funds. To do so, compare these 5% hypothetical examples with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the accompanying table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges or contingent deferred sales charges. Therefore, the second section of the accompanying table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

VIRTUS FOREIGN OPPORTUNITIES FUND
Disclosure of Fund Expenses (Unaudited) (Continued)
For the six-month period of April 1, 2009 to September 30, 2009

Expense Table

	Beginning Account Value April 1, 2009	Ending Account Value September 30, 2009	Annualized Expense Ratio	Expenses Paid During Period*
Actual				
Class A	\$1,000.00	\$1,345.10	1.47%	\$ 8.64
Class C	1,000.00	1,339.60	2.22	13.02
Class I	1,000.00	1,347.00	1.23	7.24
Hypothetical (5% return before expenses)				
Class A	1,000.00	1,017.61	1.47	7.46
Class C	1,000.00	1,013.80	2.22	11.27
Class I	1,000.00	1,018.83	1.23	6.24

* Expenses are equal to the Fund's annualized expense ratio which includes waived fees and reimbursed expenses, if applicable, multiplied by the average account value over the period, multiplied by the number of days (183) expenses were accrued in the most recent fiscal half-year, then divided by 365 days to reflect the one-half year period.

The Fund may invest in other funds, and the annualized expense ratios noted above do not reflect fees and expenses associated with the underlying funds. If such fees and expenses were included, the expenses would have been higher.

You can find more information about the Fund's expenses in the Financial Statements section that follows. For additional information on operating expenses and other shareholder costs, refer to the prospectus.

VIRTUS FOREIGN OPPORTUNITIES FUND

Ticker Symbols:
Class A: JVIAX
Class C: JVICX
Class I: JVXIX

■ **Foreign Opportunities Fund** (the “Fund”) is diversified and has an investment objective to seek long-term capital appreciation. *There is no guarantee that the Fund will achieve its objective.*

■ For the fiscal year ended September 30, 2009, the Fund’s Class A shares at NAV returned -4.41%, Class C shares returned -5.18% and Class I shares returned -4.03%. For the same period, the S&P 500® Index, a broad-based equity index, returned -6.91% and the MSCI EAFE® Index (Net), the Fund’s style-specific index appropriate for comparison, returned 3.23%.

All performance figures assume reinvestment of distribution and exclude the effect of sales charges. Past Performance is no guarantee of future results and current performance may be higher or lower than the performance shown.

How did the market perform during the Fund’s fiscal year?

- The risk rally persisted throughout most of the Fund’s fiscal year.
- Late in the fiscal period, there were signs that riskier investments might be losing their appeal. If this proves out, higher quality names may benefit.

What factors affected the Fund’s performance during its fiscal year?

- Our philosophy and management approach generally do not deliver relative outperformance during periods when lower quality shares are in favor.
- The Fund was significantly overweight in consumer staples, as companies in this sector continued to meet our investment criteria. The sector made a strong positive contribution to relative performance during the period.

- The Fund continues to limit exposure to financial companies, which hurt relative performance. Sector specific issues, including lack of clarity, poor transparency, a changing regulatory framework, and questionable ability to drive earnings, informed our decisions in this sector.
- The Fund’s out-of-index position in India hurt relative performance during the end of the period, although our holdings in the country made attractive contributions to absolute performance.

Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic and market risk. Because the Fund is heavily weighted in a single sector, it will be impacted by that sector’s performance more than a fund with broader sector diversification.

Asset Allocations

The following table presents the portfolio holdings within certain sectors as a percentage of total investments at September 30, 2009.

Consumer Staples	40%
Health Care	16
Financials	13
Utilities	12
Energy	8
Industrials	4
Information Technology	3
Other (includes short-term investments)	<u>4</u>
Total	<u>100%</u>

VIRTUS FOREIGN OPPORTUNITIES FUND (Continued)

Average Annual Total Returns¹ for periods ended 9/30/09

	1 Year	5 Years	10 Years	Inception to 9/30/09	Inception Date
Class A Shares at NAV²	-4.41%	7.63%	3.70%	—	—
Class A Shares at POP^{3,4}	-9.91	6.37	3.09	—	—
Class C Shares at NAV²	-5.18	6.82	—	8.70%	10/10/03
Class C Shares with CDSC⁴	-5.18	6.82	—	8.70	10/10/03
Class I Shares at NAV	-4.03	—	—	-2.03	5/15/06
S&P 500[®] Index	-6.91	1.01	-0.15	Note 5	Note 5
MSCI EAFE[®] Index (Net)	3.23	6.07	2.54	Note 6	Note 6

Fund Expense Ratios⁷: A Shares: 1.39%; C Shares: 2.14%; I Shares: 1.14%.

All returns represent past performance which is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The above table and graph below do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. Please visit Virtus.com for performance data current to the most recent month-end.

¹ Total returns are historical and include changes in share price and the reinvestment of both dividends and capital gains distributions.

² "NAV" (Net Asset Value) total returns do not include the effect of any sales charge.

³ "POP" (Public Offering Price) total returns include the effect of the maximum front-end 5.75% sales charge.

⁴ CDSC (contingent deferred sales charge) is applied to redemptions of certain classes of shares that do not have a sales charge applied at the time of purchase. CDSC charges for certain redemptions of Class A shares and all Class C shares are 1% within the first year and 0% thereafter.

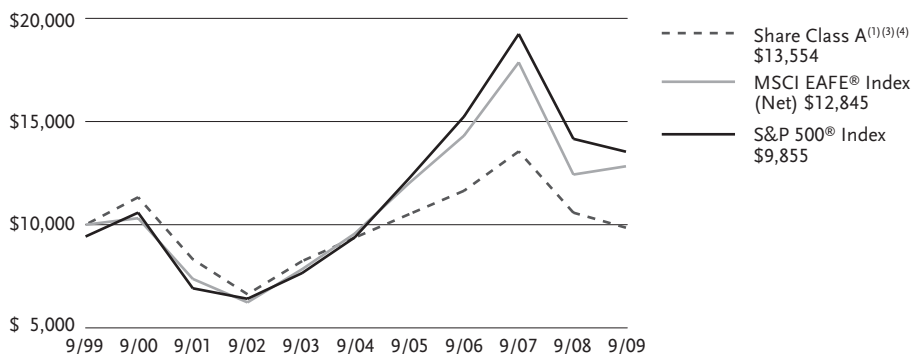
⁵ Index performance is 2.72% for Class C (since 10/10/03) and -3.74% for Class I (since 5/15/06).

⁶ Index performance is 7.50% for Class C (since 10/10/03) and -3.32% for Class I (since 5/15/06).

⁷ Per prospectus effective 3/2/09.

Growth of \$10,000 for periods ended 9/30

This chart assumes an initial investment of \$10,000 made on September 30, 1999 for Class A shares including any applicable sales charges or fees. Performance assumes reinvestment of dividends and capital gain distributions.



For information regarding the indexes and certain investment terms, see the Key Investment Terms and Footnote Legend section on page 3.

VIRTUS FOREIGN OPPORTUNITIES FUND
SCHEDULE OF INVESTMENTS
SEPTEMBER 30, 2009

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE
PREFERRED STOCKS—2.0%			Financials—13.8%		
Consumer Staples—1.1%			Deutsche Boerse AG		
Companhia de Bebidas				111,957	\$ 9,150
das Americas ADR Pfd.				1,402,450	48,119
3.650%					
	151,128	\$ 12,432	Housing Development		
Utilities—0.9%			Finance Corp.		
AES Tiete SA Pfd.				822,594	47,701
10.860%				491,564	5,625
	874,531	9,922	Muenchener		
TOTAL PREFERRED STOCK			Rueckversicherungs-		
(Identified Cost \$14,317)			Gesellschaft AG		
22,354				68,957	11,002
			Registered Shares		
			Power Corp. of Canada		
				406,800	11,125
			QBE Insurance Group		
				1,085,651	23,044
			Ltd.		
					155,766
COMMON STOCKS—95.6%			Health Care—16.0%		
Consumer Staples—39.1%			Cie Generale D'optique		
British American			Essilor International		
Tobacco plc				387,554	22,087
Cadbury plc				2,214,547	12,885
Coca-Cola Amatil Ltd.				382,426	16,544
Colruyt SA					
Diageo plc				118,316	5,892
Hindustan Unilever Ltd.					
Imperial Tobacco				577,006	28,870
Group plc					
ITC Ltd.				532,396	33,333
Lindt & Spruengli AG					
Nestle India Ltd.				278,660	45,040
Nestle S.A. Registered				131,987	15,908
Shares					180,559
Philip Morris			Industrials—4.0%		
International, Inc.			Bharat Heavy		
1,079,869				170,236	8,242
Reckitt Benckiser				1,502,163	17,345
Group plc				830,040	11,912
Shoppers Drug Mart				162,200	8,167
Corp.					45,666
Souza Cruz SA			Information Technology—3.4%		
Tesco plc			Companhia Brasileira de		
Woolworths Ltd.				1,244,000	12,324
		442,369		42,600	10,915
				972,360	15,033
					38,272
Energy—7.8%			Meios de Pagamento		
BG Group plc				12,440,000	12,324
Canadian Natural				42,600	10,915
Resources Ltd.				972,360	15,033
Core Laboratories N.V.					38,272
Total SA					
		87,519			

See Notes to Financial Statements

VIRTUS FOREIGN OPPORTUNITIES FUND
SCHEDULE OF INVESTMENTS (Continued)
SEPTEMBER 30, 2009

(\$ reported in thousands)

	SHARES	VALUE
Utilities—11.5%		
Companhia Energetica de Minas Gerais	768,028	\$ 11,618
CPFL Energia SA	557,600	10,084
Enagas S.A.	1,690,139	35,319
Red Electrica Corp. S.A.	507,600	25,976
RWE AG	154,880	14,385
Scottish & Southern Energy plc	860,343	16,128
Terna Rete Elettrica Nazionale S.p.A.	4,310,600	16,811
		130,321
TOTAL COMMON STOCKS		
(Identified Cost \$953,422)		1,080,472
TOTAL LONG-TERM INVESTMENTS—97.6%		
(Identified Cost \$967,739)		1,102,826
SHORT-TERM INVESTMENTS—4.1%		
Money Market Mutual Funds—4.1%		
State Street Institutional Liquid Reserves Fund – Institutional Shares (seven-day effective yield 0.260%)	46,865,246	46,865
TOTAL SHORT-TERM INVESTMENTS		
(Identified Cost \$46,865)		46,865
TOTAL INVESTMENTS—101.7%		
(Identified Cost \$1,014,604)		1,149,691⁽¹⁾
Other assets and liabilities, net—(1.7)%		(19,507)
NET ASSETS—100.0%		
		\$1,130,184

Abbreviations:

ADR American Depositary Receipt

Foreign Currencies:

CHF Swiss Franc

EUR European Currency Unit

GBP British Pound Sterling

Country Weightings as of September 30, 2009†

United Kingdom	24%
Switzerland	17
India	14
Brazil	8
United States (includes short-term investments)	6
Australia	5
Spain	5
Other	21
Total	100%

† % of total investments as of September 30, 2009

At September 30, 2009, the Fund had entered into forward currency contracts as follows (amounts reported in thousands):

Contracts to Sell	In Exchange for	Settlement Date	Value	Unrealized Appreciation (Depreciation)
CHF 21,374	USD 20,756	3/29/10	\$20,659	\$ 97
EUR 17,786	USD 26,027	3/29/10	26,017	10
GBP 25,885	USD 41,594	3/29/10	41,354	247
				<u>\$347</u>

Refer to Key Investment Terms and Footnote Legend on page 3.

See Notes to Financial Statements

VIRTUS FOREIGN OPPORTUNITIES FUND
SCHEDULE OF INVESTMENTS (Continued)
SEPTEMBER 30, 2009

The following table provides a summary of inputs used to value the Fund's net assets as of September 30, 2009 (see Security Valuation Note 2A in the Notes to Financial Statements):

	Total Value at September 30, 2009	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs
Assets Table			
Equity Securities:			
Common Stocks	\$1,080,472	\$1,080,472	\$ —
Preferred Stocks	22,354	22,354	—
Short-Term Investments	46,865	46,865	—
Total Investments	<u>\$1,149,691</u>	<u>\$1,149,691</u>	<u>\$ —</u>
Other Financial Instruments:			
Assets:			
Forward Currency Contracts	<u>\$ 347</u>	<u>\$ —</u>	<u>\$347</u>

There are no Level 3 (significant unobservable inputs) priced securities.

Refer to Key Investment Terms and Footnote Legend on page 3.

See Notes to Financial Statements

VIRTUS FOREIGN OPPORTUNITIES FUND
Statement of Assets and Liabilities
September 30, 2009

(Amounts reported in thousands except shares and per share amounts)

Assets

Investment securities at value ⁽¹⁾	\$ 1,149,691
Foreign currency at value ⁽²⁾	1,239
Receivables	
Investment securities sold	695
Fund shares sold	6,923
Dividends and interest receivable	3,524
Tax reclaims	1,395
Net unrealized appreciation on forward currency contracts	347
Prepaid expenses	119
Total assets	<u>1,163,933</u>

Liabilities

Payables	
Fund shares repurchased	22,033
Investment securities purchased	6,216
Foreign capital gain taxes payable	4,032
Investment advisory fee	767
Distribution and service fees	164
Administration fee	69
Transfer agent fees and expenses	230
Trustees' fee and expenses	14
Professional fee	33
Other accrued expenses	191
Total liabilities	<u>33,749</u>

Net Assets

\$ 1,130,184

Net Assets Consist of:

Capital paid in on shares of beneficial interest	\$ 1,382,118
Accumulated undistributed net investment income (loss)	12,245
Accumulated undistributed net realized gain (loss)	(395,838)
Net unrealized appreciation (depreciation) on investments	131,659

Net Assets

\$ 1,130,184

Class A

Net asset value (net assets/shares outstanding) per share	\$19.40
Maximum offering price per share \$19.40/(1-5.75%)	\$20.58
Shares of beneficial interest outstanding, \$0.001 par value, unlimited authorization	26,025,210
Net Assets	\$ 505,009

Class C

Net asset value (net assets/shares outstanding) and offering price per share	\$19.21
Shares of beneficial interest outstanding, \$0.001 par value, unlimited authorization	3,654,220
Net Assets	\$ 70,201

Class I

Net asset value (net assets/shares outstanding) and offering price per share	\$19.45
Shares of beneficial interest outstanding, \$0.001 par value, unlimited authorization	28,540,645
Net Assets	\$ 554,974

⁽¹⁾ Investment in securities at cost

\$ 1,014,604

⁽²⁾ Foreign currency at cost

1,139

See Notes to Financial Statements

VIRTUS FOREIGN OPPORTUNITIES FUND
Statement of Operations
Year Ended September 30, 2009

(Reported in thousands)

Investment Income

Dividends	\$ 33,781
Interest	19
Security lending	29
Foreign taxes withheld	<u>(1,922)</u>
Total investment income	<u>31,907</u>

Expenses

Investment advisory fees	7,525
Service fees, Class A	1,132
Distribution and service fees, Class C	668
Administration fees	747
Transfer agent fee and expenses	1,380
Custodian fees	663
Printing fees and expenses	139
Professional fees	60
Registration fees	119
Trustees' fee and expenses	90
Miscellaneous expenses	<u>168</u>
Total expenses	<u>12,691</u>

Net investment income (loss) **19,216**

Net Realized and Unrealized Gain (Loss) on Investments

Net realized gain (loss) on investments	(281,696)
Net realized gain (loss) on foreign currency transactions	5,366
Net change in unrealized appreciation (depreciation) on investments	209,689
Net change in unrealized appreciation (depreciation) on foreign currency translation	<u>(2,772)</u>

Net gain (loss) on investments **(69,413)**

Net increase (decrease) in net assets resulting from operations **\$ (50,197)**

See Notes to Financial Statements

VIRTUS FOREIGN OPPORTUNITIES FUND

Statement of Changes in Net Assets

(Reported in thousands)

	Year Ended September 30, 2009	Year Ended September 30, 2008
From Operations		
Net investment income (loss)	\$ 19,216	\$ 10,197
Net realized gain (loss)	(276,330)	(97,223)
Net change in unrealized appreciation (depreciation)	206,917	(299,345)
Increase (decrease) in net assets resulting from operations	(50,197)	(386,371)
From Distributions to Shareholders		
Net investment income, Class A	(5,015)	(4,273)
Net investment income, Class C	—	(216)
Net investment income, Class I	(4,811)	(3,178)
Net realized short-term gains, Class A	(259)	(6,704)
Net realized short-term gains, Class C	(40)	(1,119)
Net realized short-term gains, Class I	(184)	(4,041)
Net realized long-term gains, Class A	—	(5,433)
Net realized long-term gains, Class C	—	(907)
Net realized long-term gains, Class I	—	(3,275)
Decrease in net assets from distributions to shareholders	(10,309)	(29,146)
From Share Transactions		
Sale of shares		
Class A (11,828 and 15,249 shares, respectively)	191,967	403,457
Class C (724 and 1,782 shares, respectively)	11,630	47,916
Class I (17,113 and 8,230 shares, respectively)	289,001	206,483
Reinvestment of distributions		
Class A (293 and 514 shares, respectively)	4,739	14,391
Class C (2 and 51 shares, respectively)	29	1,421
Class I (249 and 285 shares, respectively)	4,026	7,970
Plans of Reorganization (See Note 9)		
Class A (0 and 2,807 shares, respectively)	—	62,246
Class C (0 and 68 shares, respectively)	—	1,495
Class I (0 and 0 shares, respectively)	—	—
Shares repurchased		
Class A (16,329 and 11,701 shares, respectively)	(265,401)	(290,186)
Class C (1,783 and 963 shares, respectively)	(28,718)	(23,872)
Class I (8,248 and 4,187 shares, respectively)	(133,887)	(105,982)
Increase (decrease) in net assets from share transactions	73,386	325,339
Capital Contributions		
Fair Funds settlement ⁽¹⁾	931	—
Net increase (decrease) in net assets	13,811	(90,178)
Net Assets		
Beginning of period	1,116,373	1,206,551
End of period	\$1,130,184	\$1,116,373
Accumulated undistributed net investment income (loss) at end of period ..	\$ 12,245	\$ 5,790

⁽¹⁾ The Fund was a recipient of a portion of a distribution from a Fair Fund established by the United States Securities and Exchange Commission. The proceeds received were part of the Millennium Partners, L.P. and Bear Stearns & Co., Inc. settlements.

See Notes to Financial Statements

VIRTUS FOREIGN OPPORTUNITIES FUND
Financial Highlights
Selected Per Share Data and Ratios For a Share Outstanding
Throughout Each Period

	Net Asset Value, Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions
Class A							
10/1/08 to 9/30/09	\$20.54	0.34 ⁽⁴⁾	(1.29)	(0.95)	(0.18)	(0.01)	(0.19)
10/1/07 to 9/30/08	28.58	0.20 ⁽⁴⁾	(7.59)	(7.39)	(0.17)	(0.48)	(0.65)
3/1/07 to 9/30/07	25.00	0.22 ⁽⁴⁾	3.46	3.68	(0.06)	(0.04)	(0.10)
3/1/06 to 2/28/07	21.47	0.21 ⁽⁴⁾	4.08	4.29	(0.17)	(0.59)	(0.76)
3/1/05 to 2/28/06	19.02	0.17 ⁽⁴⁾	3.85	4.02	(0.22)	(1.35)	(1.57)
3/1/04 to 2/28/05	15.47	0.16	3.81	3.97	(0.16)	(0.26)	(0.42)
Class C							
10/1/08 to 9/30/09	\$20.27	0.22 ⁽⁴⁾	(1.27)	(1.05)	—	(0.01)	(0.01)
10/1/07 to 9/30/08	28.31	0.01 ⁽⁴⁾	(7.52)	(7.51)	(0.05)	(0.48)	(0.53)
3/1/07 to 9/30/07	24.85	0.10 ⁽⁴⁾	3.44	3.54	(0.04)	(0.04)	(0.08)
3/1/06 to 2/28/07	21.41	(0.01) ⁽⁴⁾	4.11	4.10	(0.07)	(0.59)	(0.66)
3/1/05 to 2/28/06	19.11	(0.06) ⁽⁴⁾	3.92	3.86	(0.21)	(1.35)	(1.56)
3/1/04 to 2/28/05	15.55	0.01	3.84	3.85	(0.03)	(0.26)	(0.29)
Class I							
10/1/08 to 9/30/09	\$20.58	0.40 ⁽⁴⁾	(1.28)	(0.88)	(0.24)	(0.01)	(0.25)
10/1/07 to 9/30/08	28.61	0.27 ⁽⁴⁾	(7.61)	(7.34)	(0.21)	(0.48)	(0.69)
3/1/07 to 9/30/07	25.00	0.25 ⁽⁴⁾	3.47	3.72	(0.07)	(0.04)	(0.11)
5/15/06 ⁽⁹⁾ to 2/28/07	22.54	0.13 ⁽⁴⁾	3.14	3.27	(0.22)	(0.59)	(0.81)

⁽¹⁾ Sales charges, where applicable, are not reflected in the total return calculation.

⁽²⁾ Annualized.

⁽³⁾ Not annualized.

⁽⁴⁾ Computed using average shares outstanding.

⁽⁵⁾ Amount is less than \$0.005.

⁽⁶⁾ Payment by affiliate.

⁽⁷⁾ Payment by non-affiliate.

⁽⁸⁾ Blended net expense ratio.

⁽⁹⁾ Inception date.

See Notes to Financial Statements

Payment by Affiliate/Non-Affiliate	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽¹⁾	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets	Ratio of Gross Expenses to Average Net Assets (before waivers and reimbursements)	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
—	(1.14)	\$19.40	(4.41)%	\$505,009	1.48%	1.48%	2.09%	63%
—	(8.04)	20.54	(26.48)	620,952	1.37 ⁽⁸⁾	1.39	0.78	129
— ⁽⁵⁾⁽⁷⁾	3.58	28.58	14.72 ⁽³⁾	667,719	1.36 ⁽²⁾	1.40 ⁽²⁾	1.44 ⁽²⁾	49 ⁽³⁾
—	3.53	25.00	20.39	360,822	1.37	1.43	0.88	57
—	2.45	21.47	21.82	128,991	1.25	1.62	0.85	52
— ⁽⁵⁾⁽⁶⁾	3.55	19.02	26.15	2,714	1.25	2.10	1.50	32
—	(1.06)	\$19.21	(5.18)%	\$ 70,201	2.23%	2.23%	1.33%	63%
—	(8.04)	20.27	(27.04)	95,523	2.12 ⁽⁸⁾	2.15	0.03	129
— ⁽⁵⁾⁽⁷⁾	3.46	28.31	14.24 ⁽³⁾	106,847	2.11 ⁽²⁾	2.16 ⁽²⁾	0.64 ⁽²⁾	49 ⁽³⁾
—	3.44	24.85	19.46	45,154	2.13	2.17	(0.06)	57
—	2.30	21.41	20.96	6,019	2.00	2.35	(0.29)	52
— ⁽⁵⁾⁽⁶⁾	3.56	19.11	25.21	39	2.00	2.86	0.76	32
—	(1.13)	\$19.45	(4.03)%	\$554,974	1.23%	1.23%	2.42%	63%
—	(8.03)	20.58	(26.31)	399,898	1.12 ⁽⁸⁾	1.15	1.01	129
— ⁽⁵⁾⁽⁷⁾	3.61	28.61	14.88 ⁽³⁾	431,985	1.11 ⁽²⁾	1.15 ⁽²⁾	1.59 ⁽²⁾	49 ⁽³⁾
—	2.46	25.00	14.84 ⁽³⁾	83,938	1.13 ⁽²⁾	1.17 ⁽²⁾	0.71 ⁽²⁾	57 ⁽³⁾

See Notes to Financial Statements

VIRTUS FOREIGN OPPORTUNITIES FUND
NOTES TO FINANCIAL STATEMENTS
September 30, 2009

1. Organization

Virtus Opportunities Trust, (the "Trust"), is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended, as an open-end management investment company.

As of the date of this report, eighteen funds are offered for sale, of which the Virtus Foreign Opportunities Fund (the "Fund") is reported in this annual report. The Fund's investment objective is outlined in the Fund Summary Page.

The Fund offers Class A shares, Class C shares and Class I shares.

Class A shares are sold with a front-end sales charge of up to 5.75% with some exceptions. Generally, Class A shares are not subject to any charges by the Fund when redeemed; however, a 1% contingent deferred sales charge ("CDSC") may be imposed on certain redemptions made within one year following purchases on which a finder's fee has been paid. The one-year period begins on the last day of the month preceding the month the purchase was made. Class C shares are generally sold with a 1% contingent deferred sales charge, if applicable, if redeemed within one year of purchase. Class I shares are sold without a sales charge.

Each class of shares has identical voting, dividend, liquidation and other rights and the same terms and conditions, except that each class bears different distribution and/or service expenses and has exclusive voting rights with respect to its distribution plan. Class I bears no distribution and/or service expenses. Income and other expenses and realized and unrealized gains and losses of the Fund are borne pro rata by the holders of each class of shares.

2. Significant Accounting Policies

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates and those differences could be significant.

A. Security valuation:

Equity securities are valued at the official closing price (typically last sale) on the exchange on which the securities are primarily traded, or if no closing price is available, at the last bid price.

Debt securities are valued on the basis of broker quotations or valuations provided by a pricing service, which utilizes information with respect to recent sales, market transactions in comparable securities, quotations from dealers, and various relationships between securities in determining value. Due to continued volatility in the current market, valuations developed through pricing techniques may materially vary from the actual amounts realized upon sale of the securities.

As required, some securities and assets may be valued at fair value as determined in good faith by or under the direction of the Trustees.

VIRTUS FOREIGN OPPORTUNITIES FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2009

Certain foreign common stocks may be fair valued in cases where closing prices are not readily available or are deemed not reflective of readily available market prices. For example, significant events (such as movement in the U.S. securities market, or other regional and local developments) may occur between the time that foreign markets close (where the security is principally traded) and the time that the Fund calculates its net asset value (generally, the close of the NYSE) that may impact the value of securities traded in these foreign markets. In these cases, information from an external vendor may be utilized to adjust closing market prices of certain foreign common stocks to reflect their fair value. Because the frequency of significant events is not predictable, fair valuation of certain foreign common stocks may occur on a frequent basis.

Investments in underlying funds are valued at each fund's closing net asset value determined as of the close of business of the New York Stock Exchange (generally 4:00 p.m. Eastern time).

Short-term investments having a maturity of 60 days or less are valued at amortized cost, which approximates market.

The Fund utilizes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels.

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – prices determined using other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – prices determined using significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

A summary of the inputs used to value the Fund's net assets by each major security type is disclosed at the end of the Schedule of Investments. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

B. Security transactions and related income:

Security transactions are recorded on the trade date. Dividend income is recorded on the ex-dividend date, or in the case of certain foreign securities, as soon as the Fund is notified. Interest income is recorded on the accrual basis. The Fund amortizes premiums and accretes discounts using the effective interest method. Realized gains and losses are determined on the identified cost basis.

C. Income taxes:

The Fund is treated as a separate taxable entity. It is the policy of the Fund to comply with the requirements of Subchapter M of the Internal Revenue Code and to distribute substantially all of its taxable income to its shareholders. Therefore, no provision for federal income taxes or excise taxes has been made.

The Fund may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable based upon current interpretations of the tax rules and regulations that exist in the markets in which it invests.

Accounting for Uncertainty in Income Taxes sets forth a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. Management has analyzed each Fund's tax positions and has concluded that no provision for income tax is required in any Fund's financial statements. The Fund is

VIRTUS FOREIGN OPPORTUNITIES FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2009

unaware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. Each of the Fund's federal tax returns for the prior three fiscal years remains subject to examination by the Internal Revenue Service.

D. Distributions to shareholders:

Distributions are recorded by the Fund on the ex-dividend date. Income and capital gain distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences may include the treatment of non-taxable dividends, market premium and discount, non-deductible expenses, expiring capital loss carryovers, foreign currency gain or loss, gain or loss on futures contracts, partnerships, operating losses and losses deferred due to wash sales. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications to capital paid in on shares of beneficial interest.

E. Expenses:

Expenses incurred by the Trust with respect to more than one fund are allocated in proportion to the net assets of each fund, except where allocation of direct expense to each fund or an alternative allocation method can be more appropriately made.

F. Foreign currency translation:

Foreign securities and other assets and liabilities are valued using the foreign currency exchange rate effective at the end of the reporting period. Cost of investments is translated at the currency exchange rate effective at the trade date. The gain or loss resulting from a change in currency exchange rates between the trade and settlement date of a portfolio transaction is treated as a gain or loss on foreign currency. Likewise, the gain or loss resulting from a change in currency exchange rates between the date income is accrued and the date it is paid is treated as a gain or loss on foreign currency. The Trust does not isolate that portion of the results of operations arising from changes in exchange rates or from fluctuations which arise due to changes in the market prices of securities.

G. Derivative Financial Instruments:

Disclosures on derivative instruments and hedging activities are intended to improve financial reporting for derivative instruments by enhanced disclosure that enables the investors to understand how and why a fund uses derivatives, how derivatives are accounted for, and how derivative instruments affect a fund's results of operations and financial position. Summarized below are the specific types of derivative instruments used by the Fund.

Forward Currency Contracts: A forward currency contract involves an obligation to purchase or sell a specific currency at a future date, which may be any number of days from the date of the contract agreed upon by the parties, at a price set at the time of the contract. These contracts are traded directly between currency traders and their customers. The contract is marked-to-market daily and the change in market value is recorded by each Fund as an unrealized gain or loss in the Statement of Operations. When the contract is closed or offset with the same counterparty, the Fund records a realized gain or loss equal to the change in the value of the contract when it was opened

VIRTUS FOREIGN OPPORTUNITIES FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2009

and the value at the time it was closed or offset. This is presented in the Statement of Operations as net realized gain (loss) from foreign currency transactions.

The Fund enters into forward currency contracts in conjunction with the planned purchase or sale of foreign denominated securities in order to hedge the U.S. dollar cost or proceeds. The Fund also from time to time hedges the currency exposure of foreign denominated securities, held in the portfolio, back to U.S. dollars during perceived times of U.S. dollar strength. This is done in order to protect U.S. dollar value of the portfolio. Forward currency contracts involve, to varying degrees, elements of market risk in excess of the amount recognized in the Statement of Assets and Liabilities. Risks arise from the possible movements in foreign exchange rates or if the counterparty does not perform under the contract.

The following is a summary of the Fund's derivative instrument holdings categorized by primary risk exposure as of September 30, 2009 (\$ reported in thousands):

Total Value

Foreign exchange contracts⁽¹⁾ \$347

For open derivative instruments as of September 30, 2009, see the Schedule of Investments, which is also indicative of activity for the year ended September 30, 2009.

**Realized Gain (Loss) on
Derivatives Recognized in Results from Operations**

Total Value

Foreign exchange contracts⁽²⁾ \$5,366

**Change in Unrealized Appreciation (Depreciation) on
Derivatives Recognized in Results from Operations**

Total Value

Foreign exchange contracts⁽³⁾ \$388

⁽¹⁾ Located within Net unrealized appreciation on forward currency contracts on the Statement of Assets and Liabilities.

⁽²⁾ Located within Net realized gain (loss) on foreign currency transactions on the Statement of Operations.

⁽³⁾ Located within Net change in unrealized appreciation (depreciation) on foreign currency translation on the Statement of Operations.

H. Security lending:

The Fund may loan securities to qualified brokers through an agreement with State Street Bank and Trust Company ("State Street"). Under the terms of the agreement, the Fund is required to maintain collateral with a market value not less than 100% of the market value of loaned securities. Collateral is adjusted daily in connection with changes in the market value of securities on loan. Collateral may consist of cash, or securities issued or guaranteed by the U.S. Government or its agencies. Cash collateral is invested in a short-term money market fund. Dividends earned on the collateral and premiums paid by the broker are recorded as income by the Fund net of fees and rebates charged by State Street for its services in connection with this securities lending program. Lending

VIRTUS FOREIGN OPPORTUNITIES FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2009

portfolio securities involves a risk of delay in the recovery of the loaned securities or in the foreclosure on collateral.

At September 30, 2009, the Fund had no securities on loan.

I. Equity linked certificates:

The Fund may invest in equity linked certificates. The Fund purchases the certificates (“notes”) from a broker, who in turn purchases shares in the local market and issues a call note hedged on the underlying holding. If the Fund exercises its call and closes its position, the shares are sold and the note redeemed with the proceeds. Each note represents one share of the underlying stocks; therefore, the price, performance and liquidity of the note are all directly linked to the underlying stock. The notes can be redeemed for 100% of the value of the underlying stock, less transaction costs. In addition to the market risk of the underlying holding, the Fund bears additional counterparty risk to the issuing broker.

At September 30, 2009, the Fund did not hold Equity linked certificates.

3. Investment Advisory Fee and Related Party Transactions
(\$ reported in thousands except as noted)

At the close of business December 31, 2008, Virtus Investment Partners, Inc. (“Virtus”) spun off from The Phoenix Companies, Inc. (“PNX”), into an independent publicly traded company which through its affiliates provides asset management and related services to individuals and institutions. Virtus Investment Advisers, Inc. (“VIA,” the “Adviser,” formerly known as Phoenix Investment Counsel, Inc.) and VP Distributors, Inc. (“VP Distributors,” formerly known as Phoenix Equity Planning Corporation) are indirect wholly-owned subsidiaries of Virtus. Due to the spin-off, the asset management subsidiaries have changed their names to reflect the Virtus brand.

As compensation for its services to the Fund, the Adviser is entitled to a fee based upon the following annual rates as a percentage of the average daily net assets of the Fund.

<u>1st</u> <u>\$2 Billion</u>	<u>\$2+ Billion</u> <u>Through</u> <u>\$4 Billion</u>	<u>\$4+</u> <u>Billion</u>
0.85%	0.80%	0.75%

The Adviser may recapture operating expenses waived or reimbursed under arrangements previously in effect, within three fiscal years following the end of the fiscal year in which such waiver or reimbursement occurred. The Fund must pay its ordinary operating expenses before the Adviser is entitled to any reimbursement and must remain in compliance with any applicable expense limitations. All or a portion of reimbursed expenses may be recaptured by the fiscal years ended as follows:

<u>2010</u>	<u>2011</u>	<u>Total</u>
\$189	\$341	\$530

The Adviser manages the Fund’s investment program and general operations of the Fund, including oversight of the Fund’s subadviser, Vontobel Asset Management, Inc. (“Vontobel”).

VIRTUS FOREIGN OPPORTUNITIES FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2009

As distributor of the Fund's shares, VP Distributors, Inc., an indirect wholly-owned subsidiary of Virtus, has advised the Fund that it retained net selling commissions and deferred sales charges for the fiscal year (the "period") ended September 30, 2009, as follows:

Class A Net Selling Commissions	Class A Deferred Sales Charges	Class C Deferred Sales Charges
\$37	\$1	\$34

In addition, the Fund pays VP Distributors distribution and/or service fees at the annual rate of 0.25% for Class A shares, and 1.00% for Class C shares applied to the average daily net assets of each respective class. There are no distribution and/or service fees for Class I.

Under certain circumstances, shares of certain Virtus Mutual Funds may be exchanged for shares of the same class of certain other Virtus Mutual Funds on the basis of the relative net asset values per share at the time of the exchange. On exchanges with share classes that carry a CDSC, the CDSC schedule of the original shares purchased continues to apply.

VP Distributors serves as the Administrator to the Fund. For the period ended September 30, 2009, the Fund incurred administration fees totaling \$747. VP Distributors also serves as the Trust's transfer agent. For the period ended September 30, 2009, transfer agent fees were \$1,380 as reported in the Statement of Operations.

At September 30, 2009, Virtus and its affiliates, the retirement plans of Virtus and its affiliates held shares of the Fund which may be redeemed at any time that aggregated the following:

	Aggregate Shares	Net Asset Value
Class A shares	5,724	\$ 111
Class I shares	1,832,870	35,649

Until March 1, 2007, the Trust provided a deferred compensation plan to its trustees who were not officers of Virtus. Under the deferred compensation plan, trustees were able to elect to defer all or a portion of their compensation. Amounts deferred were retained by the Fund, and to the extent permitted by the 1940 Act, as amended, could have been invested in the shares of those Virtus Mutual Funds selected by the trustees.

4. Purchases and Sales of Securities
(\$ reported in thousands)

Purchases and sales of investment securities for the Fund (excluding U.S. Government securities and agency securities, forward currency contracts and short-term securities) during the period ended September 30, 2009, were as follows:

Purchases	Sales
\$631,056	\$546,390

There were no purchases or sales of long-term U.S. Government and agency securities.

VIRTUS FOREIGN OPPORTUNITIES FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2009

5. 10% Shareholders

As of September 30, 2009, the Fund had individual shareholder accounts and/or omnibus shareholder accounts (comprised of a group of individual shareholders), which individually amounted to more than 10% of the total shares outstanding of the fund as detailed below. The shareholders are not affiliated with Virtus.

<u>% of Shares Outstanding</u>	<u>Number of Accounts</u>
34%	2

6. Credit Risk and Asset Concentrations

In countries with limited or developing markets, investments may present greater risks than in more developed markets and the prices of such investments may be volatile. The consequences of political, social or economic changes in these markets may have disruptive effects on the market prices of these investments and the income they generate, as well as a Fund's ability to repatriate such amounts.

The Fund may invest a high percentage of its assets in specific sectors of the market in its pursuit of a greater investment return. Fluctuations in these sectors of concentration may have a greater impact on the Fund, positive or negative, than if the Fund did not concentrate its investments in such sectors.

At September 30, 2009, the Fund held securities issued by various companies in the consumer staples sector, representing 40% of the total investments of the Fund.

7. Indemnifications

Under the Fund's organizational documents, its Trustees and Officers are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, the Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these arrangements.

8. Regulatory Exams

Federal and state regulatory authorities from time to time make inquiries and conduct examinations regarding compliance by Virtus (and, prior to the spin-off described in Note 3, PNX) and its subsidiaries (collectively "the Company") with securities and other laws and regulations affecting their registered products.

There are currently no such matters which the Company believes will be material to these financial statements.

9. Plans of Reorganization

(All values except for per share amounts are reported in thousands)

On September 12, 2008, the Foreign Opportunities Fund acquired all of the net assets of the Phoenix International Strategies Fund ("International Strategies Fund") of the Virtus Opportunities Trust ("Opportunities Trust") pursuant to an Agreement and Plan of Reorganization approved by the Board of Trustees of Opportunities Trust on June 4, 2008. The acquisition was accomplished by a tax-free exchange of 2,807 Class A shares and 68 Class C shares of the Foreign Opportunities Fund outstanding on September 12,

VIRTUS FOREIGN OPPORTUNITIES FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2009

2008 (valued at \$62,246 and \$1,495, respectively) for 5,615 Class A shares and 147 Class C shares of the International Strategies Fund outstanding on September 12, 2008. The International Strategies Fund had net assets on that date of \$63,741 including \$5,455 of net unrealized depreciation, which were combined with those of the Foreign Opportunities Fund. The aggregate net assets of Foreign Opportunities Fund immediately after the merger were \$1,242,947. The shareholders of each Class of the International Strategies Fund received for each share owned approximately 0.50 and 0.46 share, respectively, of Class A and Class C shares of the Foreign Opportunities Fund.

10. Federal Income Tax Information
(\$ reported in thousands)

At September 30, 2009, federal tax cost and aggregate gross unrealized appreciation (depreciation) of securities held by the Fund were as follows:

<u>Federal Tax Cost</u>	<u>Unrealized Appreciation</u>	<u>Unrealized Depreciation</u>	<u>Net Unrealized Appreciation (Depreciation)</u>
\$1,034,145	\$126,719	\$(11,173)	\$115,546

The Fund has capital loss carryovers which may be used to offset future capital gains, as follows:

<u>Expiration Year</u>		
<u>2010</u>	<u>2017</u>	<u>Total</u>
\$379	\$153,055	\$153,434

The Fund may not realize the benefit of these losses to the extent the Fund does not realize gains on investments prior to the expiration of the capital loss carryovers. The Fund's capital loss carryover may include losses acquired in connection with prior year mergers. Utilization of these capital loss carryovers is subject to annual limitations.

The Fund had capital loss carryover of \$1,299 which expired in 2009.

Under current tax law, foreign currency and capital losses realized after October 31 may be deferred and treated as occurring on the first day of the following fiscal year. For the fiscal year ended September 30, 2009, the Fund deferred and recognized post-October losses as follows:

<u>Capital Loss Deferred</u>	<u>Capital Loss Recognized</u>	<u>Currency Loss Deferred</u>	<u>Currency Loss Recognized</u>
\$222,516	\$106,728	\$3,446	\$4,015

The components of distributable earnings on a tax basis (excluding unrealized appreciation (depreciation) which is disclosed in the Schedules of Investments) consist of undistributed ordinary income of \$15,690 and undistributed long-term capital gains of \$0.

The differences between the book and tax basis components of distributable earnings relate principally to the timing of recognition of income and gains for federal income tax purposes. Short-term gain distributions reported in the Statements of Changes in Net Assets, if any, are reported as ordinary income for federal tax purposes.

VIRTUS FOREIGN OPPORTUNITIES FUND
NOTES TO FINANCIAL STATEMENTS (Continued)
September 30, 2009

11. Reclassifications of Capital Accounts
(\$ reported in thousands)

For financial reporting purposes, book basis capital accounts are adjusted to reflect the tax character of permanent book/tax differences. Permanent reclassifications can arise from differing treatment of certain income and gain transactions, nondeductible current year net operating losses, expiring capital loss carryovers and investments in passive foreign investment companies. The reclassifications have no impact on the net assets or net asset value of the Fund. As of September 30, 2009, the Fund recorded reclassifications to increase (decrease) the accounts as listed below:

Capital Paid in on Shares of Beneficial Interest	Undistributed Net Investment Income (Loss)	Accumulated Net Realized Gain (Loss)
\$(2,253)	\$(2,935)	\$5,188

12. Subsequent Event Evaluations

Management has evaluated the impact of all subsequent events on the Fund through November 20, 2009, the date the financial statements were available for issuance, and has determined that there are no subsequent events requiring recognition or disclosure in the financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM



To the Board of Trustees of
Virtus Opportunities Trust and Shareholders of
Virtus Foreign Opportunities Fund

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Virtus Foreign Opportunities Fund, a series of Virtus Opportunities Trust, at September 30, 2009, the results of its operations for the year then ended, and the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the periods indicated, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at September 30, 2009 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
November 20, 2009

VIRTUS FOREIGN OPPORTUNITIES FUND
TAX INFORMATION NOTICE
September 30, 2009 (Unaudited)

For the fiscal year ended September 30, 2009, the Fund makes the following disclosures for federal income tax purposes. Below is listed the percentage, or the maximum amount allowable, of its ordinary income dividends ("QDI") to qualify for the lower tax rates applicable to individual shareholders, and the percentage of ordinary income dividends earned by the Fund which qualifies for the dividends received deduction ("DRD") for corporate shareholders. The actual percentage of QDI and DRD for the calendar year will be designated in year-end tax statements. The Fund designates the amount below, or if subsequently different, as long-term capital gains dividends ("LTCG") (\$ reported in thousands).

<u>QDI</u>	<u>DRD</u>	<u>LTCG</u>
100%	30%	\$ —

For the fiscal year ended September 30, 2009, the Fund recognized \$31,147 (\$ reported in thousands), of foreign source income on which the Fund paid foreign taxes of \$2,021 (\$ reported in thousands). This information is being furnished to you pursuant to notice requirements of Section 853(a) and 855(d) of the Internal Revenue Code, as amended, and the Treasury Regulations thereunder.

Fund Management Tables (Unaudited)

Information pertaining to the Trustees and officers of the Trust as of September 30, 2009, is set forth below. The statement of additional information (SAI) includes additional information about the Trustees and is available without charge, upon request, by calling (800) 243-4361. The address of each individual, unless otherwise noted, is 100 Pearl Street, Hartford, CT 06103-4506. There is no stated term of office for Trustees of the Trust.

Independent Trustees

Name, Year of Birth, Year Elected and Number of Funds Overseen	Principal Occupation(s) During Past 5 Years and Other Directorships Held by Trustee
Leroy Keith, Jr. YOB: 1939 Elected: 1993 46 Funds	Managing Director, Almanac Capital Management (commodities business) (2007-present). Partner, Stonington Partners, Inc. (private equity firm) (2001-2007). Director/Trustee, Evergreen Funds (88 portfolios).
Philip R. McLoughlin YOB: 1946 Elected: 1993 49 Funds	Partner, Cross Pond Partners, LLC (2006-Present). Director, World Trust Fund. Chairman and Trustee, The Phoenix Edge Series Fund. Director, DTF Tax-Free Income Fund, Inc., Duff & Phelps Utility and Corporate Bond Trust, Inc. and DNP Select Income Fund, Inc. Managing Director, SeaCap, Asset Management Fund I L.P.
Geraldine M. McNamara YOB: 1951 Elected: 2001 49 Funds	Retired. Managing Director, U.S. Trust Company of New York (private bank) (1982-2006). Director, DTF Tax-Free Income Fund, Inc., Duff & Phelps Utility and Corporate Bond Trust, Inc. and DNP Select Income Fund, Inc.
James M. Oates YOB: 1946 Elected: 1993 46 Funds	Managing Director, Wydown Group (consulting firm) (1994-present). Chairman, Hudson Castle Group, Inc. (formerly IBEX Capital Markets, Inc.) (financial services) (1997-2006). Director, Stifel Financial. Chairman and Trustee, John Hancock Trust (93 portfolios) and John Hancock Funds II (74 portfolios). Non-Executive Chairman, Hudson Castle Group, Inc.
Richard E. Segerson YOB: 1946 Elected: 1998 46 Funds	Managing Director, Northway Management Company (1998-present).
Ferdinand L.J. Verdonck YOB: 1942 Elected: 2004 46 Funds	Retired. Director, Galapagos N.V. (biotechnology). Mr. Verdonck is also a director of several non-U.S. companies.

Interested Trustee

The individual listed below is an “interested person” of the Trust, as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended, and the rules and regulations thereunder.

Name, Year of Birth, Year Elected and Number of Funds Overseen	Principal Occupation(s) During Past 5 Years and Other Directorships Held by Trustee
George R. Aylward ⁽¹⁾ YOB: 1964 Elected: 2006 48 Funds	Director, President and Chief Executive Officer (since 2008), Director and President (2006-2008), Chief Operating Officer (2004-2006), Vice President, Finance (2001-2002), Virtus Investment Partners, Inc. and/or certain of its subsidiaries. Various senior officer and directorship positions with Virtus affiliates (2005-present). Senior Executive Vice President and President, Asset Management (2007-2008), Senior Vice President and Chief Operating Officer, Asset Management (2004-2007), Vice President and Chief of Staff (2001-2004), The Phoenix Companies, Inc. Various senior officer and directorship positions with Phoenix affiliates (2005-2008). President (2006-present), Executive Vice President (2004-2006), the Virtus Mutual Funds Family. Chairman, President and Chief Executive Officer, The Zweig Fund Inc. and The Zweig Total Return Fund Inc. (2006-present).

⁽¹⁾ Mr. Aylward is an “interested person,” as defined in the Investment Company Act of 1940, by reason of his relationship with Virtus Investment Partners, Inc. and/or its affiliates.

Fund Management Tables (Unaudited) (Continued)

Officers of the Fund Who Are Not Trustees

Name, Address and Year of Birth	Position(s) Held with Trust and Length of Time Served	Principal Occupation(s) During Past 5 Years
Nancy G. Curtiss YOB: 1952	Senior Vice President since 2006.	Executive Vice President, Head of Operations (since 2009), Senior Vice President, Operations (2008-2009), Vice President, Head of Asset Management Operations (2007-2008), Vice President (2003-2007), Virtus Investment Partners, Inc. and/or certain of its subsidiaries. Ms. Curtiss is also Treasurer of various other investment companies within the Virtus Mutual Funds Complex (1994-present). Assistant Treasurer (2001-2009), VP Distributors, Inc. (f/k/a Phoenix Equity Planning Corporation).
Francis G. Waltman YOB: 1962	Senior Vice President since 2008.	Executive Vice President, Head of Product Management (since 2009), Senior Vice President, Asset Management Product Development (2008-2009), Senior Vice President, Asset Management Product Development (2005-2007), Virtus Investment Partners, Inc. and/or certain of its subsidiaries. Director (2008-present), Director and Senior President (2006-2007), VP Distributors, Inc. (f/k/a Phoenix Equity Planning Corporation). Director and Senior Vice President, Virtus Investment Advisers, Inc. (since 2008).
Marc Baltuch c/o Zweig-DiMenna Associates, LLC 900 Third Avenue New York, NY 10022 YOB: 1945	Vice President and Chief Compliance Officer since 2004.	Chief Compliance Officer, Zweig-DiMenna Associates LLC (1989-present). Vice President, and Chief Compliance Officer, The Zweig Total Return Fund, Inc. (2004-present). Vice President, and Chief Compliance Officer, The Zweig Fund, Inc. (2004-present). President and Director of Watermark Securities, Inc. (1991-present). Assistant Secretary, Gotham Advisors Inc. (1990-2005).
W. Patrick Bradley YOB: 1972	Chief Financial Officer and Treasurer since 2005.	Senior Vice President, Fund Administration (since 2009), Vice President, Fund Administration (2007-2009), Second Vice President, Fund Control & Tax (2004-2006), Virtus Investment Partners, Inc. and/or certain of its subsidiaries. Vice President, Chief Financial Officer, Treasurer and Principal Accounting Officer (2006-present), Assistant Treasurer (2004-2006), The Phoenix Edge Series Fund. Chief Financial Officer and Treasurer (2005-present), Assistant Treasurer (2004-2006), certain funds within the Virtus Mutual Funds Family.
Kevin J. Carr YOB: 1954	Vice President, Chief Legal Officer, Counsel and Secretary since 2005.	Senior Vice President (since 2009), Counsel and Secretary (2008-present) and Vice President (2008-2009), Virtus Investment Partners, Inc. and/or certain of its subsidiaries. Vice President and Counsel, Phoenix Life Insurance Company (2005-2008). Compliance Officer of Investments and Counsel, Travelers Life & Annuity Company (January 2005-May 2005). Assistant General Counsel and certain other positions, The Hartford Financial Services Group (1995-2005).

VIRTUS OPPORTUNITIES TRUST

101 Munson Street
Greenfield, MA 01301-9668

Trustees

George R. Aylward
Leroy Keith, Jr.
Philip R. McLoughlin, Chairman
Geraldine M. McNamara
James M. Oates
Richard E. Segerson
Ferdinand L.J. Verdonck

Officers

George R. Aylward, President
Nancy G. Curtiss, Senior Vice President
Francis G. Waltman, Senior Vice President
Marc Baltuch, Vice President and
Chief Compliance Officer
W. Patrick Bradley, Chief Financial Officer
and Treasurer
Kevin J. Carr, Vice President, Chief Legal
Officer, Counsel and Secretary

Investment Adviser

Virtus Investment Advisers, Inc.
100 Pearl Street
Hartford, CT 06103-4506

Principal Underwriter

VP Distributors, Inc.
100 Pearl Street
Hartford, CT 06103-4506

Transfer Agent

VP Distributors, Inc.
100 Pearl Street
Hartford, CT 06103-4506

Custodian

State Street Bank and Trust Company
P.O. Box 5501
Boston, MA 02206-5501

Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP
2001 Market Street
Philadelphia, PA 19103-7042

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Adviser Consulting Group	1-800-243-4361
Telephone Orders	1-800-367-5877
Text Telephone	1-800-243-1926
Web site	Virtus.com

Important Notice to Shareholders

The Securities and Exchange Commission has modified mailing regulations for semiannual and annual shareholder fund reports to allow mutual fund companies to send a single copy of these reports to shareholders who share the same mailing address. If you would like additional copies, please call Mutual Fund Services at 1-800-243-1574.



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