



Virtus AlphaSector<sup>SM</sup> Allocation Fund  
Virtus AlphaSector<sup>SM</sup> Rotation Fund  
Virtus Alternatives Diversifier Fund  
Virtus Bond Fund  
Virtus CA Tax-Exempt Bond Fund  
Virtus Global Infrastructure Fund  
Virtus Global Opportunities Fund  
Virtus Global Real Estate Securities Fund  
Virtus Greater Asia ex Japan Opportunities Fund  
Virtus Greater European Opportunities Fund  
Virtus High Yield Fund  
Virtus International Real Estate Securities Fund  
Virtus Market Neutral Fund  
Virtus Multi-Sector Fixed Income Fund  
Virtus Senior Floating Rate Fund

TRUST NAME:  
VIRTUS OPPORTUNITIES TRUST

March 31, 2010



Not FDIC Insured

No Bank Guarantee

May Lose Value

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\* Schedule of Investments and Securities Sold Short.

### **Proxy Voting Procedures and Voting Record (Form N-PX)**

The adviser and subadvisers 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 Funds 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 each 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 Funds presented in this book unless preceded or accompanied by an effective prospectus which includes information concerning the sales charge, each Fund’s record and other pertinent information.

## MESSAGE TO SHAREHOLDERS

Dear Fellow Shareholders of Virtus Mutual Funds:

The first quarter of 2010 gave investors a taste of the kind of volatility that could be in store for some time.

The quarter began with a 9 percent correction in the S&P 500® Index from mid-January to early February 5, followed by a resumption of 2009's bull market. The major indices were up more than 4 percent for the quarter and by the end of March, both the Dow Jones Industrial Average<sup>SM</sup> and the S&P 500 Index were up more than 65 percent from their lows on March 9, 2009. Surprisingly robust consumer spending and corporate earnings continued to support the transition of the U.S. economy out of recession toward modest growth.

Unfortunately, there are some dark clouds on the horizon that may temper investors' optimism. The economy must navigate the long term impact of the unprecedented government spending to revive the global economy. Significant headwinds remain for investors, as evidenced by the current underperformance of the Chinese equity market, the solvency crisis in the Eurozone and persistently high unemployment rates in the U.S. and abroad.

We believe this volatility is a reminder that investors should rely on the discipline and focus of professional investment managers and financial advisors. Ask your financial advisor to review your portfolio to ensure it reflects your current investment objectives, your tolerance for risk, and your long-term financial goals. As your advisor reviews your portfolio, we hope you will consider the wide range of equity, fixed income and alternative funds that Virtus offers.

On behalf of the entire team at Virtus Investment Partners, and the investment professionals at our affiliated managers and subadvisers, we look forward to continuing to serve all your investment needs.

Sincerely,



George R. Aylward  
President, Virtus Mutual Funds

May 2010

*Whenever you have questions about your account, or require additional information, please visit us on the Web at [www.virtus.com](http://www.virtus.com) or call our shareowner service group toll-free at 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 the performance shown above.*

# VIRTUS OPPORTUNITIES TRUST

## Disclosure of Fund Expenses

For the six-month period of October 1, 2009 to March 31, 2010 (Unaudited)

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 a Virtus Opportunities Trust Fund (each, a "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 sales charges. 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.

### Expense Table

	Beginning Account Value October 1, 2009	Ending Account Value March 31, 2010	Annualized Expense Ratio	Expenses Paid During Period*
<b>AlphaSector<sup>SM</sup> Allocation Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,090.80	1.04%	\$ 5.42
Class C	1,000.00	1,087.00	1.79	9.31
Class I <sup>(1)</sup>	1,000.00	1,112.70	0.84	4.42
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,019.68	1.04	5.25
Class C	1,000.00	1,015.89	1.79	9.04
Class I <sup>(1)</sup>	1,000.00	1,020.74	0.84	4.24
<b>AlphaSector<sup>SM</sup> Rotation Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,108.10	1.03%	\$ 5.41
Class C	1,000.00	1,103.00	1.78	9.33
Class I <sup>(1)</sup>	1,000.00	1,137.20	0.79	4.21
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,019.73	1.03	5.20
Class C	1,000.00	1,015.94	1.78	8.99
Class I <sup>(1)</sup>	1,000.00	1,020.99	0.79	3.99
<b>Alternatives Diversifier Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,054.10	0.45%	\$ 2.30
Class C	1,000.00	1,049.60	1.20	6.13
Class I <sup>(1)</sup>	1,000.00	1,074.00	0.20	1.03
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,022.66	0.45	2.27
Class C	1,000.00	1,018.87	1.20	6.06
Class I <sup>(1)</sup>	1,000.00	1,023.92	0.20	1.01
<b>Bond Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,037.50	0.83%	\$ 4.22
Class B	1,000.00	1,034.30	1.58	8.01
Class C	1,000.00	1,034.20	1.58	8.01
Class I	1,000.00	1,039.20	0.58	2.95
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,020.74	0.83	4.19
Class B	1,000.00	1,016.95	1.58	7.98
Class C	1,000.00	1,016.95	1.58	7.98
Class I	1,000.00	1,022.00	0.58	2.93
<b>CA Tax-Exempt Bond Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$ 989.30	0.85%	\$ 4.22
Class I	1,000.00	990.50	0.60	2.98
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,020.64	0.85	4.29
Class I	1,000.00	1,021.90	0.60	3.03
<b>Global Infrastructure Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,051.10	1.31%	\$ 6.70
Class C	1,000.00	1,047.30	2.06	10.51
Class I	1,000.00	1,053.30	1.07	5.48
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,018.32	1.31	6.61
Class C	1,000.00	1,014.53	2.06	10.40
Class I	1,000.00	1,019.53	1.07	5.40

**VIRTUS OPPORTUNITIES TRUST**  
**Disclosure of Fund Expenses (Continued)**

For the six-month period of October 1, 2009 to March 31, 2010 (Unaudited)

**Expense Table**

	Beginning Account Value October 1, 2009	Ending Account Value March 31, 2010	Annualized Expense Ratio	Expenses Paid During Period*
<b>Global Opportunities Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,130.90	1.60%	\$ 8.50
Class B	1,000.00	1,125.50	2.35	12.45
Class C	1,000.00	1,124.50	2.35	12.45
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,016.85	1.60	8.08
Class B	1,000.00	1,013.07	2.35	11.86
Class C	1,000.00	1,013.07	2.35	11.86
<b>Global Real Estate Securities Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,107.60	1.40%	\$ 7.36
Class C	1,000.00	1,103.60	2.15	11.28
Class I	1,000.00	1,109.30	1.15	6.05
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,017.86	1.40	7.07
Class C	1,000.00	1,014.08	2.15	10.85
Class I	1,000.00	1,019.12	1.15	5.81
<b>Greater Asia ex Japan Opportunities Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,104.20	1.80%	\$ 9.44
Class C	1,000.00	1,100.70	2.55	13.36
Class I	1,000.00	1,106.00	1.55	8.14
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,015.84	1.80	9.09
Class C	1,000.00	1,012.06	2.55	12.87
Class I	1,000.00	1,017.10	1.55	7.83
<b>Greater European Opportunities Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,076.90	1.45%	\$ 7.51
Class C	1,000.00	1,072.40	2.20	11.37
Class I	1,000.00	1,078.70	1.20	6.22
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,017.61	1.45	7.32
Class C	1,000.00	1,013.82	2.20	11.11
Class I	1,000.00	1,018.87	1.20	6.06
<b>High Yield Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,079.60	1.32%	\$ 6.84
Class B	1,000.00	1,075.00	2.07	10.71
Class C	1,000.00	1,074.40	2.07	10.71
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,018.27	1.32	6.66
Class B	1,000.00	1,014.48	2.07	10.45
Class C	1,000.00	1,014.48	2.07	10.45
<b>International Real Estate Securities Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,020.90	1.50%	\$ 7.56
Class C	1,000.00	1,017.40	2.25	11.32
Class I	1,000.00	1,022.80	1.25	6.30
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,017.36	1.50	7.57
Class C	1,000.00	1,013.57	2.25	11.36
Class I	1,000.00	1,018.62	1.25	6.31

**Expense Table**

	Beginning Account Value October 1, 2009	Ending Account Value March 31, 2010	Annualized Expense Ratio	Expenses Paid During Period*
<b>Market Neutral Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,007.60	3.46%	\$17.32
Class B	1,000.00	1,003.00	4.36	21.77
Class C	1,000.00	1,003.00	4.42	22.07
Class I <sup>(1)</sup>	1,000.00	1,008.60	3.52	17.63
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,007.46	3.46	17.47
Class B	1,000.00	1,002.92	4.36	22.01
Class C	1,000.00	1,002.62	4.42	22.31
Class I <sup>(1)</sup>	1,000.00	1,007.26	3.52	17.77
<b>Multi-Sector Fixed Income Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,085.40	1.13%	\$ 5.88
Class B	1,000.00	1,081.50	1.88	9.76
Class C	1,000.00	1,081.90	1.88	9.76
Class I <sup>(1)</sup>	1,000.00	1,087.70	0.88	4.58
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,019.23	1.13	5.70
Class B	1,000.00	1,015.44	1.88	9.49
Class C	1,000.00	1,015.44	1.88	9.49
Class I <sup>(1)</sup>	1,000.00	1,020.49	0.88	4.44
<b>Senior Floating Rate Fund</b>				
<b>Actual</b>				
Class A	\$1,000.00	\$1,062.40	1.20%	\$ 6.17
Class C	1,000.00	1,059.40	1.95	10.01
Class I	1,000.00	1,064.90	0.95	4.89
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,018.87	1.20	6.06
Class C	1,000.00	1,015.09	1.95	9.84
Class I	1,000.00	1,020.13	0.95	4.80

\* Expenses are equal to the relevant Funds' annualized expense ratio which includes waived fees, reimbursed expenses, dividends and interest on short sales, if applicable, multiplied by the average account value over the period, multiplied by the number of days (182) expenses were accrued in the most recent fiscal half-year, then divided by 365 days to reflect the one-half year period.

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

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

<sup>(1)</sup> Inception date of the class is October 1, 2009. Number of days expenses were accrued is 181.

## 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 a trust. Foreign companies use ADRs in order to make it easier for Americans to buy their shares.

#### ***Exchange-Traded Funds (ETF)***

Portfolios of stocks or bonds that track a specific market index.

#### ***Fund of funds***

A mutual fund that invests in the shares of other open-end mutual funds according to an established asset allocation model, resulting in a diversified portfolio of asset classes and investment strategies appropriate for pursuit of the overall investment objective.

#### ***iShares***

Represents shares of an open-end Exchange-Traded Fund.

#### ***Long position (“long”)***

Ownership of a security, giving the investor the right to transfer ownership to someone else, the right to receive income paid by the security, and the right to any profits or losses as the security’s value changes.

#### ***PIK (Payment-in-Kind Security)***

A bond which pays interest in the form of additional bonds, or preferred stock which pays dividends in the form of additional preferred stock.

#### ***REIT (Real estate investment trust)***

A publicly traded company that owns, develops and operates income-producing real estate such as apartments, office buildings, hotels, shopping centers and other commercial properties.

#### ***Short position (“short”)***

Stock shares that an investor has sold without actually owning (by borrowing the certificates from a broker) in anticipation of a decline in the stock value by a certain date. If the price falls, the investor buys the shares at the lower rate and makes a profit on the difference. If the price rises, the investor must buy at the higher price and sustains a loss.

#### ***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.

#### ***When-issued and delayed delivery transactions***

Securities purchased on a when-issued or forward commitment basis are also known as delayed delivery transactions. Delayed delivery transactions involve a commitment by a Fund to purchase or sell a security at a future date, ordinarily up to 90 days later. When-issued or forward commitments enable a Fund to lock in what is believed to be an attractive price or yield on a particular security for a period of time, regardless of future changes in interest rates.

## KEY INVESTMENT TERMS AND FOOTNOTE LEGEND (Continued)

### FOOTNOTE LEGEND

- <sup>(1)</sup> Federal Income Tax Information: For tax information at March 31, 2010, see the Federal Income Tax Information Note 13 in the Notes to Financial Statements.
- <sup>(2)</sup> Non-income producing.
- <sup>(3)</sup> Variable or step coupon security; interest rate shown reflects the rate currently in effect.
- <sup>(4)</sup> Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. See the table below.

<u>Fund</u>	<u>Market Value</u> <u>(\$ reported in thousands)</u>	<u>% of Net Assets</u>
Bond Fund	\$15,944	8.1%
High Yield Fund	23,391	25.6%
Multi-Sector Fixed Income Fund	48,804	22.8%
Senior Floating Rate Fund	10,021	7.9%

- <sup>(5)</sup> Regulation S security. Security is offered and sold outside of the United States; therefore, it is exempt from registration with the SEC under rules 903 and 904 of the Securities Act of 1933.
- <sup>(6)</sup> Illiquid security.
- <sup>(7)</sup> Escrowed to maturity.
- <sup>(8)</sup> Security valued at fair value as determined in good faith by or under the direction of the Trustees. This security is disclosed as a level 3 security in the disclosure table located after the Schedule of Investments.
- <sup>(9)</sup> At March 31, 2010, the concentration of the Fund's investments by state or territory determined as a percentage of net assets is as follows: California 97.9%. At March 31, 2010, 74.5% of the securities in the portfolio are backed by insurance of financial institutions and financial guaranty assurance agencies. Insurers with a concentration greater than 10% of net assets are as follows: NATL-RE 28.6%, AMBAC 12.6%, and AGM 10.7%.
- <sup>(10)</sup> All or a portion segregated as collateral.
- <sup>(11)</sup> Affiliated Fund.
- <sup>(12)</sup> Security in default.
- <sup>(13)</sup> Shares traded on NYSE.
- <sup>(14)</sup> Shares traded on Toronto exchange.
- <sup>(15)</sup> Illiquid and restricted. See Note 7 in the Notes to Financial Statements.
- <sup>(16)</sup> When issued security.
- <sup>(17)</sup> Amount is less than \$500.

**VIRTUS OPPORTUNITIES TRUST**  
**Portfolio Holdings Summary Weightings**  
**March 31, 2010 (Unaudited)**

For each Fund, the following tables present portfolio holdings within certain sectors or countries and as a percentage of total investments attributable to each sector.

<b>AlphaSector<sup>SM</sup> Allocation Fund</b>	
Exchange-Traded Funds	74%
Domestic Fixed Income Funds	25
Other (includes short-term investments)	<u>1</u>
Total	<u>100%</u>

<b>AlphaSector<sup>SM</sup> Rotation Fund</b>	
Exchange-Traded Funds	99%
Other (includes short-term investments)	<u>1</u>
Total	<u>100%</u>

<b>Alternatives Diversifier Fund</b>	
Exchange-Traded Funds	35%
Domestic Equity Funds	30
Foreign Equity Funds	25
Fixed Income Funds	<u>10</u>
Total	<u>100%</u>

<b>Bond Fund</b>	
Corporate Bonds	49%
Financials	23%
Telecommunication Services	5
Consumer Discretionary	4
Energy	4
All other sectors	13
Mortgage-Backed Securities	37
U.S. Government Securities	12
Municipal Securities	1
Other (includes short-term investments)	<u>1</u>
Total	<u>100%</u>

<b>CA Tax-Exempt Bond Fund</b>	
Pre-Refunded	30%
General Revenue	17
General Obligation	16
Medical Revenue	9
Water & Sewer Revenue	8
Development Revenue	6
Education Revenue	3
Other (includes short-term investments)	<u>11</u>
Total	<u>100%</u>

<b>Global Infrastructure Fund</b>	
Telecommunication Services	31%
Utilities	30
Energy	19
Industrials	16
Consumer Discretionary	2
Other (includes short-term investments)	<u>2</u>
Total	<u>100%</u>

<b>Global Opportunities Fund</b>	
Consumer Staples	42%
Information Technology	18
Health Care	14
Financials	11
Industrials	7
Consumer Discretionary	4
Energy	3
Other (includes short-term investments)	<u>1</u>
Total	<u>100%</u>

<b>Global Real Estate Securities Fund</b>	
Retail REITs	31%
Office REITs	17
Specialized REITs	15
Diversified REITs	13
Residential REITs	10
Real Estate Operating Companies	8
Industrial REITs	4
Other (includes short-term investments)	<u>2</u>
Total	<u>100%</u>

**VIRTUS OPPORTUNITIES TRUST**  
**Portfolio Holdings Summary Weightings (Continued)**  
**March 31, 2010 (Unaudited)**

**Greater Asia ex Japan Opportunities Fund**

Consumer Staples	26%
Industrials	22
Financials	18
Utilities	8
Consumer Discretionary	5
Energy	4
Materials	4
Other (includes short-term investments)	13
Total	<u>100%</u>

**Greater European Opportunities Fund**

Consumer Staples	35%
Health Care	21
Industrials	10
Financials	9
Utilities	9
Consumer Discretionary	5
Energy	5
Other (includes short-term investments)	6
Total	<u>100%</u>

**High Yield Fund**

Consumer Discretionary	28%
Telecommunication Services	18
Financials	11
Consumer Staples	10
Industrials	10
Energy	7
Other (includes short-term investments)	16
Total	<u>100%</u>

**International Real Estate Securities Fund**

Retail REITs	39%
Diversified REITs	18
Real Estate Operating Companies	17
Office REITs	16
Industrial REITs	7
Specialized REITs	1
Other (includes short-term investments)	2
Total	<u>100%</u>

**Market Neutral Fund**

	<u>Long Positions</u>	<u>Short Positions</u>
Consumer Discretionary	22%	22%
Information Technology	16	14
Health Care	13	13
Consumer Staples	12	13
Industrials	12	13
Financials	7	8
Energy	5	5
Other (includes short-term investments)	13	12
Total	<u>100%</u>	<u>100%</u>

**Multi-Sector Fixed Income Fund**

Corporate Bonds	56%
Loan Agreements	14
Foreign Government Securities	13
Mortgage-Backed Securities	12
Asset-Backed Securities	2
Other (includes short-term investments)	3
Total	<u>100%</u>

**Senior Floating Rate Fund**

Consumer Discretionary	26%
Information Technology	12
Industrials	11
Materials	9
Financials	7
Health Care	7
Energy	5
Other (includes short-term investments)	23
Total	<u>100%</u>

**VIRTUS ALPHASECTOR<sup>SM</sup> ALLOCATION FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE
<b>MUTUAL FUNDS—24.7%</b>					
<b>Fixed Income Funds—24.7%</b>					
Virtus Bond Fund Class I <sup>(1)</sup>	882,339	\$ 9,582			
<b>TOTAL MUTUAL FUNDS</b> <b>(Identified Cost \$9,251)</b>		<b>9,582</b>			
<b>EXCHANGE-TRADED FUNDS—74.5%</b>					
Consumer Discretionary Select Sector SPDR Fund	98,375	3,231			
Consumer Staples Select Sector SPDR Fund	114,560	3,197			
Energy Select Sector SPDR Fund	55,570	3,196			
Financial Select Sector SPDR Fund	202,955	3,241			
Health Care Select Sector SPDR Fund	98,735	3,167			
Industrial Select Sector SPDR Fund	103,215	3,224			
Materials Select Sector SPDR Fund	95,510	3,236			
Technology Select Sector SPDR Fund	139,515	3,221			
Utilities Select Sector SPDR Fund	106,235	3,148			
<b>TOTAL EXCHANGE-TRADED FUNDS</b> <b>(Identified Cost \$26,365)</b>		<b>28,861</b>			
<b>TOTAL LONG-TERM INVESTMENTS—99.2%</b> <b>(Identified Cost \$35,616)</b>		<b>38,443</b>			
<b>SHORT-TERM INVESTMENTS—1.1%</b>					
<b>Money Market Mutual Funds—1.1%</b>					
BlackRock Liquidity Funds TempFund Portfolio – Institutional Shares (seven-day effective yield 0.119%)	439,221	\$ 439			
<b>TOTAL SHORT-TERM INVESTMENTS</b> <b>(Identified Cost \$439)</b>		<b>439</b>			
<b>TOTAL INVESTMENTS—100.3%</b> <b>(Identified Cost \$36,055)</b>		<b>38,882<sup>(1)</sup></b>			
Other assets and liabilities, net—(0.3)%		(118)			
<b>NET ASSETS—100.0%</b>		<b>\$ 38,764</b>			
<b>Abbreviation:</b>					
SPDR		S&P Depository Receipt			

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Value at March 31, 2010	Level 1 – Quoted Prices
Equity Securities:		
Exchange-Traded Funds	\$28,861	\$28,861
Mutual Funds	9,582	9,582
Short-Term Investments	439	439
<b>Total Investments</b>	<b>\$38,882</b>	<b>\$38,882</b>

There are no Level 2 (significant observable inputs) or Level 3 (significant unobservable inputs) priced securities.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS ALPHASECTOR<sup>SM</sup> ROTATION FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE
<b>EXCHANGE-TRADED FUNDS—97.8%</b>				<b>SHORT-TERM INVESTMENTS—0.9%</b>	
Consumer Discretionary Select Sector SPDR Fund	1,023,120	\$ 33,599		<b>Money Market Mutual Funds—0.9%</b>	
Consumer Staples Select Sector SPDR Fund	1,192,267	33,276		BlackRock Liquidity Funds	
Energy Select Sector SPDR Fund	578,720	33,288		TempFund Portfolio – Institutional Shares (seven-day effective yield 0.119%)	2,846,416 \$ 2,846
Financial Select Sector SPDR Fund	2,110,945	33,712		<b>TOTAL SHORT-TERM INVESTMENTS</b>	
Health Care Select Sector SPDR Fund	1,028,212	32,985		<b>(Identified Cost \$2,846)</b>	<b>2,846</b>
Industrial Select Sector SPDR Fund	1,075,067	33,575		<b>TOTAL INVESTMENTS—98.7%</b>	
Materials Select Sector SPDR Fund	994,982	33,710		<b>(Identified Cost \$287,046)</b>	<b>303,322<sup>(1)</sup></b>
Technology Select Sector SPDR Fund	1,453,248	33,556		Other assets and liabilities, net—1.3%	4,129
Utilities Select Sector SPDR Fund	1,106,139	32,775		<b>NET ASSETS—100.0%</b>	<b><u>\$307,451</u></b>
<b>TOTAL EXCHANGE-TRADED FUNDS</b>					
<b>(Identified Cost \$284,200)</b>		<b>300,476</b>			
<b>TOTAL LONG-TERM INVESTMENTS—97.8%</b>					
<b>(Identified Cost \$284,200)</b>		<b>300,476</b>			

**Abbreviation:**

SPDR S&P Depository Receipt

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Value at March 31, 2010	Level 1 – Quoted Prices
Equity Securities:		
Exchange-Traded Funds	\$300,476	\$300,476
Short-Term Investments	2,846	2,846
<b>Total Investments</b>	<b><u>\$303,322</u></b>	<b><u>\$303,322</u></b>

There are no Level 2 (significant observable inputs) or Level 3 (significant unobservable inputs) priced securities.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS ALTERNATIVES DIVERSIFIER FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE
<b>MUTUAL FUNDS<sup>(1)</sup>—64.9%</b>			<b>SHORT-TERM INVESTMENTS—0.2%</b>		
<b>Equity Funds—54.9%</b>			<b>Money Market Mutual Funds—0.2%</b>		
Virtus Global Infrastructure Fund Class I	3,818,650	\$ 39,561	BlackRock Liquidity Funds TempFund Portfolio – Institutional Shares (seven-day effective yield 0.119%)	450,099	\$ 450
Virtus International Real Estate Securities Fund Class I	4,617,717	25,952			
Virtus Market Neutral Fund Class I <sup>(2)</sup>	4,871,405	51,539	<b>TOTAL SHORT-TERM INVESTMENTS (Identified Cost \$450)</b>		<b>450</b>
Virtus Real Estate Securities Class I	1,134,984	27,228	<b>TOTAL INVESTMENTS—99.9% (Identified Cost \$270,010)</b>		<b>262,197<sup>(1)</sup></b>
		144,280	Other assets and liabilities, net—0.1%		334
<b>Fixed Income Funds—10.0%</b>			<b>NET ASSETS—100.0%</b>		<b>\$262,531</b>
Virtus Senior Floating Rate Fund Class I	2,635,423	26,222			
<b>TOTAL MUTUAL FUNDS (Identified Cost \$171,277)</b>		<b>170,502</b>			
<b>EXCHANGE-TRADED FUNDS—34.8%</b>					
iShares S&P North American Natural Resources Sector Index Fund	752,400	25,913			
PowerShares DB Commodity Index Tracking Fund <sup>(2)</sup>	1,664,130	39,140			
PowerShares DB G10 Currency Harvest Fund <sup>(2)</sup>	1,110,282	26,192			
<b>TOTAL EXCHANGE-TRADED FUNDS (Identified Cost \$98,283)</b>		<b>91,245</b>			
<b>TOTAL LONG-TERM INVESTMENTS—99.7% (Identified Cost \$269,560)</b>		<b>261,747</b>			

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Value at March 31, 2010	Level 1 – Quoted Prices
Equity Securities:		
Mutual Funds	\$170,502	\$170,502
Exchange-Traded Funds	91,245	91,245
Short-Term Investments	450	450
Total Investments	\$262,197	\$262,197

There are no Level 2 (significant observable inputs) or Level 3 (significant unobservable inputs) priced securities.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS BOND FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>U.S. GOVERNMENT SECURITIES—11.9%</b>								
U.S. Treasury Bond								
3.500%, 2/15/39	\$11,305	\$ 9,148						
U.S. Treasury Note								
1.000%, 12/31/11	485	486						
2.625%, 6/30/14	480	487						
3.250%, 12/31/16	4,905	4,911						
4.750%, 8/15/17	555	607						
3.625%, 2/15/20	7,830	7,697						
<b>TOTAL U.S. GOVERNMENT SECURITIES</b>								
<b>(Identified Cost \$23,410)</b>		<b>23,336</b>						
<b>MUNICIPAL BONDS—0.6%</b>								
<b>Michigan—0.1%</b>								
City of Flat Rock Finance								
Authority Taxable Series A,								
6.750%, 10/1/16	95	100						
<b>Rhode Island—0.5%</b>								
City of Woonsocket Pension								
Funding Taxable (AGM Insured)								
5.660%, 7/15/13	1,000	1,067						
<b>TOTAL MUNICIPAL BONDS</b>								
<b>(Identified Cost \$1,130)</b>		<b>1,167</b>						
<b>MORTGAGE-BACKED SECURITIES—36.4%</b>								
<b>Agency—27.7%</b>								
<b>FHLMC</b>								
7.500%, 4/1/14	21	23						
7.000%, 4/1/16	22	25						
7.000%, 1/1/33	194	218						
6.000%, 10/1/34	426	462						
5.000%, 1/1/35	1,044	1,085						
5.000%, 7/1/35	4,128	4,274						
<b>FHLMC REMICs</b>								
JA-2777								
4.500%, 11/15/17	352	365						
CH-2904								
4.500%, 4/15/19	1,048	1,094						
<b>FNMA</b>								
7.000%, 5/1/14	14	16						
6.000%, 10/1/14	212	229						
8.000%, 1/1/15	4	4						
6.500%, 6/1/16	153	166						
6.000%, 7/1/17	73	79						
5.500%, 9/1/17	183	197						
4.500%, 12/1/18	1,154	1,198						
4.500%, 3/1/20	191	199						
5.000%, 4/1/20	297	316						
4.500%, 5/1/20	526	547						
4.000%, 6/1/20	319	324						
4.500%, 11/1/20	1,751	1,818						
5.000%, 8/1/21	132	139						
6.454%, 3/25/29	1,129	1,250						
6.000%, 5/1/29	168	183						
6.500%, 7/1/29	283	313						
6.500%, 5/1/30	6	7						
7.500%, 3/1/31	127	144						
7.000%, 7/1/31	80	90						
7.000%, 9/1/31	135	152						
6.500%, 2/1/32	277	306						
<b>Agency—continued</b>								
6.500%, 3/1/32	\$ 128	\$ 141						
5.500%, 4/1/33	156	166						
5.000%, 5/1/33	1,745	1,810						
5.500%, 6/1/33	1,163	1,234						
5.500%, 7/1/33	1,116	1,184						
5.000%, 9/1/33	272	282						
6.000%, 11/1/34	2,185	2,358						
5.500%, 5/1/35	2,802	2,956						
5.500%, 12/1/35	246	259						
5.500%, 3/1/36	544	575						
5.500%, 4/1/36	404	426						
6.390%, 5/25/36	1,109	1,191						
6.000%, 6/1/36	295	317						
5.500%, 9/1/36	1,993	2,111						
6.000%, 9/1/36	280	299						
5.500%, 11/1/36	382	403						
6.000%, 3/1/37	448	477						
6.000%, 9/1/37	50	53						
6.000%, 10/1/37	386	411						
6.000%, 1/1/38	122	130						
6.000%, 2/1/38	48	51						
6.000%, 2/1/38	144	154						
6.000%, 2/1/38	194	207						
6.000%, 2/1/38	121	129						
6.000%, 3/1/38	822	874						
6.500%, 3/1/38	6,678	7,362						
5.500%, 4/1/38	408	430						
6.000%, 5/1/38	224	239						
5.500%, 6/1/38	738	778						
6.000%, 7/1/38	4,321	4,595						
5.500%, 8/1/38	1,640	1,730						
6.000%, 8/1/38	294	313						
6.000%, 8/1/38	607	645						
6.000%, 8/1/38	1,897	2,017						
6.000%, 8/1/38	152	162						
<b>FNMA REMICs 03-42, HC</b>								
4.500%, 12/25/17	409	427						
<b>GNMA</b>								
8.500%, 11/15/22	1	1						
6.500%, 9/15/28	143	157						
7.500%, 9/15/29	142	160						
5.000%, 7/15/33	1,513	1,585						
6.000%, 6/15/34	262	282						
					54,304			
<b>Non-Agency—8.7%</b>								
<b>American Tower Trust 07-1A,</b>								
<b>AFX 144A</b>								
5.420%, 4/15/37 <sup>(4)</sup>	190	201						
<b>Banc of America Commercial</b>								
<b>Mortgage, Inc.</b>								
05-1, A4 5.039%, 11/10/42	290	300						
04-6, A5 4.811%, 12/10/42	385	394						
08-1, A4 6.182%, 2/10/51	1,105	1,108						
<b>Bear Stearns Commercial</b>								
<b>Mortgage Securities</b>								
04-T16, A6								
4.750%, 2/13/46	215	219						
<b>Commercial Mortgage</b>								
<b>Pass-Through Certificates</b>								
05-C6, A4 5.168%, 6/10/44	315	331						
07-C9, A4 6.010%, 12/10/49	360	360						
<b>Non-Agency—continued</b>								
<b>Credit Suisse Mortgage</b>								
<b>Capital Certificates</b>								
06-C1, A3 5.549%, 2/15/39	\$ 100	\$ 104						
06-C4, A3 5.467%, 9/15/39	2,080	1,998						
06-C5, A3 5.311%, 12/15/39	440	415						
<b>DLJ Mortgage Acceptance Corp.</b>								
<b>96-1, (Principal Only) 144A</b>								
0.000%, 9/18/11 <sup>(4)(15)</sup>	2	2						
<b>Greenwich Capital Commercial</b>								
<b>Funding Corp. 07-GG9, A4</b>								
5.444%, 3/10/39	2,100	2,042						
<b>Lehman Brothers – UBS</b>								
<b>Commercial Mortgage Trust</b>								
<b>06-C7, A3</b>								
5.347%, 11/15/38	1,955	1,962						
<b>Morgan Stanley Capital I</b>								
04-T15, A3 5.030%, 6/13/41	490	508						
06-T23, A4 5.811%, 8/12/41	1,030	1,090						
07-T27, A4 5.649%, 6/11/42	1,050	1,086						
05-IQ9, A3 4.540%, 7/15/56	645	647						
<b>Paine Webber Mortgage</b>								
<b>Acceptance Corp. 99-C1, D</b>								
7.150%, 6/15/32	96	96						
<b>SBA Commercial Mortgage-</b>								
<b>Backed Securities Trust</b>								
<b>06-1A, B 144A</b>								
5.451%, 11/15/36 <sup>(4)</sup>	140	145						
<b>Wachovia Bank Commercial</b>								
<b>Mortgage Trust</b>								
05-C19, A5								
4.661%, 5/15/44	3,145	3,234						
07-C34, A3								
5.678%, 5/15/46	810	780						
					17,022			
<b>TOTAL MORTGAGE-BACKED SECURITIES</b>								
<b>(Identified Cost \$67,955)</b>								
					<b>71,326</b>			
<b>ASSET-BACKED SECURITIES—0.1%</b>								
<b>Capital Auto Receivables Asset</b>								
<b>Trust Series 06-2, A3A</b>								
4.980%, 5/15/11	12	13						
<b>Carmax Auto Owner Trust</b>								
<b>07-2, A3</b>								
5.230%, 12/15/11	104	105						
<b>TOTAL ASSET-BACKED SECURITIES</b>								
<b>(Identified Cost \$116)</b>								
								<b>118</b>
<b>CORPORATE BONDS—48.6%</b>								
<b>Consumer Discretionary—4.5%</b>								
<b>Affinion Group, Inc.</b>								
10.125%, 10/15/13	560	577						
<b>Avis Budget Car Rental LLC/</b>								
<b>Avis Budget Finance, Inc.</b>								
7.625%, 5/15/14	610	607						
<b>Comcast Corp.</b>								
5.700%, 7/1/19	980	1,023						
<b>COX Communications, Inc. 144A</b>								
6.250%, 6/1/18 <sup>(4)</sup>	140	149						
<b>EchoStar DBS Corp.</b>								
7.125%, 2/1/16	530	543						



**VIRTUS BOND FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>Financials—continued</b>			<b>Information Technology—1.2%</b>			<b>Utilities—3.2%</b>		
Regions Financial Corp. 0.455%, 6/26/12 <sup>(3)</sup>	\$ 1,935	\$ 1,769	Fiserv, Inc. 6.125%, 11/20/12	\$ 920	\$ 1,001	Appalachian Power Co. 5.550%, 4/1/11	\$ 810	\$ 841
Resona Bank Ltd. 144A 5.850%, 9/29/49 <sup>(3)(4)</sup>	985	930	Intuit, Inc. 5.750%, 3/15/17	430	454	Atmos Energy Corp. 6.350%, 6/15/17	465	500
Royal Bank of Scotland Group plc 6.400%, 10/21/19	490	490	Viasat, Inc. 144A 8.875%, 9/15/16 <sup>(4)</sup>	105	108	CMS Energy Corp. 6.250%, 2/1/20	760	755
Santander Issuances S.A. Unipersonal 144A 5.911%, 6/20/16 <sup>(4)</sup>	1,085	1,098	Xerox Corp. 4.250%, 2/15/15	680	686	Dominion Resources, Inc. 8.875%, 1/15/19	180	227
Simon Property Group LP 6.750%, 5/15/14	1,090	1,193	6.750%, 2/1/17	170	188	FirstEnergy Solutions Corp. 6.050%, 8/15/21	435	436
State Street Corp. 4.300%, 5/30/14	190	201			2,437	Florida Power Corp. 6.650%, 7/15/11	520	554
SunTrust Banks, Inc. 5.250%, 11/5/12	310	327	<b>Materials—1.6%</b>			Georgia Power Co. 6.000%, 11/1/13	335	377
Teachers Insurance & Annuity Association of America 144A 6.850%, 12/16/39 <sup>(4)</sup>	480	521	Ball Corp. 6.750%, 9/15/20	245	250	Nevada Power Co. Series O 6.500%, 5/15/18	730	798
UBS Preferred Funding Trust I 8.622%, 10/29/49 <sup>(3)</sup>	600	594	Boise Paper Holdings LLC/ Boise Finance Co. 144A 8.000%, 4/1/20 <sup>(4)</sup>	60	60	Pacific Gas & Electric Co. 8.250%, 10/15/18	650	793
UDR, Inc. 5.250%, 1/15/15	150	149	Dow Chemical Co. (The) 6.000%, 10/1/12	1,050	1,143	Sempra Energy 6.500%, 6/1/16	40	45
Wachovia Corp. 4.875%, 2/15/14	200	207	5.900%, 2/15/15	970	1,050	South Carolina Electric & Gas Co. 6.500%, 11/1/18	310	352
5.750%, 2/1/18	570	606	Holcim U.S. Finance S.a.r.l. & Cie S.C.S. 144A 6.000%, 12/30/19 <sup>(4)</sup>	435	452	Virginia Electric & Power Co. Series A 5.400%, 1/15/16	645	694
WEA Finance LLC/WCI Finance LLC 144A 5.700%, 10/1/16 <sup>(4)</sup>	1,065	1,095	Huntsman International LLC 144A 8.625%, 3/15/20 <sup>(4)</sup>	110	111			6,372
Wells Fargo Capital XIII 7.700%, 3/26/13 <sup>(3)</sup>	460	475	Solutia, Inc. 7.875%, 3/15/20	160	163	<b>TOTAL CORPORATE BONDS</b>		
Westfield Capital Corp. Ltd./ Westfield Finance Authority 144A 5.125%, 11/15/14 <sup>(4)</sup>	150	154			3,229	<b>(Identified Cost \$90,150)</b>		<b>95,227</b>
		44,311	<b>Telecommunication Services—4.6%</b>			<b>TOTAL LONG-TERM INVESTMENTS—97.6%</b>		<b>(Identified Cost \$182,761)</b>
<b>Health Care—1.4%</b>			Alltel Corp. 7.000%, 7/1/12	350	389			<b>191,174</b>
Boston Scientific Corp. 6.000%, 1/15/20	445	421	France Telecom SA 4.375%, 7/8/14	355	374	<b>SHARES</b>		
Express Scripts, Inc. 5.250%, 6/15/12	775	826	GCI, Inc. 144A 8.625%, 11/15/19 <sup>(4)</sup>	375	384	<b>SHORT-TERM INVESTMENTS—1.8%</b>		
7.250%, 6/15/19	245	284	Global Crossing Ltd. 144A 12.000%, 9/15/15 <sup>(4)</sup>	550	613	<b>Money Market Mutual Funds—1.8%</b>		
Novartis Capital Corp. 1.900%, 4/24/13	135	135	NII Capital Corp. 144A 8.875%, 12/15/19 <sup>(4)</sup>	910	946	BlackRock Liquidity Funds TempFund Portfolio – Institutional Shares (seven-day effective yield 0.119%)	3,548,643	3,549
Pfizer, Inc. 4.450%, 3/15/12	625	662	Qwest Corp. 7.875%, 9/1/11	1,055	1,118	<b>TOTAL SHORT-TERM INVESTMENTS</b>		
Thermo Fisher Scientific, Inc. 144A 2.150%, 12/28/12 <sup>(4)</sup>	435	434	SBC Communications 5.875%, 2/1/12	130	140	<b>(Identified Cost \$3,549)</b>		<b>3,549</b>
		2,762	Sprint Capital Corp. 8.375%, 3/15/12	1,045	1,092	<b>TOTAL INVESTMENTS—99.4%</b>		
<b>Industrials—1.6%</b>			Telecom Italia Capital SA 5.250%, 10/1/15	215	220	<b>(Identified Cost \$186,310)</b>		<b>194,723<sup>(1)</sup></b>
Corrections Corp. of America 7.750%, 6/1/17	1,020	1,071	6.999%, 6/4/18	95	103	Other Assets and Liabilities—0.6%		1,150
DI Finance/DynCorp International, Inc. Series B 9.500%, 2/15/13	555	565	7.175%, 6/18/19	615	664	<b>NET ASSETS—100.0%</b>		<b>\$ 195,873</b>
Hutchison Whampoa International Ltd. 144A 5.750%, 9/11/19 <sup>(4)</sup>	435	451	Telefonica Emisiones SAU 5.984%, 6/20/11	1,080	1,135			
Travelport LLC 9.875%, 9/1/14	975	1,024	5.877%, 7/15/19	745	798			
		3,111	Virgin Media Finance plc 8.750%, 4/15/14	128	132			
			8.375%, 10/15/19	415	429			
			Windstream Corp. 7.000%, 3/15/19	435	408			
					8,945			

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS BOND FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

**Abbreviations:**

AGM	Assured Guaranty Municipal Corp.
FHLMC	Federal Home Loan Mortgage Corporation ("Freddie Mac")
FNMA	Federal National Mortgage Association ("Fannie Mae")
GNMA	Government National Mortgage Association ("Ginnie Mae")
REMIC	Real Estate Mortgage Investment Conduit
SBA	Small Business Administration

**Country Weightings** as of 3/31/10†

United States (includes short-term investments)	91%
Australia	1
Canada	1
Germany	1
Netherlands	1
Spain	1
United Kingdom	1
Other	3
<b>Total</b>	<b>100%</b>
† % of total investments as of March 31, 2010	

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Market Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs	Level 3 – Significant Unobservable Inputs
Debt Securities:				
U.S. Government Securities	\$ 23,336	\$ —	\$ 23,336	\$ —
Municipal Securities	1,167	—	1,167	—
Mortgage-Backed Securities	71,326	—	71,326	—
Asset-Backed Securities	118	—	118	—
Corporate Debt	95,227	—	95,206	21
Equity Securities:				
Short-Term Investments	3,549	3,549	—	—
<b>Total Investments</b>	<b>\$194,723</b>	<b>\$3,549</b>	<b>\$191,153</b>	<b>\$ 21</b>

The following is a reconciliation of assets of the Fund, for Level 3 investments for which significant unobservable inputs were used to determine fair value:

(\$ reported in thousands)	Total	Mortgage-Backed Securities	Corporate Debt
<b>Balance as of September 30, 2009:</b>	\$ 248	\$ 139	\$ 109
Accrued discount (premium) <sup>(a)</sup>	— <sup>(e)</sup>	— <sup>(e)</sup>	— <sup>(e)</sup>
Realized gain (loss) <sup>(b)</sup>	—	—	—
Change in unrealized appreciation (depreciation) <sup>(b)</sup>	15	6	9
Net purchases (sales) <sup>(c)</sup>	(20)	—	(20)
Transfers in and/or out of Level 3 <sup>(d)</sup>	(222)	(145)	(77)
<b>Balance as of March 31, 2010:</b>	<b>\$ 21</b>	<b>\$ —</b>	<b>\$ 21</b>

<sup>(a)</sup> Disclosed in the Statement of Operations under interest income.

<sup>(b)</sup> Disclosed in the Statement of Operations under Net realized and unrealized gain (loss) on investments.

<sup>(c)</sup> Includes paydowns.

<sup>(d)</sup> "Transfers in and/or out" represent the ending value as of March 31, 2010, for any investment security where a change in the pricing level occurred from the beginning to the end of the period.

<sup>(e)</sup> Amount is less than \$500.

Level 3 securities are without an active market or market participants and therefore are internally fair valued. These internally fair valued securities derive their valuation based on the review of inputs such as, but not limited to, similar securities, liquidity factors, capital structure, and credit analysis.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS CA TAX-EXEMPT BOND FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>MUNICIPAL TAX-EXEMPT BONDS<sup>(a)</sup>—97.9%</b>			<b>General Obligation—continued</b>			<b>General Revenue—continued</b>		
<b>Development Revenue—5.8%</b>			Los Angeles Unified School District, Series A-1 (NATL-RE Insured) 4.500%, 1/1/28	\$ 500	\$ 472	Department of General Services Buildings 8 & 9 Series A 6.125%, 4/1/29	\$ 500	\$ 518
Hercules Redevelopment Agency Tax-Allocation (AMBAC Insured) 5.000%, 8/1/29	\$ 500	\$ 387	New Haven Unified School District (Assured Guaranteed) 0.000%, 8/1/33	1,500	352	Various Capital Projects Series G-1 5.750%, 10/1/30	500	500
Ontario Redevelopment Financing Authority (NATL-RE Insured) 6.900%, 8/1/10	70	71	Norwalk-La Mirada Unified School District Series D (AGM Insured) 0.000%, 8/1/33	1,500	352			<u>9,674</u>
5.250%, 8/1/13	500	516	Placer Union High School District (AGM Insured) 0.000%, 8/1/32	1,500	372	<b>Higher Education Revenue—2.6%</b>		
San Diego Redevelopment Agency (AMBAC Insured) Series B 5.350%, 9/1/24	1,000	990	Rancho Santiago Community College District (AGM Insured) 0.000%, 9/1/27	1,200	421	University of California Series D (NATL-RE, FGIC Insured) 5.000%, 5/15/28	500	513
Series A 4.750%, 9/1/30	500	442	San Rafael Elementary School District (NATL-RE, FGIC Insured) 0.000%, 8/1/26	1,000	429	Series G (NATL-RE, FGIC Insured) 4.750%, 5/15/35	525	504
Santa Clara Redevelopment Agency Tax Allocation (NATL-RE Insured) 5.000%, 6/1/22	1,000	975	Walnut Valley Unified School District, Series A (NATL-RE Insured) 0.000%, 8/1/19	3,095	1,676	Series B 4.750%, 5/15/38	500	485
		<u>3,381</u>			<u>9,367</u>			<u>1,502</u>
<b>Education Revenue—3.4%</b>			<b>General Revenue—16.7%</b>			<b>Medical Revenue—8.9%</b>		
North City West School Facilities Financing Authority, Series B (AMBAC Insured) 5.250%, 9/1/19	1,000	990	Anaheim Public Financing Authority, Series C (AGM Insured) 6.000%, 9/1/16	1,600	1,798	California Health Facilities Financing Authority, Stanford Hospital and Clinics Series A 5.000%, 11/15/14	250	268
Sweetwater Unified High School District, Public Financing Authority, Series A (AGM Insured) 5.000%, 9/1/29	1,000	966	Golden State Tobacco Securitization Corp., Series A-1 5.125%, 6/1/47	1,250	795	Cedars-Sinai Medical Center 5.000%, 11/15/34	500	477
		<u>1,956</u>	5.750%, 6/1/47	1,000	704	Providence Health & Services Series C 6.500%, 10/1/38	300	334
<b>General Obligation—16.2%</b>			Los Angeles County Public Works Financing Authority, Series A (AGM Insured) 5.500%, 10/1/18	390	434	Kaiser Permanente Series A 5.250%, 4/1/39	500	489
Antelope Valley Union High School District, Series A (NATL-RE Insured) 5.000%, 2/1/27	1,000	1,005	Pomona, Certificates of Participation (AMBAC Insured) 5.500%, 6/1/28	1,365	1,437	California State Public Works Board, Department of Mental Health Series A 5.500%, 6/1/16	1,000	1,053
Brea Olinda Unified School District, Series A (NATL-RE, FGIC Insured) 6.000%, 8/1/15	150	175	San Diego County, Certificates of Participation (AMBAC Insured) 5.250%, 11/1/15	960	1,011	California Statewide Communities Development Authority, Kaiser Permanente, Series B 5.000%, 3/1/41	500	466
Butte-Glenn Community College District, Series A (NATL-RE Insured) 5.500%, 8/1/19	1,000	1,056	South Bay Regional Public Communications Authority (ACA Insured) 4.750%, 1/1/31	635	484	Sutter Health, Series B 5.625%, 8/15/42	1,000	1,001
California State 5.250%, 6/1/16	65	65	South Coast Air Quality Management District Building Corp. (AMBAC Insured) 6.000%, 8/1/11	1,000	1,021	St. Joseph Health System (FGIC Insured) 5.750%, 7/1/47	500	513
5.500%, 3/1/26	500	513	State Public Works Board of the State of California Department of Health Services, Richmond Lab Series B (XLCA Insured) 5.000%, 11/1/17	460	471	San Joaquin General Hospital Project, Certificates of Participation (NATL-RE Insured) 5.250%, 9/1/12	100	101
5.000%, 12/1/37	250	234	Highway Patrol Series C 5.250%, 11/1/20	500	501	Santa Clara County Financing Authority, Series A (AMBAC Insured) 7.750%, 11/15/11	400	442
California State Veterans Bonds, Series BG 5.150%, 12/1/14	895	898						<u>5,144</u>
Series CC 4.500%, 12/1/37	330	273						
Gilroy Unified School District (NATL-RE, FGIC Insured) 5.000%, 8/1/27	500	505						
Grossmont-Cuyamaca Community College District Election of 2002 Series A (NATL-RE Insured) 5.000%, 8/1/19	40	42						
Los Angeles Unified School District Series C (AGM Insured) 5.000%, 7/1/24	500	527						
								<u>980</u>

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS CA TAX-EXEMPT BOND FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		SHARES	VALUE
<b>Natural Gas Revenue—1.3%</b>			<b>Pre-Refunded—continued</b>			<b>SHORT-TERM INVESTMENTS—2.1%</b>		
Roseville Natural Gas Financing Authority 5.000%, 2/15/24	\$ 750	\$ 729	Stockton Housing Facility, Series A Pre-refunded 9/20/17 @ 100 (GNMA Collateralized) 5.600%, 3/20/28	\$ 195	\$ 199	<b>Money Market Mutual Funds—2.1%</b>		
<b>Power Revenue—0.6%</b>					17,153	BlackRock Liquidity Funds TempFund Portfolio – Institutional Shares (seven-day effective yield 0.119%)	1,231,181	\$ 1,231
Northern California Power Agency, Hydroelectric Project No.1 Series A (NATL-RE Insured) 5.200%, 7/1/32	330	329	<b>Transportation Revenue—2.6%</b>			<b>TOTAL SHORT-TERM INVESTMENTS</b>		
<b>Pre-Refunded—29.7%</b>			Alameda Corridor Transportation Authority, Series A (NATL-RE Insured) 5.125%, 10/1/16	150	152	<b>(Identified Cost \$1,231)</b>		<b>1,231</b>
Contra Costa County Home Mortgage (GNMA Collateralized) 7.500%, 5/1/14 <sup>(7)</sup>	500	614	5.125%, 10/1/17	125	127	<b>TOTAL INVESTMENTS—100.0%</b>		
Cypress Single Family Residential Mortgage, Series B (Private Mortgage Insurance) 7.250%, 1/1/12 <sup>(7)</sup>	200	222	Bay Area Toll Authority, San Francisco Bay Area Series F-1 5.125%, 4/1/39	500	515	<b>(Identified Cost \$56,675)</b>		<b>57,789<sup>(1)</sup></b>
Duarte Redevelopment Agency Single Family Mortgage, Series A (FNMA Collateralized) 6.875%, 11/1/11 <sup>(7)</sup>	300	329	Los Angeles International Airport Series A 5.000%, 5/15/40 <sup>(16)</sup>	500	501	Other assets and liabilities, net—0.0%		(4)
Grossmont-Cuyamaca Community College District Election of 2002 Series A Pre-refunded 8/1/13 @100 (NATL-RE Insured) 5.000%, 8/1/19	210	236	San Francisco Bay Area Rapid Transit District 5.250%, 7/1/17	180	181	<b>NET ASSETS—100.0%</b>		<b>\$ 57,785</b>
Huntington Park Redevelopment Agency Single Family Residential Mortgage, Series A (FHA/VA/PRIV MTGS Insured) 8.000%, 12/1/19 <sup>(7)</sup>	2,400	3,352			1,476	<b>Abbreviations:</b>		
Los Angeles Harbor Department 7.600%, 10/1/18 <sup>(7)</sup>	780	946	<b>Water &amp; Sewer Revenue—8.4%</b>			ACA	American Capital Access Financial Guarantee Corp.	
M-S-R Public Power Agency San Juan Project, Series D (NATL-RE Insured) 6.750%, 7/1/20 <sup>(7)</sup>	1,640	1,949	California Statewide Communities Development Authority, Anheuser-Busch Project 4.800%, 9/1/46	1,000	850	AGM	Assured Guaranty Municipal Corp.	
Northern California Power Agency, Hydroelectric Project No.1 Series A Pre-refunded 7/1/10 @100 (NATL-RE Insured) 5.000%, 7/1/15	1,000	1,011	Delta Diablo Sanitation District, Certificates of Participation (NATL-RE Insured) 0.000%, 12/1/16	1,070	768	AMBAC	American Municipal Bond Assurance Corporation	
Pre-refunded 7/1/21 @ 100 (AMBAC Insured) 7.500%, 7/1/23	195	262	El Dorado Irrigation District, Certificates of Participation, Series A (NATL-RE, FGIC Insured) 5.250%, 3/1/16	365	389	FGIC	Financial Guaranty Insurance Company	
Riverside County Redevelopment Agency, Pre-refunded 10/01/11 @ 102 (AMBAC Insured) 5.250%, 10/1/17	250	272	Modesto Wastewater, Series A (AGM Insured) 5.000%, 11/1/19	245	260	FHA	Federal Housing Authority	
Riverside County Single Family Series B (GNMA Collateralized) 8.625%, 5/1/16 <sup>(7)</sup>	1,000	1,308	Mountain View Shoreline Regional Park Community, Series A (NATL-RE Insured) 5.500%, 8/1/21	1,000	1,001	FNMA	Federal National Mortgage Association ("Fannie Mae")	
Series A (GNMA Collateralized) 7.800%, 5/1/21 <sup>(7)</sup>	4,000	5,430	Redlands Financing Authority, Series A (AGM Insured) 5.000%, 9/1/17	1,000	1,022	GNMA	Government National Mortgage Association ("Ginnie Mae")	
Santa Clara Unified School District Pre-refunded 7/1/10 @101 (NATL-RE, FGIC Insured) 5.500%, 7/1/20	1,000	1,023	Sweetwater Water Authority (AMBAC Insured) 5.250%, 4/1/10	40	40	NATL-RE	National Public Finance Guarantee Corp., formerly Municipal Bond Insurance Association	
			Westlands Water District, Certificates of Participation (NATL-RE Insured) 5.250%, 9/1/14	500	537	XLCA	XL Capital Assurance	
					4,867			
			<b>TOTAL MUNICIPAL TAX-EXEMPT BONDS</b>		<b>56,558</b>			
			<b>(Identified Cost \$55,444)</b>		<b>56,558</b>			
			<b>TOTAL LONG-TERM INVESTMENTS—97.9%</b>		<b>56,558</b>			
			<b>(Identified Cost \$55,444)</b>		<b>56,558</b>			

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS CA TAX-EXEMPT BOND FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Market Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs
Debt Securities:			
Municipal Securities	\$56,558	\$ —	\$56,558
Equity Securities:			
Short-Term Investments	<u>1,231</u>	<u>1,231</u>	<u>—</u>
Total Investments	<u>\$57,789</u>	<u>\$1,231</u>	<u>\$56,558</u>

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

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS GLOBAL INFRASTRUCTURE FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE		
<b>COMMON STOCKS—98.1%</b>			<b>Telecommunication Services—continued</b>			<b>Utilities—continued</b>				
<b>Consumer Discretionary—1.5%</b>			Rogers Communications, Inc.			Red Electrica Corp. S.A.				
SES SA (Luxembourg)	51,350	\$ 1,296	Class B (Canada)			37,430	\$ 1,278	16,080	\$ 863	
<b>Energy—19.1%</b>			Singapore Telecommunications			RWEE AG (Germany)				
Enbridge, Inc. (Canada)	112,470	5,371	Ltd. (Singapore)			470,400	1,066	12,600	1,116	
Spectra Energy Corp. (United States)	142,850	3,218	Telefonica S.A. Sponsored ADR (Spain)			32,570	2,316	Scottish & Southern Energy plc (United Kingdom)		
TransCanada Corp. (Canada)	124,880	4,591	TELUS Corp. (Canada)			41,330	1,538	36,200	605	
Williams Cos., Inc. (The) (United States)	156,940	3,625	Verizon Communications, Inc. (United States)			76,720	2,380	Sempra Energy (United States)		
		<u>16,805</u>	Vodafone Group plc Sponsored ADR (United Kingdom)			162,970	3,796	29,360	1,465	
<b>Industrials—16.4%</b>			Windstream Corp. (United States)			149,130	1,624	Southern Co. (The) (United States)		
Abertis Infraestructuras S.A. (Spain)	123,363	2,374				<u>27,550</u>		Tokyo Electric Power Co., Inc. (The) (Japan)		
Atlantia S.p.A. (Italy)	113,220	2,643	<b>Utilities—29.9%</b>					36,000	960	
Brisa Auto-Estradas de Portugal SA (Portugal)	160,030	1,357	American Water Works Co., Inc. (United States)			38,170	831	Wisconsin Energy Corp. (United States)		
Ferrovial SA (Spain)	35,160	342	CenterPoint Energy, Inc. (United States)			60,700	872	19,080	943	
Fraport AG Frankfurt Airport Services Worldwide (Germany)	28,090	1,479	Centrica plc (United Kingdom)			193,540	863	Xcel Energy, Inc. (United States)		
Hamburger Hafen Und Logistik AG (Germany)	23,970	910	CMS Energy Corp. (United States)			56,720	877	43,390	920	
Koninklijke Vopak NV (Netherlands)	22,490	1,771	DTE Energy Co. (United States)			25,200	1,124	<u>26,332</u>		
Transurban Group (Australia)	502,800	2,330	E.ON AG (Germany)			55,350	2,043	<b>TOTAL COMMON STOCKS (Identified Cost \$85,889)</b>		
Vinci SA (France)	21,070	1,242	Energias de Portugal SA (Portugal)			234,550	932	<b>TOTAL LONG-TERM INVESTMENTS—98.1% (Identified Cost \$85,889)</b>		
		<u>14,448</u>	Entergy Corp. (United States)			13,110	1,066	<b>SHORT-TERM INVESTMENTS—1.8%</b>		
<b>Telecommunication Services—31.2%</b>			FirstEnergy Corp. (United States)			25,880	1,012	<b>Money Market Mutual Funds—1.8%</b>		
American Tower Corp.			FPL Group, Inc. (United States)			31,020	1,499	Dreyfus Cash Management Fund – Institutional Shares (seven-day effective yield 0.070%)		
Class A (United States) <sup>(2)</sup>	42,240	1,800	ITC Holdings Corp. (United States)			16,650	916	1,573,196		
AT&T, Inc. (United States)	163,120	4,215	Northeast Utilities (United States)			25,490	704	<b>TOTAL SHORT-TERM INVESTMENTS (Identified Cost \$1,573)</b>		
CenturyTel, Inc. (United States)	34,840	1,235	Northwest Natural Gas Co. (United States)			18,730	873	<b>TOTAL INVESTMENTS—99.9% (Identified Cost \$87,462)</b>		
Crown Castle International Corp. (United States) <sup>(2)</sup>	44,600	1,705	NSTAR (United States)			24,990	885	<b>Other assets and liabilities, net—0.1%</b>		
France Telecom SA Sponsored ADR (France)	61,030	1,467	NV Energy, Inc. (United States)			63,560	784	131		
KDDI Corp. (Japan)	219	1,134	ONEOK, Inc. (United States)			16,230	741	<b>NET ASSETS—100.0%</b>		
Koninklijke KPN N.V. (Netherlands)	72,760	1,153	Public Service Enterprise Group, Inc. (United States)			42,790	1,263	<u>\$ 88,135</u>		
Nippon Telegraph & Telephone Corp. Sponsored ADR (Japan)	40,130	843	Questar Corp. (United States)			30,600	1,322	<b>Country Weightings as of 3/31/10†</b>		
								United States (includes short-term investments)		
								Canada		
								Spain		
								Germany		
								United Kingdom		
								Japan		
								Netherlands		
								Other		
								<u>100%</u>		
								† % of total investments as of March 31, 2010		

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Market Value at March 31, 2010	Level 1 – Quoted Prices
Equity Securities:		
Common Stocks	\$86,431	\$86,431
Short-Term Investments	1,573	1,573
Total Investments	<u>\$88,004</u>	<u>\$88,004</u>

There are no Level 2 (significant observable inputs) or Level 3 (significant unobservable inputs) priced securities.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS GLOBAL OPPORTUNITIES FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
<b>COMMON STOCKS—82.2%</b>			<b>Information Technology—18.0%</b>			<b>SHORT-TERM INVESTMENTS—1.2%</b>		
<b>Consumer Discretionary—4.1%</b>			Apple, Inc. <sup>(2)</sup>			<b>Money Market Mutual Funds—1.2%</b>		
McDonald's Corp.	37,254	\$ 2,486	Cognizant Technology Solutions Corp. Class A <sup>(2)</sup>			Dreyfus Cash Management Fund – Institutional Shares (seven-day effective yield 0.070%)		
Norstar Founders Group Ltd. <sup>(2)(6)(8)</sup>	272,000	0	Google, Inc. Class A <sup>(2)</sup>			756,357 \$ 756		
		<u>2,486</u>	MasterCard, Inc. Class A					
			Redecard SA					
			Visa, Inc. Class A					
			10,968					
<b>Consumer Staples—39.8%</b>			<b>TOTAL COMMON STOCKS</b>			<b>TOTAL SHORT-TERM INVESTMENTS</b>		
Altria Group, Inc.	43,090	884	<b>(Identified Cost \$40,187)</b>			<b>(Identified Cost \$756)</b>		
British American Tobacco plc	167,880	5,787	<b>50,112</b>			<b>756</b>		
Coca-Cola Co. (The)	48,462	2,666	<b>EQUITY-LINKED INSTRUMENTS—16.2%</b>			<b>TOTAL INVESTMENTS—99.6%</b>		
Costco Wholesale Corp.	13,490	806	CLSA Financial Products Ltd. – Bharat Heavy Electricals Ltd. Strike price \$0.001 USD exp. 7/20/10			<b>(Identified Cost \$48,279)</b>		
Imperial Tobacco Group plc	81,778	2,494	CLSA Financial Products Ltd. – Cipla Ltd. Strike price \$0.001 USD exp. 5/23/11			<b>60,712<sup>(1)</sup></b>		
Mead Johnson Nutrition Co. Class A	35,176	1,830	CLSA Financial Products Ltd. – HDFC Bank Ltd. Class A Strike price .000001 Indian Rupee exp. 6/28/10			Other assets and liabilities, net—0.4%		
Nestle S.A. Registered Shares	32,903	1,685	CLSA Financial Products Ltd. – Hero Honda Motors Ltd. Strike price \$0.001 USD exp. 6/9/10			<u>237</u>		
Philip Morris International, Inc.	91,110	4,752	Deutsche Bank AG – HDFC Bank Ltd. Exercise price \$0.001 USD exp. 1/24/17 <sup>(2)</sup>			<b>NET ASSETS—100.0%</b>		
Reckitt Benckiser Group plc	24,924	1,368	HSBC Bank plc – Housing Development Finance Corp. Exercise price \$0.001 USD exp. 2/20/18 <sup>(2)</sup>			<b>\$ 60,949</b>		
Tesco plc	141,537	935	HSBC Bank plc – Nestle India Ltd. Exercise price \$0.001 USD exp. 11/19/18 <sup>(2)</sup>			<b>Country Weightings as of 3/31/10†</b>		
Woolworths Ltd.	41,026	1,054	HSBC Bank plc – ITC Ltd. Exercise price \$0.001 USD exp. 2/20/18 <sup>(2)</sup>			United States (includes short-term investments)		
		<u>24,261</u>	JPMorgan International – Housing Development Financial Corp. Exercise price \$0.001 USD exp. 5/7/14			United Kingdom		
			<b>TOTAL EQUITY-LINKED INSTRUMENTS</b>			Switzerland		
			<b>(Identified Cost \$7,336)</b>			India		
			<b>9,844</b>			Luxembourg		
<b>Energy—2.8%</b>			<b>TOTAL LONG-TERM INVESTMENTS—98.4%</b>			Brazil		
Canadian Natural Resources Ltd.	23,200	1,717	<b>(Identified Cost \$47,523)</b>			Canada		
		<u>1,717</u>	<b>59,956</b>			Other		
						<u>100%</u>		
<b>Financials—2.1%</b>						† % of total investments as of March 31, 2010		
Cetip SA-Balcao Organizado de Ativos e Derivativos	60,700	496						
Chubb Corp. (The)	15,500	804						
		<u>1,300</u>						
<b>Health Care—12.4%</b>								
Abbott Laboratories	48,932	2,578						
Baxter International, Inc.	13,115	763						
Becton, Dickinson & Co.	13,015	1,025						
Celgene Corp. <sup>(2)</sup>	16,290	1,009						
Novo Nordisk A/S Class B	14,423	1,119						
Roche Holding AG Registered Shares	6,662	1,081						
		<u>7,575</u>						
<b>Industrials—3.0%</b>								
Capita Group plc/The Robinson (C.H.) Worldwide, Inc. <sup>(10)</sup>	95,719	1,099						
	12,645	706						
		<u>1,805</u>						

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS GLOBAL OPPORTUNITIES FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

At March 31, 2010, the Fund had entered into forward currency contracts as follows (reported in thousands):

Contracts to Sell	In Exchange for	Settlement Date	Value	Unrealized Appreciation (Depreciation)
AUD 203	USD 181	6/10/10	\$ 185	\$ (4)
CHF 288	USD 276	6/10/10	273	3
CHF 516	USD 505	6/10/10	490	15
GBP 3,844	USD 5,718	9/27/10	5,834	(115)
				<u>\$(101)</u>

**Foreign Currencies:**

AUD	Australian Dollar
CHF	Swiss Franc
GBP	United Kingdom Pound Sterling
USD	United States Dollar

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs	Level 3 – Significant Unobservable Inputs
<b>ASSETS TABLE</b>				
<b>Investments in Securities:</b>				
Equity Securities:				
Common Stocks	\$50,112	\$50,112	\$ —	\$ 0††
Equity-Linked Instruments	9,844	—	9,844	—
Short-Term Investments	756	756	—	—
Total Investments	<u>\$60,712</u>	<u>\$50,868</u>	<u>\$9,844</u>	<u>\$ 0††</u>
<b>Other Financial Instruments:</b>				
Forward Currency Contracts†	<u>\$ 18</u>	<u>\$ —</u>	<u>\$ 18</u>	<u>\$ —</u>
<b>LIABILITIES TABLE</b>				
<b>Other Financial Instruments:</b>				
Forward Currency Contracts†	<u>\$ (119)</u>	<u>\$ —</u>	<u>\$ (119)</u>	<u>\$ —</u>

† Valued at the unrealized appreciation (depreciation) on the investment.

†† Level 3 common stock valued at zero at the beginning and end of the period.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements



**VIRTUS GLOBAL REAL ESTATE SECURITIES FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs	Level 3 – Significant Unobservable Inputs
Equity Securities:				
Common Stocks	\$2,574	\$2,574	\$ —	\$ 0††
Warrants	—†	—	—†	—
Short-Term Investments	60	60	—	—
Total Investments	<u>\$2,634</u>	<u>\$2,634</u>	<u>\$ —†</u>	<u>\$ 0††</u>

† Amount is less than \$500.

†† Level 3 Common Stock valued at zero at the beginning and end of the period.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS GREATER ASIA ex JAPAN OPPORTUNITIES FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

COMMON STOCKS—74.1%		Health Care—1.1%		EQUITY-LINKED INSTRUMENTS—Continued	
SHARES	VALUE	SHARES	VALUE	SHARES	VALUE
<b>Consumer Discretionary—4.8%</b>		<b>Industrials—10.4%</b>		CLSA Financial Products Ltd. – Bharat Heavy Electricals Ltd. Strike price \$0.001 USD exp. 7/20/10	
BEC World plc	54,700 \$ 42	Beijing Enterprises Holdings Ltd.	31,100 216	2,100	\$ 112
Berjaya Sports Toto Bhd	27,100 37	Jardine Matheson Holdings Ltd.	3,300 110	CLSA Financial Products Ltd. – Dabur India Ltd. Strike price \$0.001 USD exp. 1/18/12	
Genting Malaysia Bhd	79,500 70	Jardine Strategic Holdings Ltd.	2,800 54	19,100	68
Kangwon Land, Inc.	7,860 118	Keells (John) Holdings plc	37,700 61	CLSA Financial Products Ltd. – Hero Honda Motors Ltd. Strike price \$0.001 USD exp. 6/9/10	
MegaStudy Co. Ltd.	170 28	PLUS Expressways Bhd	56,000 58	1,900	82
Super Cheap Auto Group Ltd.	8,930 44	Singapore Airport Terminal Services Ltd.	38,400 73	CLSA Financial Products Ltd. – ITC Ltd. Strike price \$0.001 USD exp. 5/5/10 <sup>(2)</sup>	
Woongjin Thinkbig Co., Ltd.	1,920 43	Singapore Post Ltd.	125,800 94	50,000	293
	382	SMRT Corp. Ltd.	59,500 87	CLSA Financial Products Ltd. – Jain Irrigation Systems Ltd. Strike price \$0.001 USD exp. 8/15/11	
		Taiwan Secom Co., Ltd.	44,000 70	4,600	98
			823	CLSA Financial Products Ltd. – Mahindra & Mahindra Bank Ltd. Strike price \$0.001 USD exp. 7/8/10	
<b>Consumer Staples—23.4%</b>		<b>Information Technology—3.1%</b>		8,800	134
AmorePacific Corp.	54 39	HTC Corp.	5,000 58	CLSA Financial Products Ltd. – Lupin Ltd. Strike price \$0.001 USD exp. 6/7/10	
British American Tobacco Bhd	9,100 123	NetEase.Com, Inc. ADR <sup>(2)</sup>	2,700 96	1,400	50
Ceylon Tobacco Co. Ltd.	36,000 79	NHN Corp. <sup>(2)</sup>	600 96	CLSA Financial Products Ltd. – Mahindra & Mahindra Financial Services Strike price \$0.001 USD exp. 2/23/11	
Coca-Cola Amatil Ltd.	18,971 196		250	7,100	59
Dairy Farm International Holdings Ltd.	12,900 85	<b>Materials—4.4%</b>		CLSA Financial Products Ltd. – Yes Bank Ltd. Strike price \$0.001 USD exp. 6/29/12	
Distilleries Co. of Sri Lanka Ltd.	98,000 101	AMVIG Holdings Ltd.	81,604 38	5,700	33
Godrej Consumer Products Ltd.	12,400 72	Engro Corp., Ltd.	8,600 21	HSBC Bank plc – Cipla Ltd. Exercise price \$0.001 USD exp. 12/17/18	
Guinness Anchor Bhd	32,000 68	Fauji Fertilizer Co., Ltd.	43,400 57	9,200	69
Hengan International Group Co., Ltd.	28,000 209	Semen Gresik (Persero) Tbk PT	249,300 200	HSBC Bank plc – Nestle India Ltd. Exercise price \$0.001 USD exp. 11/19/18	
LG Household & Health Care Ltd.	350 94	Yingde Gases Group Co., Ltd. <sup>(2)</sup>	32,270 35	4,300	256
Nestle Malaysia Bhd	6,800 71		351	HSBC Bank plc – Sun Pharmaceutical Industries Ltd. Exercise price \$0.001 USD exp. 10/24/18 <sup>(2)</sup>	
Nestle Pakistan Ltd	3,102 47	<b>Telecommunication Services—3.5%</b>		2,300	92
Pakistan Tobacco Co. Ltd.	50,618 70	Philippine Long Distance Telephone Co. Sponsored ADR	2,760 147	JPMorgan International – Housing Development Financial Corp. Exercise price \$0.001 USD exp. 5/7/14	
Thai Beverage plc	388,300 82	Telekomunikasi Indonesia Tbk PT	149,600 132	5,300	321
Unilever Indonesia Tbk PT	105,700 141		279	Macquarie Bank Ltd. – Marico Ltd. Exercise price \$0.0001 USD exp. 2/18/13	
Unilever Pakistan Ltd.	1,100 45	<b>Utilities—8.0%</b>		14,000	34
Want Want China Holdings Ltd.	107,900 77	Cheung Kong Infrastructure Holdings Ltd.	4,240 16	<b>TOTAL EQUITY-LINKED INSTRUMENTS (Identified Cost \$1,073)</b>	
Woolworths Ltd.	10,000 257	CLP Holdings Ltd.	7,500 54	<b>1,753</b>	
	1,856	HongKong Electric Holdings Ltd.	22,100 131		
		Tanjong plc	66,100 364		
<b>Energy—4.1%</b>		Xiniao Gas Holdings Ltd.	27,600 70		
China Shenhua Energy Co. Ltd. Class H	4,500 20		635		
CNOOC Ltd.	71,596 118	<b>TOTAL COMMON STOCKS (Identified Cost \$4,642)</b>			
Oil & Gas Development Co., Ltd.	12,800 20	<b>5,888</b>			
PetroChina Co. Ltd. Class H	45,600 53	<b>EQUITY-LINKED INSTRUMENTS—22.1%</b>			
PTT Exploration & Production plc	26,000 118	CLSA Financial Products Ltd. – Bharat Electron. Strike price \$0.001 USD exp. 7/12/15		1,067	52
	329				
		<b>Financials—11.3%</b>			
Bank Rakyat Indonesia	112,600 102	Bank Rakyat Indonesia Commercial Bank of Ceylon plc			
Commercial Bank of Ceylon plc	22,700 40	Gruh Finance Ltd.			
Gruh Finance Ltd.	11,500 56	Hatton National Bank plc			
Hatton National Bank plc	9,960 17	HDFC Bank Ltd. ADR <sup>(10)</sup>			
HDFC Bank Ltd. ADR <sup>(10)</sup>	2,965 413	QBE Insurance Group Ltd.			
QBE Insurance Group Ltd.	8,126 155	Samsung Fire & Marine Insurance Co., Ltd. <sup>(2)</sup>			
Samsung Fire & Marine Insurance Co., Ltd. <sup>(2)</sup>	710 114				
	897				

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS GREATER ASIA ex JAPAN OPPORTUNITIES FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	SHARES	VALUE
<b>EXCHANGE-TRADED FUNDS—1.2%</b>		
Ultrashort Ftse Xinhua China 25 Proshares	12,570	\$ 99
<b>TOTAL EXCHANGE-TRADED FUNDS (Identified Cost \$111)</b>		<b>99</b>
<b>MUTUAL FUNDS—0.6%</b>		
Macquarie Korea Infrastructure Fund	10,810	46
<b>TOTAL MUTUAL FUNDS (Identified Cost \$42)</b>		<b>46</b>
<b>TOTAL LONG-TERM INVESTMENTS—98.0% (Identified Cost \$5,868)</b>		<b>7,786</b>

	SHARES	VALUE
<b>SHORT-TERM INVESTMENTS—4.6%</b>		
<b>Money Market Mutual Funds—4.6%</b>		
Dreyfus Cash Management Fund – Institutional Shares (seven-day effective yield 0.070%)	362,274	\$ 362
<b>TOTAL SHORT-TERM INVESTMENTS (Identified Cost \$362)</b>		<b>362</b>
<b>TOTAL INVESTMENTS—102.6% (Identified Cost \$6,230)</b>		<b>8,148<sup>(1)</sup></b>
Other assets and liabilities, net—(2.6)%		(204)
<b>NET ASSETS—100.0%</b>		<b>\$ 7,944</b>

**Abbreviation:**

ADR American Depositary Receipt

**Country Weightings as of 3/31/10†**

India	26%
China	11
Malaysia	10
Australia	9
Indonesia	7
United States (includes short-term investments)	7
Korea	6
Other	24
<b>Total</b>	<b>100%</b>

† % of total investments as of March 31, 2010

At March 31, 2010, the Fund had entered into forward currency contracts as follows (reported in thousands):

Contracts to Sell	In Exchange for	Settlement Date	Value	Unrealized Appreciation (Depreciation)
AUD 390	USD 338	8/03/10	\$353	\$(15)

**Foreign Currencies:**

AUD Australian Dollar

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

ASSETS	Total Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs
<b>Investments in Securities:</b>			
Equity Securities:			
Common Stocks	\$5,888	\$5,888	\$ —
Equity-Linked Instruments	1,753	—	1,753
Exchange-Traded Funds	99	99	—
Mutual Funds	46	46	—
Short-Term Investments	362	362	—
<b>Total Investments</b>	<b>\$8,148</b>	<b>\$6,395</b>	<b>\$1,753</b>
<b>LIABILITIES</b>			
Forward Currency Contracts†	\$ (15)	\$ —	\$ (15)

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

† Valued at the unrealized appreciation (depreciation) on the investment.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements



**VIRTUS GREATER EUROPEAN OPPORTUNITIES FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

At March 31, 2010, the Fund had entered into forward currency contracts as follows (reported in thousands):

Contracts to Sell	In Exchange for	Settlement Date	Value	Unrealized Appreciation (Depreciation)
GBP 416	USD 681	5/04/10	\$631	\$ 50
CHF 135	USD 132	6/10/10	128	4
CHF 132	USD 123	6/10/10	125	(2)
EUR 388	USD 531	6/10/10	524	7
EUR 214	USD 315	6/10/10	289	26
EUR 199	USD 284	6/10/10	269	15
GBP 96	USD 150	5/04/10	146	4
EUR 439	USD 594	6/10/10	593	1
				\$105

**Foreign Currencies:**

CHF Swiss Franc  
EUR European Currency Unit  
GBP United Kingdom Pound Sterling

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

ASSETS TABLE	Total Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs
<b>Investments in Securities:</b>			
Equity Securities:			
Common Stocks	\$6,949	\$6,949	\$ —
Short-Term Investments	118	118	—
Total Investments	\$7,067	\$7,067	\$ —
<b>Other Financial Instruments:</b>			
Forward Currency Contracts†	\$ 107	\$ —	\$ 107
<b>LIABILITIES TABLE</b>			
<b>Other Financial Instruments:</b>			
Forward Currency Contracts†	\$ (2)	\$ —	\$ (2)

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

† Valued at the unrealized appreciation (depreciation) on the investment.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS HIGH YIELD FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>CORPORATE BONDS—98.7%</b>			<b>Consumer Discretionary—continued</b>			<b>Energy—continued</b>		
<b>Consumer Discretionary—27.5%</b>			United Artists Theatre Circuit, Inc.			Linn Energy LLC/Linn Energy		
Affinion Group, Inc.			Series BD-1			Finance Corp. 144A		
10.125%, 10/15/13	\$ 645	\$ 664	9.300%, 7/1/15 <sup>(6)(8)</sup>	\$ 301	\$ 277	8.625%, 4/15/20 <sup>(4)</sup>	\$ 350	\$ 351
11.500%, 10/15/15	1,555	1,602	Series AW-0			Pioneer Natural Resources Co.		
AMC Entertainment, Inc.			9.300%, 7/1/15 <sup>(6)(8)</sup>	1	1	6.650%, 3/15/17	100	101
8.000%, 3/1/14	1,255	1,269	Series BE-9			6.875%, 5/1/18	930	934
AutoNation, Inc.			9.300%, 7/1/15 <sup>(6)(8)</sup>	11	10	Plains Exploration & Production Co.		
6.750%, 4/15/18	105	103	Series 95-A			7.000%, 3/15/17	715	708
Avis Budget Car Rental LLC/ Avis Budget Finance, Inc.			9.300%, 7/1/15 <sup>(6)(8)</sup>	279	257	7.625%, 6/1/18	540	548
7.625%, 5/15/14	925	920	UPC Germany GmbH			SandRidge Energy, Inc. 144A		
Bon-Ton Stores, Inc. (The)			144A 8.125%, 12/1/17 <sup>(4)</sup>	835	865	8.750%, 1/15/20 <sup>(4)</sup>	855	838
10.250%, 3/15/14	775	760	Valassis Communications, Inc.					6,180
Cengage Learning Acquisitions, Inc.			8.250%, 3/1/15	1,180	1,218			
144A 13.250%, 7/15/15 <sup>(3)(4)</sup>	750	731	Videotron Ltee			<b>Financials—10.5%</b>		
Cinemark USA, Inc.			9.125%, 4/15/18	1,490	1,663	CEDC Finance Corp		
8.625%, 6/15/19	685	725	WMG Holdings Corp.			International, Inc. 144A		
CSC Holdings, Inc.			9.500%, 12/15/14 <sup>(3)</sup>	660	668	9.125%, 12/1/16 <sup>(4)</sup>	690	731
144A 8.625%, 2/15/19 <sup>(4)</sup>	1,045	1,150			25,144	CIT Group, Inc.		
Dollar General Corp. PIK			<b>Consumer Staples—10.1%</b>			7.000%, 5/1/17	1,035	957
Interest Capitalization			Ingles Markets, Inc.			CNG Holdings, Inc. 144A		
11.875%, 7/15/17	536	627	8.875%, 5/15/17	1,200	1,260	12.250%, 2/15/15 <sup>(4)</sup>	510	497
Echostar DBS Corp.			Alliance One International, Inc.			Ford Motor Credit Co. LLC		
6.625%, 10/1/14	410	414	144A 10.000%, 7/15/16 <sup>(4)</sup>	1,365	1,433	7.500%, 8/1/12	1,435	1,487
Education Management LLC/ Education Management			ASG Consolidated LLC/ASG			GMAC, Inc.		
Finance Corp.			Finance, Inc.			0.000%, 6/15/15	1,320	851
10.250%, 6/1/16	82	90	11.500%, 11/1/11 <sup>(3)</sup>	1,000	1,010	Host Hotels & Resorts LP		
Goodyear Tire & Rubber Co. (The)			B&G Foods, Inc.			Series O		
10.500%, 5/15/16	1,210	1,313	7.625%, 1/15/18	300	306	6.375%, 3/15/15	200	200
Hanesbrands, Inc.			Bumble Bee Foods LLC			Icahn Enterprises LP/Icahn		
8.000%, 12/15/16	305	317	144A 7.750%, 12/15/15 <sup>(4)</sup>	340	345	Enterprises Finance Corp.		
Intelsat Corp.			Constellation Brands, Inc.			144A 8.000%, 1/15/18 <sup>(4)</sup>	2,205	2,136
9.250%, 8/15/14	1,285	1,324	7.250%, 9/1/16	805	831	ING Capital Funding Trust III		
Jarden Corp.			Cott Beverages, Inc.			8.439%, 12/31/49 <sup>(3)</sup>	435	413
7.500%, 5/1/17	925	942	144A 8.375%, 11/15/17 <sup>(4)</sup>	340	352	International Lease Finance Corp.		
Levi Strauss & Co.			Dole Food Co., Inc.			144A 8.625%, 9/15/15 <sup>(4)</sup>	45	46
8.875%, 4/1/16	755	793	8.750%, 7/15/13	65	68	144A 8.750%, 3/15/17 <sup>(4)</sup>	730	749
Mediacom Broadband LLC/ Mediacom Broadband Corp.			144A 8.000%, 10/1/16 <sup>(4)</sup>	340	350	NBC Acquisition Corp.		
8.500%, 10/15/15	50	51	Pantry, Inc. (The)			11.000%, 3/15/13 <sup>(3)</sup>	1,185	1,070
Nebraska Book Co., Inc.			7.750%, 2/15/14	895	873	UBS Preferred Funding Trust I		
10.000%, 12/1/11	50	52	Stater Brothers Holdings, Inc.			8.622%, 10/29/49 <sup>(3)</sup>	245	243
Peninsula Gaming LLC			7.750%, 4/15/15	565	574	Ventas Realty LP/Ventas Capital		
144A 10.750%, 8/15/17 <sup>(4)</sup>	910	874	SUPERVALU, Inc.			Corp. Series 1		
Sally Holdings LLC/Sally			8.000%, 5/1/16	930	946	6.500%, 6/1/16	155	158
Capital, Inc.			Tops Markets LLC					9,538
10.500%, 11/15/16	720	788	144A 10.125%, 10/15/15 <sup>(4)</sup>	840	878	<b>Health Care—4.1%</b>		
Scientific Games International, Inc.					9,226	Community Health Systems, Inc.		
Series			<b>Energy—6.8%</b>			8.875%, 7/15/15	1,205	1,250
9.250%, 6/15/19	1,495	1,589	Atlas Pipeline Partners LP			DaVita, Inc.		
Service Corp. International			8.125%, 12/15/15	1,205	1,169	7.250%, 3/15/15	700	718
7.625%, 10/1/18	600	611	Chesapeake Energy Corp.			HCA, Inc.		
8.000%, 11/15/21	305	310	9.500%, 2/15/15	285	312	9.250%, 11/15/16	1,405	1,497
Sirius XM Radio, Inc.			6.625%, 1/15/16	315	310	144A 8.500%, 4/15/19 <sup>(4)</sup>	290	313
144A 8.750%, 4/1/15 <sup>(4)</sup>	250	250	Comstock Resources, Inc.					3,778
Speedway Motorsports, Inc.			8.375%, 10/15/17	5	5	<b>Industrials—10.5%</b>		
6.750%, 6/1/13	1,110	1,116	Crosstex Energy/Crosstex			ARAMARK Corp.		
Susser Holdings LLC/Susser			Energy Finance Corp. 144A			8.500%, 2/1/15	725	745
Finance Corp.			8.875%, 2/15/18 <sup>(4)</sup>	340	352	Biomet, Inc.		
10.625%, 12/15/13	765	800	El Paso Corp.			11.625%, 10/15/17	2,120	2,385
			8.250%, 2/15/16	515	552	Casella Waste Systems, Inc.		
						9.750%, 2/1/13	1,200	1,206

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS HIGH YIELD FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>Industrials—continued</b>			<b>Telecommunication Services—18.3%</b>			<b>LOAN AGREEMENTS—0.5%</b>		
Corrections Corp. of America 7.750%, 6/1/17	\$ 610	\$ 641	Cincinnati Bell, Inc. 8.250%, 10/15/17	\$ 590	\$ 600	<b>Industrials—0.5%</b>		
DI Finance/DynCorp International, Inc. Series B 9.500%, 2/15/13	1,950	1,984	8.750%, 3/15/18	295	299	Rental Services Corp. Tranche 3.775%, 11/30/13	\$ 485	\$ 470
Dycom Industries, Inc. 8.125%, 10/15/15	985	921	Crown Castle International Corp. 7.125%, 11/1/19	65	66	<b>TOTAL LOAN AGREEMENTS</b>		<b>470</b>
Goodman Global Group, Inc. 144A 0.000%, 12/15/14 <sup>(4)</sup>	675	398	Frontier Communications Corp. 8.125%, 10/1/18	595	598	<b>(Identified Cost \$393)</b>		
Travelpart LLC 9.875%, 9/1/14	1,280	1,344	GCI, Inc. 144A 8.625%, 11/15/19 <sup>(4)</sup>	1,640	1,679			
		<u>9,624</u>	Global Crossing Ltd. 144A 12.000%, 9/15/15 <sup>(4)</sup>	1,200	1,338	<b>SHARES</b>		
			Hughes Network Systems LLC/ Hughes Network Systems Finance Corp. 9.500%, 4/15/14	1,770	1,827	<b>COMMON STOCKS—0.0%</b>		
<b>Information Technology—4.3%</b>			ITC Deltacom, Inc. 144A 10.500%, 4/1/16 <sup>(4)</sup>	680	681	<b>Industrials—0.0%</b>		
Advanced Micro Devices, Inc. 144A 8.125%, 12/15/17 <sup>(4)</sup>	675	699	Nextel Communications, Inc. Series C 5.950%, 3/15/14	750	703	ACG Holdings, Inc. <sup>(6)(8)(15)</sup>	76	0
Jabil Circuit, Inc. 7.750%, 7/15/16	295	312	NII Capital Corp. 144A 8.875%, 12/15/19 <sup>(4)</sup>	2,165	2,252	<b>TOTAL COMMON STOCKS</b>		<b>0</b>
Lender Processing Services, Inc. 8.125%, 7/1/16	1,085	1,169	PAETEC Holding Corp. 9.500%, 7/15/15	1,085	1,104	<b>(Identified Cost \$358)</b>		
SunGard Data Systems, Inc. 9.125%, 8/15/13	655	675	Poland Telecom Finance BV Series B 14.000%, 12/1/07 <sup>(6)(8)(12)</sup>	4,942	62	<b>TOTAL LONG-TERM INVESTMENTS—99.2%</b>		<b>90,594</b>
10.250%, 8/15/15	985	1,040	Stratos Global Corp. 9.875%, 2/15/13	615	652	<b>(Identified Cost \$89,735)</b>		
Viasat, Inc. 144A 8.875%, 9/15/16 <sup>(4)</sup>	45	46	Virgin Media Finance plc Series 8.750%, 4/15/14	430	442	<b>SHORT-TERM INVESTMENTS—0.1%</b>		
		<u>3,941</u>	8.375%, 10/15/19	695	718	<b>Money Market Mutual Funds—0.1%</b>		
<b>Materials—4.7%</b>			West Corp. 9.500%, 10/15/14	920	950	BlackRock Liquidity Funds TempFund Portfolio – Institutional Shares (seven-day effective yield 0.119%)	50,897	51
Ball Corp. 6.750%, 9/15/20	445	455	Wind Acquisition Holdings Finance S.p.A. 144A 12.250%, 7/15/17 <sup>(4)</sup>	1,350	1,343	<b>TOTAL SHORT-TERM INVESTMENTS</b>		<b>51</b>
Boise Paper Holdings LLC/ Boise Finance Co. 144A 9.000%, 11/1/17 <sup>(4)</sup>	345	364	Windstream Corp. 7.000%, 3/15/19	1,475	1,383	<b>(Identified Cost \$51)</b>		
144A 8.000%, 4/1/20 <sup>(4)</sup>	315	317			<u>16,697</u>	<b>TOTAL INVESTMENTS—99.3%</b>		<b>90,645<sup>(1)</sup></b>
Cascades, Inc. 144A 7.875%, 1/15/20 <sup>(4)</sup>	70	71	<b>Utilities—1.9%</b>			<b>(Identified Cost \$89,786)</b>		
Exopack Holding Corp. 11.250%, 2/1/14	725	760	Ferrellgas Partners LP 144A 9.125%, 10/1/17 <sup>(4)</sup>	675	710	Other Assets and Liabilities—0.7%		639
Freeport-McMoRan Copper & Gold, Inc. 8.375%, 4/1/17	625	695	8.625%, 6/15/20	290	290	<b>NET ASSETS—100.0%</b>		<b>\$ 91,284</b>
Huntsman International LLC 7.875%, 11/15/14	490	497	NRG Energy, Inc. 7.375%, 1/15/17	695	690			
144A 8.625%, 3/15/20 <sup>(4)</sup>	250	252			<u>1,690</u>	<b>Abbreviation:</b>		
Solutia, Inc. 7.875%, 3/15/20	880	895	<b>TOTAL CORPORATE BONDS</b>			PIK      Payment-in-Kind Security		
		<u>4,306</u>	<b>(Identified Cost \$88,984)</b>		<b>90,124</b>	<b>Country Weightings as of 3/31/10†</b>		
						United States (includes short-term investments)	92%	
						Bermuda	2	
						Canada	2	
						Italy	2	
						Germany	1	
						United Kingdom	1	
						Total	100%	
						† % of total investments as of March 31, 2010		

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS HIGH YIELD FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs	Level 3 – Significant Unobservable Inputs
Debt Securities:				
Corporate Debt	\$90,594	\$ —	\$89,987	\$607
Equity Securities:				
Common Stock	0	—	—	0 <sup>(e)</sup>
Short-Term Investments	51	51	—	—
Total Investments	<u>\$90,645</u>	<u>\$ 51</u>	<u>\$89,987</u>	<u>\$607</u>

The following is a reconciliation of assets of the Fund, for Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Corporate Debt
(\$ reported in thousands)	
<b>Balance as of September 30, 2009:</b>	\$634
Accrued discounts (premiums) <sup>(a)</sup>	2
Realized gain (loss) <sup>(b)</sup>	—
Change in unrealized appreciation (depreciation) <sup>(b)</sup>	10
Net purchases (sales) <sup>(c)</sup>	(39)
Transfers in and/or out of Level 3 <sup>(d)</sup>	—
<b>Balance as of March 31, 2010:</b>	<u>\$607</u>

<sup>(a)</sup> Disclosed in the Statement of Operations under interest income.

<sup>(b)</sup> Disclosed in the Statement of Operations under Net realized and unrealized gain (loss) on investments.

<sup>(c)</sup> Includes paydowns.

<sup>(d)</sup> "Transfers in and/or out" represent the ending value as of March 31, 2010, for any investment security where a change in the pricing level occurred from the beginning to the end of the period.

<sup>(e)</sup> Level 3 Common Stock has a beginning and ending value of zero.

Level 3 securities are without an active market or market participants and therefore are internally fair valued. These internally fair valued securities derive their valuation based on the review of inputs such as, but not limited to, similar securities, liquidity factors, capital structure, and credit analysis.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS INTERNATIONAL REAL ESTATE SECURITIES FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
<b>COMMON STOCKS—98.3%</b>								
<b>Diversified REITs—18.2%</b>			<b>Office REITs—continued</b>			<b>WARRANTS—0.0%</b>		
BGP Holdings plc <sup>(2)(6)(8)</sup>	588,920	\$ 0	ORIX JREIT, Inc.	46	\$ 208	Fonciere Des Regions		
British Land Co. plc	108,575	793	Societe Immobiliere de			Exercise price 65.00 EUR		
Canadian Real Estate			Location Pour L'industrie			exp. 12/31/10 <sup>(2)</sup>	3,885	\$ 5
Investment Trust	15,720	428	Et Le Commerce	3,407	430	<b>TOTAL WARRANTS</b>		<b>5</b>
Cominar Real Estate					<u>4,402</u>	<b>(Identified Cost \$2)</b>		
Investment Trust	15,200	288	<b>Real Estate Operating Companies—16.9%</b>			<b>TOTAL LONG-TERM INVESTMENTS—98.3%</b>		
Dexus Property Group	924,415	687	AEON Mall Co. Ltd.	22,250	469	<b>(Identified Cost \$23,834)</b>		<b>27,922</b>
First Capital Realty, Inc.	13,975	305	Brookfield Properties Corp.	57,650	888			
Fonciere Des Regions	3,755	413	Castellum AB	48,666	490	<b>SHORT-TERM INVESTMENTS—1.2%</b>		
Gecina SA	1,335	148	Citycon Oyj	86,566	345	<b>Money Market Mutual Funds—1.2%</b>		
GPT Group	1,214,500	641	Fabege AB	21,179	143	Dreyfus Cash Management		
Kenedix Realty Investment			GAGFAH S.A.	11,676	105	Fund – Institutional Shares		
Corp.	107	287	Hongkong Land Holdings Ltd.	275,100	1,395	(seven-day effective		
Land Securities Group plc	116,173	1,195	Multiplan Empreendimentos			yield 0.070%)	339,326	339
		<u>5,185</u>	Imobiliarios SA	16,878	283	<b>TOTAL SHORT-TERM INVESTMENTS</b>		<b>339</b>
			PSP Swiss Property AG <sup>(2)</sup>	6,001	385	<b>(Identified Cost \$339)</b>		
<b>Industrial REITs—6.8%</b>			Safestore Holdings plc	132,176	289			
Ascendas Real Estate					<u>4,792</u>	<b>TOTAL INVESTMENTS—99.5%</b>		
Investment Trust	439,300	603	<b>Residential REITs—0.9%</b>			<b>(Identified Cost \$24,173)</b>		<b>28,261<sup>(1)</sup></b>
Goodman Group	1,373,280	825	Boardwalk Real Estate			Other assets and liabilities, net—0.5%		144
SEGRO plc	101,757	493	Investment Trust	6,460	256	<b>NET ASSETS—100.0%</b>		<b>\$ 28,405</b>
		<u>1,921</u>						
			<b>Retail REITs—39.0%</b>			<b>Abbreviation:</b>		
<b>Office REITs—15.5%</b>			CapitaMall Trust	336,800	426	REIT	Real Estate Investment Trust	
Allied Properties Real Estate			CFS Retail Property Trust	226,252	389			
Investment Trust	7,595	152	Corio N.V.	13,596	908	<b>Country Weightings</b> as of 3/31/10†		
CapitaCommercial Trust	361,000	279	Eurocommercial Properties			Australia		22%
Champion Reit	753,576	360	N.V.	10,472	421	United Kingdom		17
Commonwealth Property			Hammerson plc	92,309	551	France		15
Office Fund	81,416	68	Klepierre	18,288	718	Canada		11
Derwent London plc	21,246	440	Liberty International plc	53,964	413	Japan		9
Great Portland Estates plc	76,918	367	Link (The)	363,542	896	Bermuda		5
ING Office Fund	828,950	445	RioCan Real Estate			Singapore		5
Investment Trust			Investment Trust	37,550	683	Other		16
Japan Prime Realty			Unibail-Rodamco	11,865	2,404	Total		100%
Investment Corp.	145	323	Westfield Group	294,673	3,261			
Japan Real Estate					<u>11,070</u>	† % of total investments as of March 31, 2010		
Investment Corp.	58	494	<b>Specialized REITs—1.0%</b>					
Nippon Building Fund, Inc.	56	482	Big Yellow Group plc <sup>(2)</sup>	56,361	291			
Nomura Real Estate Office								
Fund, Inc.	63	354	<b>TOTAL COMMON STOCKS</b>					
			<b>(Identified Cost \$23,832)</b>		<b>27,917</b>			

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs	Level 3 – Significant Unobservable Inputs
Equity Securities:				
Common Stocks	\$27,917	\$27,917	\$ —	\$ 0††
Warrants	5	—	5	—
Short-Term Investments	339	339	—	—
Total Investments	<u>\$28,261</u>	<u>\$28,256</u>	<u>\$ 5</u>	<u>\$ 0</u>

†† Level 3 Common Stock valued at zero at the beginning and end of the period.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS MARKET NEUTRAL FUND**  
**SCHEDULE OF INVESTMENTS AND SECURITIES SOLD SHORT**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
<b>COMMON STOCKS—95.4%</b>						<b>Health Care—continued</b>		
<b>Consumer Discretionary—21.4%</b>			<b>Energy—5.0%</b>			King Pharmaceuticals, Inc. <sup>(2)(10)</sup>		
Abercrombie & Fitch Co. Class A <sup>(10)</sup>	35,490	\$ 1,620	Anadarko Petroleum Corp. <sup>(10)</sup>	4,090	\$ 298	55,340	\$ 651	
AnnTaylor Stores Corp. <sup>(2)(10)</sup>	39,330	814	Cameron International Corp. <sup>(2)</sup>	13,040	559	Lincare Holdings, Inc. <sup>(2)</sup>	4,380	197
Autoliv, Inc. <sup>(2)(10)</sup>	17,770	916	Concho Resources, Inc. <sup>(2)(10)</sup>	15,550	783	MAP Pharmaceuticals, Inc. <sup>(2)(10)</sup>	9,030	144
Central European Media Enterprises Ltd. <sup>(2)</sup>	16,810	493	Dockwise Ltd. <sup>(2)</sup>	8,850	215	Mednax, Inc. <sup>(2)(10)</sup>	2,640	154
Denway Motors Ltd.	1,202,000	639	Enco International plc Sponsored ADR	14,210	636	Merck & Co., Inc. <sup>(10)</sup>	4,570	171
Dick's Sporting Goods, Inc. <sup>(2)</sup>	16,300	426	EOG Resources, Inc.	2,580	240	Myriad Genetics, Inc. <sup>(2)</sup>	5,770	139
Drew Industries, Inc. <sup>(2)(10)</sup>	16,890	372	Halliburton Co. <sup>(10)</sup>	7,280	219	Omnicare, Inc.	7,450	211
Electrolux AB Series B	40,700	930	LUKOIL OAO Sponsored ADR <sup>(10)</sup>	5,980	339	Omniceil, Inc. <sup>(2)</sup>	43,410	609
Esprit Holdings Ltd.	34,300	271	Newfield Exploration Co. <sup>(2)</sup>	2,910	152	PerkinElmer, Inc. <sup>(10)</sup>	2,390	57
Ethan Allen Interiors, Inc. <sup>(10)</sup>	24,630	508	Occidental Petroleum Corp. <sup>(10)</sup>	3,310	280	Pfizer, Inc. <sup>(10)</sup>	11,040	189
Foschini Ltd. Sponsored ADR <sup>(10)</sup>	16,120	294	Southwestern Energy Co. <sup>(2)</sup>	8,870	361	Pharmasset, Inc. <sup>(2)</sup>	5,220	140
Home Depot, Inc. (The) <sup>(10)</sup>	36,820	1,191	Suncor Energy, Inc.	9,250	301	Salix Pharmaceuticals Ltd. <sup>(2)(10)</sup>	9,670	360
Johnson Controls, Inc.	10,180	336	Yanzhou Coal Mining Co., Ltd. Sponsored ADR <sup>(10)</sup>	15,390	371	Sanofi-Aventis SA	8,270	617
LVMH Moët Hennessy Louis Vuitton S.A.	7,170	838			4,754	Thermo Fisher Scientific, Inc. <sup>(2)(10)</sup>	4,730	243
Macy's, Inc.	22,490	490	<b>Financials—7.1%</b>			United Therapeutics Corp. <sup>(2)(10)</sup>	1,270	70
Newell Rubbermaid, Inc. <sup>(10)</sup>	42,730	650	Arch Capital Group Ltd. <sup>(2)(10)</sup>	7,250	553	Universal Health Services, Inc. Class B <sup>(10)</sup>	23,320	818
News Corp. Class A <sup>(10)</sup>	77,700	1,120	City National Corp. <sup>(10)</sup>	17,060	921	Vertex Pharmaceuticals, Inc. <sup>(2)(10)</sup>	3,470	142
Nordstrom, Inc. <sup>(10)</sup>	14,280	583	Fidelity National Financial, Inc. Class A <sup>(10)</sup>	51,050	757	Warner Chilcott plc <sup>(2)</sup>	9,340	239
OfficeMax, Inc. <sup>(2)(10)</sup>	62,870	1,032	First American Corp. <sup>(10)</sup>	23,020	779	WellPoint, Inc. <sup>(2)</sup>	1,510	97
Saks, Inc. <sup>(2)(10)</sup>	60,680	522	First Midwest Bancorp, Inc.	27,700	375	Zimmer Holdings, Inc. <sup>(2)(10)</sup>	4,350	258
Sodexo	4,550	272	Huntington Bancshares, Inc. Investment Technology Group, Inc. <sup>(2)(10)</sup>	31,086	519			12,096
Stanley Black & Decker, Inc. <sup>(10)</sup>	11,700	672	MFA Financial, Inc. <sup>(10)</sup>	53,010	390	<b>Industrials—12.1%</b>		
Staples, Inc. <sup>(10)</sup>	36,060	843	Muenchener Rueckversicherungs-Gesellschaft AG Registered Shares	2,600	422	Alberts Industries NV	5,744	92
Target Corp. <sup>(10)</sup>	18,820	990	National Penn Bancshares, Inc. <sup>(10)</sup>	49,610	342	Actuant Corp. Class A <sup>(10)</sup>	45,450	889
Thomas Cook Group plc	129,740	531	Piper Jaffray Cos. <sup>(2)(10)</sup>	7,700	310	Altra Holdings, Inc. <sup>(2)(10)</sup>	66,174	909
Tiffany & Co.	10,450	496	TD Ameritrade Holding Corp. <sup>(2)</sup>	33,040	630	BAE Systems plc	88,238	497
Timberland Co. (The) Class A <sup>(2)(10)</sup>	32,730	698			6,756	FedEx Corp. <sup>(10)</sup>	5,400	504
Wet Seal, Inc. (The) Class A <sup>(2)</sup>	160,140	762	<b>Health Care—12.7%</b>			Finmeccanica SpA	46,510	621
Williams-Sonoma, Inc. <sup>(10)</sup>	43,068	1,132	Alexion Pharmaceuticals, Inc. <sup>(2)(10)</sup>	5,800	315	FTI Consulting, Inc. <sup>(2)</sup>	12,420	488
		20,441	Amedisys, Inc. <sup>(2)(10)</sup>	11,050	610	Harbin Power Equipment Co., Ltd.	444,000	367
<b>Consumer Staples—11.9%</b>			AmerisourceBergen Corp. <sup>(10)</sup>	7,130	206	Hino Motors Ltd.	117,000	494
BJ's Wholesale Club, Inc. <sup>(2)(10)</sup>	21,640	800	Amgen, Inc. <sup>(2)(10)</sup>	3,210	192	Hutchison Whampoa Ltd. ADR <sup>(10)</sup>	16,500	602
Clorox Co. (The) <sup>(10)</sup>	15,910	1,020	Amylin Pharmaceuticals, Inc. <sup>(2)</sup>	6,020	135	IDEX Corp. <sup>(10)</sup>	7,710	255
Coca-Cola Enterprises, Inc. <sup>(10)</sup>	14,440	399	Celgene Corp. <sup>(2)(10)</sup>	2,700	167	Kennametal, Inc. <sup>(10)</sup>	29,580	832
CVS Caremark Corp. <sup>(10)</sup>	13,480	493	CIGNA Corp. <sup>(10)</sup>	3,920	143	Lennox International, Inc.	8,730	387
Diageo plc	14,810	249	Cooper Companies, Inc.	16,900	657	McDermott International, Inc. <sup>(2)(10)</sup>	14,180	382
Energizer Holdings, Inc. <sup>(2)(10)</sup>	4,690	294	Covidien plc <sup>(10)</sup>	19,700	991	Navistar International Corp. <sup>(2)</sup>	16,100	720
Estee Lauder Cos., Inc. (The) Class A <sup>(10)</sup>	3,440	223	Dendreon Corp. <sup>(2)</sup>	8,430	307	Old Dominion Freight Line, Inc. <sup>(2)(10)</sup>	15,920	532
Imperial Tobacco Group plc	16,740	511	Emergency Medical Services Corp. Class A <sup>(2)(10)</sup>	1,380	78	Schneider Electric SA	4,220	495
Kao Corp.	19,000	482	Emergent Biosolutions, Inc. <sup>(2)(10)</sup>	29,090	488	Snap-On, Inc. <sup>(10)</sup>	5,360	232
Kirin Brewery Co., Ltd.	30,000	443	Express Scripts, Inc. <sup>(2)</sup>	1,910	194	Steelcase, Inc. Class A <sup>(10)</sup>	68,530	443
Kraft Foods, Inc. Class A	11,260	340	Genzyme Corp. <sup>(2)</sup>	3,640	189	Teledyne Technologies, Inc. <sup>(2)(10)</sup>	4,727	195
Kroger Co. (The) <sup>(10)</sup>	35,370	766	Hologic, Inc. <sup>(2)</sup>	27,240	505	Timken Co. (The) <sup>(10)</sup>	25,760	773
Metro AG	12,150	721	Hospira, Inc. <sup>(2)(10)</sup>	12,870	729	TNT N.V.	17,690	507
Molson Coors Brewing Co. Class B	6,990	294	Human Genome Sciences, Inc. <sup>(2)(10)</sup>	7,250	219	Tyco International Ltd. <sup>(10)</sup>	9,640	369
Nestle S.A. Registered Shares	15,500	794	Incyte Corp., Ltd. <sup>(2)</sup>	17,260	241			11,585
PepsiCo, Inc. <sup>(10)</sup>	20,840	1,379	InterMune, Inc. <sup>(2)</sup>	5,030	224	<b>Information Technology—15.6%</b>		
Philip Morris International, Inc. <sup>(10)</sup>	7,900	412				Akamai Technologies, Inc. <sup>(2)</sup>	9,210	289
Unilever N.V.	19,220	581				Amphenol Corp. Class A <sup>(10)</sup>	11,300	477
Whole Foods Market, Inc. <sup>(2)(10)</sup>	31,422	1,136				AOL, Inc. <sup>(2)(10)</sup>	11,267	285
		11,337						

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements



**VIRTUS MARKET NEUTRAL FUND**  
**SCHEDULE OF INVESTMENTS AND SECURITIES SOLD SHORT (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
<b>Financials—continued</b>			<b>Information Technology—(13.4)%</b>			<b>Utilities—(3.0)%</b>		
Prosperity Bancshares, Inc.	(38,200)	\$ (1,566)	Adobe Systems, Inc.	(17,920)	\$ (634)	Consolidated Edison, Inc.	(15,000)	\$ (668)
Trustmark Corp.	(13,540)	(331)	Advanced Semiconductor Engineering, Inc. ADR	(105,950)	(480)	Dominion Resources, Inc.	(17,040)	(700)
Valley National Bancorp	(53,760)	(826)	Amdocs Ltd.	(7,190)	(217)	FPL Group, Inc.	(9,350)	(452)
Westamerica Bancorp	(23,080)	(1,330)	ANSYS, Inc.	(9,950)	(429)	Huaneng Power International, Inc. Sponsored ADR	(4,890)	(114)
		<u>(7,426)</u>	Automatic Data Processing, Inc.	(4,870)	(217)	OGE Energy Corp.	(18,230)	(710)
<b>Health Care—(13.0)%</b>			Corning, Inc.	(34,150)	(690)	Tractebel Energia SA Sponsored ADR	(18,960)	(211)
AMAG Pharmaceuticals, Inc.	(6,070)	(212)	Intel Corp.	(28,040)	(624)			<u>(2,855)</u>
AstraZeneca plc Sponsored ADR	(25,290)	(1,131)	LG Display Co., Ltd. ADR	(24,970)	(442)	<b>TOTAL COMMON STOCKS SOLD SHORT—(96.5)%</b>		
Auxilium Pharmaceuticals, Inc.	(9,230)	(288)	Linear Technology Corp.	(21,250)	(601)	<b>(Proceeds (\$83,170))</b>		
Bard (C.R.), Inc.	(6,420)	(556)	McAfee, Inc.	(14,230)	(571)	<b>(92,181)</b>		
Becton, Dickinson & Co.	(5,340)	(420)	National Semiconductor Corp.	(38,770)	(560)	<b>TOTAL SECURITIES SOLD SHORT—(96.5)%</b>		
CareFusion Corp.	(18,670)	(494)	Nintendo Co., Ltd.	(1,500)	(502)	<b>(Proceeds (\$83,170))</b>		
Charles River Laboratories International, Inc.	(8,470)	(333)	Nokia Oyj Sponsored ADR	(21,860)	(340)	<b>(92,181)<sup>(1)</sup></b>		
Covance, Inc.	(11,100)	(681)	Palm, Inc.	(104,990)	(395)	<b>Abbreviation:</b>		
Coventry Health Care, Inc.	(13,040)	(322)	QLogic Corp.	(43,160)	(876)	ADR American Depositary Receipt		
CSL Ltd.	(14,400)	(481)	Salesforce.com, Inc.	(12,710)	(946)	<b>Country Weightings – Long as of 3/31/10†</b>		
DENTSPLY International, Inc.	(6,810)	(237)	SAP AG Sponsored ADR	(25,870)	(1,246)	United States (includes short-term investments)		
Eisai Co., Ltd.	(17,350)	(619)	Telefonaktiebolaget LM Ericsson Class B	(46,460)	(490)	Japan		
Eli Lilly & Co.	(8,110)	(294)	Telefonaktiebolaget LM Ericsson Sponsored ADR	(107,320)	(1,119)	United Kingdom		
Gen-Probe, Inc.	(20,300)	(1,015)	Texas Instruments, Inc.	(19,830)	(485)	Canada		
Haemonetics Corp.	(8,390)	(480)	Western Digital Corp.	(8,100)	(316)	France		
Healthways, Inc.	(30,000)	(482)	Yahoo!, Inc.	(37,510)	(620)	Sweden		
Intuitive Surgical, Inc.	(1,940)	(675)			<u>(12,800)</u>	Switzerland		
Invacare Corp.	(21,660)	(575)	<b>Materials—(5.0)%</b>			Other		
Landauer, Inc.	(12,050)	(786)	Alcoa, Inc.	(52,440)	(747)	Total		
Lundbeck (H) A/S	(34,080)	(642)	Aluminum Corp. of China Ltd. ADR	(13,100)	(337)	100%		
Owens & Minor, Inc.	(5,270)	(245)	Anglo Platinum Ltd. ADR	(3,900)	(400)	<b>Country Weightings – Short as of 3/31/10†</b>		
ResMed, Inc.	(8,770)	(558)	NewMarket Corp.	(6,960)	(717)	United States		
Techne Corp.	(8,665)	(552)	OJI Paper Co., Ltd.	(88,980)	(390)	United Kingdom		
VCA Antech, Inc.	(10,980)	(308)	Owens-Illinois, Inc.	(7,230)	(257)	Japan		
		<u>(12,386)</u>	OZ Minerals Ltd.	(267,320)	(281)	China		
<b>Industrials—(12.4)%</b>			Sensient Technologies Corp.	(35,890)	(1,043)	France		
Baldor Electric Co.	(62,630)	(2,342)	Sigma-Aldrich Corp.	(2,790)	(150)	Germany		
Cobham plc	(120,640)	(471)	Toray Industries, Inc.	(80,370)	(469)	Sweden		
Donaldson Co., Inc.	(22,220)	(1,003)			<u>(4,791)</u>	Other		
Dongfang Electric Corp., Ltd.	(73,600)	(419)	<b>Telecommunication Services—(3.4)%</b>			Total		
First Solar, Inc.	(8,133)	(998)	China Mobile Ltd. Sponsored ADR	(11,240)	(541)	100%		
GATX Corp.	(29,290)	(839)	General Communication, Inc. Class A	(52,400)	(302)	† % of total investments as of March 31, 2010		
Hitachi Construction Machinery Co., Ltd.	(18,000)	(425)	Indosat Tbk PT ADR	(14,740)	(449)			
Hunt (J.B.) Transport Services, Inc.	(23,850)	(856)	Mobile TeleSystems OJSC Sponsored ADR	(5,520)	(306)			
Legrand SA	(15,050)	(475)	Telefonos de Mexico S.A.B. de C.V. ADR Series L ADR	(37,150)	(580)			
Regal-Beloit Corp.	(12,280)	(730)	tw telecom, Inc.	(40,360)	(733)			
Rolls-Royce Group plc	(84,346)	(762)	Verizon Communications, Inc.	(10,740)	(333)			
Stericycle, Inc.	(4,080)	(222)			<u>(3,244)</u>			
Trinity Industries, Inc.	(52,120)	(1,040)						
Wabtec Corp.	(22,420)	(944)						
Watsco, Inc.	(6,380)	(363)						
		<u>(11,889)</u>						

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS MARKET NEUTRAL FUND**  
**SCHEDULE OF INVESTMENTS AND SECURITIES SOLD SHORT (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

<b>ASSETS TABLE</b>	Total Value at March 31, 2010	Level 1 – Quoted Prices	Level 3 – Significant Unobservable Inputs
Equity Securities:			
Common Stocks	\$ 91,121	\$ 91,121	\$ — <sup>(1)</sup>
Short-Term Investments	2,665	2,665	—
Total Investments	<u>\$ 93,786</u>	<u>\$ 93,786</u>	<u>\$ —<sup>(1)</sup></u>
<b>LIABILITIES TABLE</b>			
Equity Securities:			
Common Stocks Sold Short	\$(92,181)	\$(92,181)	\$ —
Total Liabilities	<u>\$(92,181)</u>	<u>\$(92,181)</u>	<u>\$ —</u>

There are no Level 2 (significant observable inputs) priced securities.

<sup>(1)</sup> Level 3 Common Stocks have a beginning and ending value of \$0.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements



**VIRTUS MULTI-SECTOR FIXED INCOME FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>Non-Agency—continued</b>			<b>Consumer Discretionary—continued</b>			<b>Consumer Staples—2.2%</b>		
Washington Mutual Mortgage Pass Through Certificates 05-AR10, 1A2 4.791%, 9/25/35	\$ 550	\$ 455	Ford Motor Credit Co. LLC 8.000%, 6/1/14	\$ 400	\$ 421	BFF International Ltd. 144A 7.250%, 1/28/20 <sup>(4)</sup>	\$ 150	\$ 153
Wells Fargo Mortgage-Backed Securities Trust 06-AR10, 5A3 5.497%, 7/25/36 <sup>(3)</sup>	844	668	Garda World Security Corp. 144A 9.750%, 3/15/17 <sup>(4)</sup>	450	463	Bunge Limited Finance Corp. 8.500%, 6/15/19	250	291
		25,128	Harrah's Operating Co., Inc. 11.250%, 6/1/17	425	460	Constellation Brands, Inc. 8.375%, 12/15/14	165	179
<b>TOTAL MORTGAGE-BACKED SECURITIES (Identified Cost \$24,942)</b>		<b>26,377</b>	Hyatt Hotels Corp. 144A 5.750%, 8/15/15 <sup>(4)</sup>	100	102	Great Atlantic & Pacific Tea Co. 144A 11.375%, 8/1/15 <sup>(4)</sup>	250	247
<b>ASSET-BACKED SECURITIES—1.9%</b>			International Game Technology 7.500%, 6/15/19	580	657	Reynolds American, Inc. 7.300%, 7/15/15	500	551
Bombardier Capital Mortgage Securitization Corp. 99-A, A3 5.980%, 1/15/18	746	643	Landry's Restaurants, Inc. 144A 11.625%, 12/1/15 <sup>(4)</sup>	334	361	Smithfield Foods, Inc. 144A 10.000%, 7/15/14 <sup>(4)</sup>	600	672
Carmax Auto Owner Trust 07-2, B 5.370%, 3/15/13	350	362	Libbey Glass, Inc. 144A 10.000%, 2/15/15 <sup>(4)</sup>	50	53	Tyson Foods, Inc. 7.850%, 4/1/16	650	702
Conseco Finance Securitizations Corp. 01-3, A4 6.910%, 5/1/33	700	682	McJunkin Red Man Corp. 144A 9.500%, 12/15/16 <sup>(4)</sup>	360	369	UST, Inc. 5.750%, 3/1/18	500	494
Dunkin Securitization 06-1, M1 144A 8.285%, 6/20/31 <sup>(4)</sup>	690	621	Mediacom LLC/Mediacom Capital Corp. 144A 9.125%, 8/15/19 <sup>(4)</sup>	750	777	Yankee Acquisition Corp. Series B, 8.500%, 2/15/15	400	414
FMAC Loan Receivables Trust 98-CA, A2 144A 6.660%, 9/15/20 <sup>(4)</sup>	17	17	MGM MIRAGE 7.625%, 1/15/17	400	335	Series B, 9.750%, 2/15/17	535	555
Harley-Davidson Motorcycle Trust 07-2, C 5.410%, 8/15/15	565	590	144A 11.125%, 11/15/17 <sup>(4)</sup>	225	254			4,679
IHOP Franchising LLC 07-3A 144A 7.059%, 12/20/37 <sup>(4)</sup>	800	764	Mobile Mini, Inc. 6.875%, 5/1/15	350	328	<b>Energy—6.3%</b>		
IndyMac Manufactured Housing Contract 98-1, A3 6.370%, 9/25/28	550	379	NCL Corp., Ltd. 144A 11.750%, 11/15/16 <sup>(4)</sup>	500	546	Adaro Indonesia PT 144A 7.625%, 10/22/19 <sup>(4)</sup>	435	454
<b>TOTAL ASSET-BACKED SECURITIES (Identified Cost \$4,215)</b>		<b>4,058</b>	Nebraska Book Co., Inc. 10.000%, 12/1/11	500	519	Antero Resources Finance Corp. 144A 9.375%, 12/1/17 <sup>(4)</sup>	250	259
<b>CORPORATE BONDS—56.3%</b>			Pokagon Gaming Authority 144A 10.375%, 6/15/14 <sup>(4)</sup>	117	123	Coffeyville Resources LLC 144A 10.875%, 4/1/17 <sup>(4)</sup>	675	673
<b>Consumer Discretionary—6.5%</b>			QVC, Inc. 144A 7.500%, 10/1/19 <sup>(4)</sup>	520	533	Denbury Resources, Inc. 7.500%, 12/15/15	510	523
Affinia Group, Inc. 144A 10.750%, 8/15/16 <sup>(4)</sup>	240	263	River Rock Entertainment Authority (The) 9.750%, 11/1/11	250	232	Expro Finance Luxembourg SCA 144A 8.500%, 12/15/16 <sup>(4)</sup>	750	761
American Axle & Manufacturing Holdings, Inc. 144A 9.250%, 1/15/17 <sup>(4)</sup>	350	375	Royal Caribbean Cruises Ltd. 6.875%, 12/1/13	1,250	1,269	Gazprom International SA 144A 7.201%, 2/1/20 <sup>(4)</sup>	638	678
Ameristar Casinos, Inc. 9.250%, 6/1/14	60	63	Scientific Games Corp. 144A 7.875%, 6/15/16 <sup>(4)</sup>	55	56	Gazprom OAO (Gaz Capital SA) 144A 6.212%, 11/22/16 <sup>(4)</sup>	935	963
Arcos Dorados B.V. 144A 7.500%, 10/1/19 <sup>(4)</sup>	375	388	Scientific Games International, Inc. 9.250%, 6/15/19	170	181	144A 8.146%, 4/11/18 <sup>(4)</sup>	100	113
Blockbuster, Inc. 144A 11.750%, 10/1/14 <sup>(4)</sup>	759	564	Seminole Hard Rock Entertainment, Inc./Seminole Hard Rock International LLC 144A 2.757%, 3/15/14 <sup>(3)(4)</sup>	75	67	144A 6.510%, 3/7/22 <sup>(4)</sup>	315	313
DigitalGlobe, Inc. 144A 10.500%, 5/1/14 <sup>(4)</sup>	65	70	Seneca Gaming Corp. Series B 7.250%, 5/1/12	19	19	Helix Energy Solutions Group, Inc. 144A 9.500%, 1/15/16 <sup>(4)</sup>	200	207
DIRECTV Holdings LLC/ DIRECTV Financing Co., Inc. 6.375%, 6/15/15	600	623	Starwood Hotels & Resorts Worldwide, Inc. 7.150%, 12/1/19	275	280	Hercules Offshore, Inc. 144A 10.500%, 10/15/17 <sup>(4)</sup>	225	226
DuPont Fabros Technology LP 144A 8.500%, 12/15/17 <sup>(4)</sup>	700	725	Toys R US Property Co., LLC 144A 8.500%, 12/1/17 <sup>(4)</sup>	600	626	Holly Corp. 144A 9.875%, 6/15/17 <sup>(4)</sup>	88	91
Eastman Kodak Co. 7.250%, 11/15/13	72	69	TRW Automotive, Inc. 144A 8.875%, 12/1/17 <sup>(4)</sup>	140	146	KazMunaiGaz Finance Sub BV 144A 9.125%, 7/2/18 <sup>(4)</sup>	400	485
Echostar DBS Corp. 6.625%, 10/1/14	600	606	Videotron Ltee 6.375%, 12/15/15	180	182	OPTI Canada, Inc. 7.875%, 12/15/14	600	564
			9.125%, 4/15/18	82	92	Petrohawk Energy Corp. 10.500%, 8/1/14	475	527
			Wyndham Worldwide Corp. 7.375%, 3/1/20	590	599	Petroleos de Venezuela SA 5.250%, 4/12/17	950	587
					13,796	Petroleos Mexicanos 144A 6.000%, 3/5/20 <sup>(4)</sup>	270	277
						Petropower I Funding Trust 144A 7.360%, 2/15/14 <sup>(4)</sup>	457	451

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS MULTI-SECTOR FIXED INCOME FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>Energy—continued</b>			<b>Financials—continued</b>			<b>Financials—continued</b>		
Pioneer Drilling Co. 144A 9.875%, 3/15/18 <sup>(4)</sup>	\$ 110	\$ 109	Bear Stearns Cos., Inc. LLC (The) 7.250%, 2/1/18	\$ 700	\$ 809	Host Hotels & Resorts LP 144A 9.000%, 5/15/17 <sup>(4)</sup>	\$ 125	\$ 136
Pioneer Natural Resources Co. 7.500%, 1/15/20	575	594	Blackstone Holdings Finance Co. LLC 144A			Hyundai Capital Services, Inc. 144A 6.000%, 5/5/15 <sup>(4)</sup>	325	341
Pride International, Inc. 8.500%, 6/15/19	330	373	6.625%, 8/15/19 <sup>(4)</sup>	385	387	ICICI Bank Ltd. 144A 6.375%, 4/30/22 <sup>(3)(4)</sup>	375	353
SEACOR Holdings, Inc. 7.375%, 10/1/19	600	618	Brandywine Operating Partnership LP			International Lease Finance Corp. 4.750%, 1/13/12	600	586
Swift Energy Co. 8.875%, 1/15/20	500	522	7.500%, 5/15/15	500	538	5.300%, 5/1/12	625	607
TengizChevroil Finance Co. S.A.R.L. 144A			Capital One Capital VI 8.875%, 5/15/40	1,000	1,090	Jefferies Group, Inc. 8.500%, 7/15/19	500	555
6.124%, 11/15/14 <sup>(4)</sup>	715	762	Cemex Finance LLC 144A 9.500%, 12/14/16 <sup>(4)</sup>	245	255	JPMorgan Chase & Co. 6.125%, 6/27/17	175	188
Tesoro Corp. 6.500%, 6/1/17	480	444	Chubb Corp. 6.375%, 3/29/67 <sup>(3)</sup>	680	684	6.300%, 4/23/19	350	386
Valero Energy Corp. 4.500%, 2/1/15	100	100	CIT Group, Inc. 7.000%, 5/1/13	600	588	Series 1, 7.900%, 12/31/49 <sup>(3)</sup>	247	263
Venoco, Inc. 11.500%, 10/1/17	600	631	Citigroup, Inc. 5.000%, 9/15/14	365	364	JPMorgan Chase Capital XXVII 7.000%, 11/1/39	500	510
Weatherford International Ltd. 9.625%, 3/1/19	318	402	4.875%, 5/7/15	1,100	1,086	Kazkommerts International BV RegS		
Western Refining, Inc. 144A 11.250%, 6/15/17 <sup>(4)</sup>	600	543	Discover Bank 8.700%, 11/18/19	250	274	8.500%, 4/16/13 <sup>(5)</sup>	500	488
		13,250	Equity One, Inc. 6.250%, 12/15/14	375	384	8.000%, 11/3/15 <sup>(5)</sup>	250	236
			Fibria Overseas Finance Ltd. 144A 9.250%, 10/30/19 <sup>(4)</sup>	150	172	KeyBank NA 5.800%, 7/1/14	250	256
<b>Financials—24.3%</b>			Fifth Third Bancorp 6.250%, 5/1/13	200	215	4.950%, 9/15/15	500	493
ABH Financial Ltd. (Alfa Markets Ltd.) 144A			4.500%, 6/1/18	800	734	Kimco Realty Corp. 6.875%, 10/1/19	550	580
8.200%, 6/25/12 <sup>(4)</sup>	150	159	First Niagara Financial Group, Inc. 6.750%, 3/19/20	500	505	Kookmin Bank 144A 7.250%, 5/14/14 <sup>(4)</sup>	300	335
Abu Dhabi Commercial Bank 144A 4.750%, 10/8/14 <sup>(4)</sup>	560	541	First Tennessee Bank N.A. 4.625%, 5/15/13	450	438	LBG Capital No.1 plc 144A 7.875%, 11/1/20 <sup>(4)</sup>	600	540
AFLAC, Inc. 8.500%, 5/15/19	300	361	5.050%, 1/15/15	725	681	Lincoln National Corp. 8.750%, 7/1/19	300	367
Agile Property Holdings Ltd. 144A 10.000%, 11/14/16 <sup>(4)</sup>	240	258	FMR LLC 144A 5.350%, 11/15/21 <sup>(4)</sup>	750	722	6.050%, 4/20/67 <sup>(3)</sup>	300	253
Alfa Invest Ltd. 144A 9.250%, 6/24/13 <sup>(4)</sup>	350	377	Ford Motor Credit Co. LLC 7.875%, 6/15/10	385	389	Lukoil International Finance BV 144A		
Allstate Corp. 6.125%, 5/15/37 <sup>(3)</sup>	680	644	9.875%, 8/10/11	345	366	7.250%, 11/5/19 <sup>(4)</sup>	525	551
American General Finance Corp. 5.400%, 12/1/15	750	647	7.500%, 8/1/12	100	104	Macquarie Group Ltd. 144A 7.625%, 8/13/19 <sup>(4)</sup>	500	558
Amsouth Bank NA 4.850%, 4/1/13	825	806	8.700%, 10/1/14	125	136	MetLife, Inc. 6.750%, 6/1/16	72	81
Assurant, Inc. 5.625%, 2/15/14	345	358	8.125%, 1/15/20	650	683	Morgan Stanley 6.000%, 5/13/14	165	178
Atlantic Finance Ltd. 144A 8.750%, 5/27/14 <sup>(4)</sup>	450	473	Genworth Financial, Inc. 5.750%, 6/15/14	500	511	4.200%, 11/20/14	280	281
BAC Capital Trust XI 6.625%, 5/23/36	525	486	6.515%, 5/22/18	700	690	144A 10.090%, 5/3/17 <sup>(4)</sup>	1,000 <sup>BRL</sup>	544
Banco do Brasil SA 144A 8.500%, 10/29/49 <sup>(4)</sup>	600	666	Glen Meadow Pass-Through Trust 144A			New Communications Holdings, Inc. 144A		
Banco Santander Brasil SA 144A 4.500%, 4/6/15 <sup>(4)</sup>	350	349	6.505%, 2/12/67 <sup>(3)(4)</sup>	770	656	7.875%, 4/15/15 <sup>(4)</sup>	325	336
Bank of America Corp. 5.420%, 3/15/17	700	692	Glencore Funding LLC 144A 6.000%, 4/15/14 <sup>(4)</sup>	1,000	1,026	OJSC AK Transneft (TransCapitalInvest Ltd.) 144A		
Series K, 8.000%, 12/29/49 <sup>(3)</sup>	375	383	GMAC LLC 7.250%, 3/2/11	633	647	5.670%, 3/5/14 <sup>(4)</sup>	390	409
Barclays Bank plc 144A 6.050%, 12/4/17 <sup>(4)</sup>	435	449	6.875%, 9/15/11	253	258	Petroplus Finance Ltd. 144A 6.750%, 5/1/14 <sup>(4)</sup>	375	339
BBVA International Preferred SA Unipersonal			6.000%, 12/15/11	633	641	Pinnacle Foods Finance Corp. 144A		
5.919%, 12/31/49 <sup>(3)</sup>	375	312	Goldman Sachs Group, Inc. (The) 5.950%, 1/18/18	300	315	9.250%, 4/1/15 <sup>(4)</sup>	175	180
			7.500%, 2/15/19	365	417	PNC Financial Services Group, Inc.		
			5.375%, 3/15/20	550	545	8.250%, 5/29/49 <sup>(3)</sup>	350	362
			HBOs plc 144A 6.750%, 5/21/18 <sup>(4)</sup>	115	106	PNC Funding Corp. 5.625%, 2/1/17	300	310
			Health Care REIT, Inc. 5.875%, 5/15/15	1,000	1,049	Principal Financial Group, Inc. 8.875%, 5/15/19	850	1,021
			Hertz Corp. (The) 8.875%, 1/1/14	350	361			
			10.500%, 1/1/16	100	108			

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS MULTI-SECTOR FIXED INCOME FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>Financials—continued</b>			<b>Health Care—continued</b>			<b>Information Technology—continued</b>		
ProLogis			Select Medical Corp.			Jabil Circuit, Inc.		
7.625%, 8/15/14	\$ 500	\$ 547	7.625%, 2/1/15	\$ 425	\$ 407	8.250%, 3/15/18	\$ 600	\$ 651
6.625%, 5/15/18	185	184	U.S. Oncology, Inc.			National Semiconductor Corp.		
6.875%, 3/15/20	400	395	9.125%, 8/15/17	300	315	6.600%, 6/15/17	400	435
Prudential Financial, Inc.			Valeant Pharmaceuticals			Seagate Technology HDD		
8.875%, 6/15/38 <sup>(3)</sup>	450	505	International 144A			Holdings, Inc.		
Realty Income Corp.			8.375%, 6/15/16 <sup>(4)</sup>	35	37	6.375%, 10/1/11	280	291
6.750%, 8/15/19	425	444	Viant Holdings, Inc. 144A			Sorenson Communications, Inc. 144A		
Regions Financial Corp.			10.125%, 7/15/17 <sup>(4)</sup>	295	295	10.500%, 2/1/15 <sup>(4)</sup>	500	485
7.750%, 11/10/14	200	210				SunGard Data Systems, Inc.		
Resona Bank Ltd. 144A						9.125%, 8/15/13	574	591
5.850%, 9/29/49 <sup>(3)(4)</sup>	750	708				Xerox Corp.		
Royal Bank of Scotland						8.250%, 5/15/14	56	65
Group plc								3,788
6.400%, 10/21/19	370	370	<b>Industrials—3.6%</b>			<b>Materials—7.1%</b>		
Royal Bank of Scotland plc (The)			American Airlines, Inc. 01-1,			Allegheny Technologies, Inc.		
4.875%, 3/16/15	285	285	6.977%, 5/23/21	714	593	9.375%, 6/1/19	590	686
Russian Agricultural Bank OJSC			Continental Airlines, Inc. 98-1A,			ArcelorMittal		
(RSHB Capital SA)			6.648%, 9/15/17	354	355	9.000%, 2/15/15	150	179
144A 9.000%, 6/11/14 <sup>(4)</sup>	100	115	Delta Air Lines, Inc. 00-A1,			6.125%, 6/1/18	280	294
144A 6.299%, 5/15/17 <sup>(4)</sup>	380	394	7.379%, 5/18/10	105	105	Ball Corp.		
SLM Corp.			DRS Technologies, Inc.			7.125%, 9/1/16	1,475	1,575
5.450%, 4/25/11	300	305	6.625%, 2/1/16	500	480	Catalyst Paper Corp.		
5.375%, 5/15/14	200	189	Esco Corp. 144A			7.375%, 3/1/14	750	525
8.450%, 8/15/18	1,050	1,062	8.625%, 12/15/13 <sup>(4)</sup>	600	606	Celulosa Arauco		
Sovereign Bank			General Cable Corp.			7.250%, 7/29/19	350	376
8.750%, 5/30/18	400	449	7.125%, 4/1/17	500	498	Commercial Metals Co.		
SunTrust Bank			General Maritime Corp. 144A			7.350%, 8/15/18	730	768
5.400%, 4/1/20	500	469	12.000%, 11/15/17 <sup>(4)</sup>	470	505	CRH America, Inc.		
TNK-BP Finance SA			Global Aviation Holdings Ltd. 144A			8.125%, 7/15/18	650	765
144A 7.500%, 3/13/13 <sup>(4)</sup>	325	353	14.000%, 8/15/13 <sup>(4)</sup>	800	817	Domtar Corp.		
144A 7.250%, 2/2/20 <sup>(4)</sup>	100	104	Marquette Transportation Co./			5.375%, 12/1/13	388	397
Universal City Development			Marquette Transportation			7.125%, 8/15/15	322	337
Partners Ltd.			Finance Corp. 144A			Edgen Murray Corp. 144A		
144A 8.875%, 11/15/15 <sup>(4)</sup>	60	61	10.875%, 1/15/17 <sup>(4)</sup>	125	128	12.250%, 1/15/15 <sup>(4)</sup>	650	612
144A 10.875%, 11/15/16 <sup>(4)</sup>	200	210	Moog, Inc.			Georgia Gulf Corp. 144A		
Unum Group			7.250%, 6/15/18	100	98	9.000%, 1/15/17 <sup>(4)</sup>	275	289
7.125%, 9/30/16	450	489	Noble Group Ltd. 144A			Georgia-Pacific LLC 144A		
UOB Cayman Ltd. 144A			6.750%, 1/29/20 <sup>(4)</sup>	880	910	7.125%, 1/15/17 <sup>(4)</sup>	875	914
5.796%, 12/29/49 <sup>(3)(4)</sup>	500	467	Owens Corning, Inc.			Gerdau Holdings, Inc. 144A		
Wachovia Bank NA			6.500%, 12/1/16	595	630	7.000%, 1/20/20 <sup>(4)</sup>	250	264
5.000%, 8/15/15	250	259	PharmaNet Development			Hexion Finance Escrow LLC/ Hexion Escrow Corp. 144A		
WEA Finance LLC/WT Finance			Group, Inc. 144A			8.875%, 2/1/18 <sup>(4)</sup>	600	594
Australia 144A			10.875%, 4/15/17 <sup>(4)</sup>	305	305	Ineos Group Holdings plc 144A		
6.750%, 9/2/19 <sup>(4)</sup>	1,000	1,067	Smiths Group plc 144A			8.500%, 2/15/16 <sup>(4)</sup>	1,550	1,287
Webster Financial Corp.			7.200%, 5/15/19 <sup>(4)</sup>	150	169	International Paper Co.		
5.125%, 4/15/14	205	189	Teekay Corp.			9.375%, 5/15/19	508	635
Willis North America, Inc.			8.500%, 1/15/20	300	315	JonhsonDiversey Holdings, Inc.		
7.000%, 9/29/19	500	524	United Rentals North America, Inc.			144A 8.250%, 11/15/19 <sup>(4)</sup>	50	52
Woori Bank 144A			10.875%, 6/15/16	198	216	Nalco Co.		
6.125%, 5/3/16 <sup>(3)(4)</sup>	1,000	1,019	USG Corp. 144A			8.875%, 11/15/13	180	186
XL Capital Ltd.			9.750%, 8/1/14 <sup>(4)</sup>	100	106	Nova Chemicals Corp.		
5.250%, 9/15/14	350	362	Voto-Votorantim Ltd. 144A			3.649%, 11/15/13 <sup>(3)</sup>	1,000	948
Zions Bancorp			6.750%, 4/5/21 <sup>(4)</sup>	750	744	Owens-Brockway Glass		
7.750%, 9/23/14	225	227				Container, Inc.		
		51,480				7.375%, 5/15/16	475	501
						Plastipak Holdings, Inc. 144A		
<b>Health Care—0.9%</b>			<b>Information Technology—1.8%</b>			8.500%, 12/15/15 <sup>(4)</sup>	500	511
DaVita, Inc.			Broadridge Financial Solutions, Inc.			Ryerson, Inc.		
7.250%, 3/15/15	525	538	6.125%, 6/1/17	525	522	12.000%, 11/1/15	600	633
Psychiatric Solutions, Inc.			Crown Castle Holdings GS V LLC/ Crown Castle GS III Corp. 144A					
Series 1,			7.750%, 5/1/17 <sup>(4)</sup>	400	436			
7.750%, 7/15/15	375	384	Freescale Semiconductor, Inc.					
			10.125%, 12/15/16	350	312			

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See Notes to Financial Statements

**VIRTUS MULTI-SECTOR FIXED INCOME FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>Materials—continued</b>			<b>Utilities—continued</b>			<b>Consumer Discretionary—continued</b>		
Steel Dynamics, Inc. 7.375%, 11/1/12	\$ 225	\$ 235	Suburban Propane Partners LP/ Suburban Energy Finance Corp. 7.375%, 3/15/20	\$ 180	\$ 184	Nielsen Finance LLC/Nielsen Finance Co. Tranche 2.229%, 8/9/13	\$ 352	\$ 338
Vedanta Resources plc 144A 9.500%, 7/18/18 <sup>(4)</sup>	375	416	Texas Competitive Electric Holdings Co. LLC Series A 10.250%, 11/1/15	200	140	Tranche B, 3.971%, 5/1/16	206	203
Verso Paper Holdings LLC/ Verso Paper, Inc. 144A 11.500%, 7/1/14 <sup>(4)</sup>	300	326			3,205	PTI Group, Inc. Tranche 9.250%, 2/18/13	159	154
Series B, 11.375%, 8/1/16	750	658				Sinclair Telecommunication Group, Inc. Tranche B, 6.500%, 10/29/15	200	203
		14,963	<b>TOTAL CORPORATE BONDS (Identified Cost \$112,862)</b>		<b>119,219</b>	Six Flags Theme Parks, Inc. Tranche 3.750%, 6/15/15	450	447
<b>Telecommunication Services—2.1%</b>			<b>CONVERTIBLE BONDS—0.1%</b>			<b>Consumer Staples—0.4%</b>		
Axtel SAB de C.V. 144A 9.000%, 9/22/19 <sup>(4)</sup>	200	205	<b>Materials—0.1%</b>			Revlon Consumer Products Corp. Tranche 6.250%, 3/11/15	705	699
Cincinnati Bell, Inc. 8.250%, 10/15/17	180	183	Vale Capital Ltd. Series RIO Cv. 5.500%, 6/15/10	4	228	Reynolds Group Holdings Ltd. Tranche 6.250%, 11/5/15	199	201
Clearwire Communications LLC/ Clearwire Finance, Inc. 144A 12.000%, 12/1/15 <sup>(4)</sup>	200	205	<b>TOTAL CONVERTIBLE BONDS (Identified Cost \$200)</b>		<b>228</b>			900
Frontier Communications Corp. 8.125%, 10/1/18	275	276	<b>LOAN AGREEMENTS<sup>(3)</sup>—13.5%</b>			<b>Energy—0.7%</b>		
ITC Deltacom, Inc. 144A 10.500%, 4/1/16 <sup>(4)</sup>	400	400	<b>Consumer Discretionary—4.8%</b>			ATP Oil & Gas Corp. Tranche B-2, 12.250%, 1/15/11		
Nextel Communications, Inc. Series E 6.875%, 10/31/13	175	172	AMF Bowling Worldwide, Inc. Tranche B, 2.730%, 5/17/13	485	434	Tranche B-1, 11.250%, 7/15/14	76	77
Series D 7.375%, 8/1/15	650	621	Cengage Learning Acquisitions, Inc. Tranche 2.790%, 7/5/14	792	701	Tranche B-1, 11.250%, 7/15/14	537	545
Qwest Corp. 8.375%, 5/1/16	200	225	Ceridian Corp. Tranche 3.249%, 11/8/14	937	844	Big West Oil LLC Tranche 9.500%, 4/30/15	250	254
6.500%, 6/1/17	215	224	Charter Communications Operating LLC Tranche B, 2.300%, 3/6/14	80	77	Hercules Offshore, Inc. Tranche B, 6.580%, 7/11/13	500	489
Telecom Italia Capital SA 6.999%, 6/4/18	350	379	Tranche C, 3.550%, 9/6/16	648	632	Venoco, Inc. Tranche C, 4.250%, 5/20/14	225	215
7.175%, 6/18/19	500	540	Clear Channel Communications, Inc. Tranche B, 3.879%, 1/29/16	450	366			1,580
Virgin Media Finance plc Series 1, 9.500%, 8/15/16	410	450	Ford Motor Co. Tranche B-1, 3.260%, 12/15/13	363	352	<b>Financials—0.2%</b>	<b>Agile Property Holdings Ltd.</b> Tranche 2.993%, 1/25/13	
Wind Acquisition Finance SA 144A 11.750%, 7/15/17 <sup>(4)</sup>	350	388	Getty Images, Inc. Tranche B, 6.250%, 7/2/15	435	438	Universal City Tranche 6.500%, 11/30/19	75	76
Windstream Corp. 7.000%, 3/15/19	250	234	Harrah's Operating Co., Inc. Tranche B-2, 3.249%, 1/28/15	346	300			369
		4,502	Tranche B-4, 9.500%, 10/31/16	214	223	<b>Health Care—0.7%</b>		
<b>Utilities—1.5%</b>			HHI Holdings LLC Tranche 7.500%, 3/31/15	200	201	Ardent Health Services LLC Tranche 6.500%, 7/19/15		
Allegheny Energy Supply Co. LLC 144A 8.250%, 4/15/12 <sup>(4)</sup>	145	160	Intelsat Jackson Holding Ltd. Tranche 3.233%, 2/1/14	575	536	Health Management Associates, Inc. Tranche B, 2.040%, 2/28/14		
AmeriGas Partners LP 7.250%, 5/20/15	500	510	Landry's Restaurant, Inc. Tranche 8.000%, 11/30/13	184	185	Psychiatric Solutions, Inc. Tranche B, 2.153%, 7/1/12		
Centrais Eletricas Brasileiras SA 144A 6.875%, 7/30/19 <sup>(4)</sup>	100	109	Las Vegas Sands LLC Tranche I-DD, 2.050%, 5/23/14	92	85	RehabCare Group, Inc. Tranche B, 6.000%, 11/24/15		
Israel Electric Corp. Ltd. 144A 7.250%, 1/15/19 <sup>(4)</sup>	200	217	Tranche B, 2.050%, 5/23/14	458	420	Rotech Healthcare, Inc. PIK Interest Capitalization 6.000%, 9/26/11		
Majapahit Holding BV 144A 7.250%, 6/28/17 <sup>(4)</sup>	725	776	Mediacom Illinois LLC Tranche D, 5.500%, 3/31/17	284	286			
144A 7.750%, 1/20/20 <sup>(4)</sup>	200	218	Neiman-Marcus Group, Inc. (The) Tranche 2.228%, 4/6/13	1,193	1,133			
Midwest Generation LLC Series B 8.560%, 1/2/16	110	113						
Northeast Utilities 5.650%, 6/1/13	270	288						
Sempra Energy 6.000%, 10/15/39	500	490						

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS MULTI-SECTOR FIXED INCOME FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		SHARES	VALUE
<b>Health Care—continued</b>			<b>Information Technology—continued</b>			<b>PREFERRED STOCK—0.1%</b>		
Select Medical Corp. Tranche B-1, 4.017%, 8/22/14	\$ 208	\$ 204	Spansion, Inc. Tranche B, 7.750%, 2/9/15	\$ 540	\$ 546	<b>Financials—0.1%</b>		
		1,543	Springboard Finance LLC Tranche B, 7.000%, 2/23/15	215	217	FNMA Pfd. 8.250% <sup>(2)</sup>	38,000	\$ 48
<b>Industrials—1.8%</b>					5,641	GMAC, Inc. Series G Pfd. 7.00% 144A <sup>(4)</sup>	321	245
Bucyrus International, Inc. Tranche C, 4.500%, 2/19/16	125	127	<b>Materials—1.2%</b>			<b>TOTAL PREFERRED STOCK</b> <b>(Identified Cost \$757)</b>		<b>293</b>
Harland Clarke Holdings Corp. Tranche B, 2.790%, 6/30/14	991	909	Anchor Glass Container Corp. Tranche 10.000%, 8/2/16	760	752	<b>COMMON STOCKS—0.0%</b>		
Hawker Beechcraft, Inc. Letter of Credit, 2.100%, 3/26/14	34	28	Berry Plastics Group, Inc. Tranche C, 2.257%, 4/3/15	757	715	<b>Consumer Discretionary—0.0%</b>		
Tranche 2.248%, 3/26/14	564	476	Gentek Holding LLC Tranche 7.000%, 10/29/14	150	151	Mark IV Industries <sup>(6)</sup>	117	4
Language Line Holdings LLC Tranche B, 5.500%, 11/4/15	299	301	Lyondell Chemical Co. Tranche 5.799%, 6/3/10	250	260	<b>Telecommunication Services—0.0%</b>		
Protection One Alarm Monitoring, Inc. Tranche B-2, 6.250%, 3/31/14	109	109	Nalco Co. Tranche B, 6.500%, 5/13/16	119	120	AT&T Latin America Corp. Class A <sup>(2)(6)(8)</sup>	137,550	0
ServiceMaster Co. (The) Tranche DD, 2.750%, 7/24/14	98	94	New Sunward Holding BV Tranche B, 3.250%, 2/14/14	350	327	<b>TOTAL COMMON STOCKS</b> <b>(Identified Cost \$606)</b>		<b>4</b>
Tranche B, 2.750%, 7/24/14	987	948	Smurfit-Stone Container Enterprise Tranche B, 4.750%, 2/22/16	215	216	<b>EXCHANGE-TRADED FUNDS—0.5%</b>		
Transaction Network Services, Inc. Tranche 6.000%, 11/18/15	448	451	Solutia, Inc. Tranche B, 4.750%, 3/17/17	130	131	iShares FTSE/Xinhua China 25 Index Fund	23,000	968
Vertrue, Inc. Tranche 3.300%, 8/16/14	200	158			2,672	<b>TOTAL EXCHANGE-TRADED FUNDS</b> <b>(Identified Cost \$1,008)</b>		<b>968</b>
Zuffa LLC Tranche 7.500%, 6/19/15	211	214	<b>Telecommunication Services—0.6%</b>			<b>TOTAL LONG-TERM INVESTMENTS—98.3%</b> <b>(Identified Cost \$201,546)</b>		<b>208,220</b>
		3,815	Level 3 Communications, Inc. Tranche A, 2.501%, 3/13/14	525	489	<b>SHORT-TERM INVESTMENTS—1.8%</b>		
<b>Information Technology—2.7%</b>			Tranche B, 11.500%, 3/13/14	130	143	<b>Money Market Mutual Funds—1.8%</b>		
Allen Systems Group, Inc. Tranche 8.500%, 10/20/13	533	538	U.S. TelePacific Corp. Tranche B, 9.250%, 8/25/15	600	605	BlackRock Liquidity Funds TempFund Portfolio – Institutional Shares (seven-day effective yield 0.119%)	3,814,502	3,815
Tranche 11.000%, 4/20/14	251	248			1,237	<b>TOTAL SHORT-TERM INVESTMENTS</b> <b>(Identified Cost \$3,815)</b>		<b>3,815</b>
Avaya, Inc. Tranche B-1, 3.002%, 10/26/14	744	665	<b>Utilities—0.4%</b>			<b>TOTAL INVESTMENTS—100.1%</b> <b>(Identified Cost \$201,546)</b>		<b>212,035<sup>(1)</sup></b>
Dresser, Inc. PIK Interest Capitalization 6.000%, 5/4/15	834	797	NRG Energy, Inc. Letter of Credit 0.190%, 2/1/13	437	428	Other Assets and Liabilities—(0.1%)		(190)
First Data Corp. Tranche B-1, 3.040%, 9/24/14	392	348	Tranche B, 2.040%, 2/1/13	33	33	<b>NET ASSETS—100.0%</b>		<b>\$211,845</b>
Tranche B-3, 3.041%, 9/24/14	626	554	Texas Competitive Electric Holdings Co. LLC Tranche B-2, 3.729%, 10/10/14	258	213			
Freescale Semiconductor, Inc. Tranche 4.479%, 12/1/16	397	374	Tranche B-3, 3.729%, 10/10/14	137	112			
Infor Global Solutions, Inc. Tranche DD, 6.498%, 3/2/14	174	146			786	<b>Abbreviations:</b>		
Tranche 6.498%, 3/2/14	301	252	<b>TOTAL LOAN AGREEMENTS</b> <b>(Identified Cost \$27,687)</b>		<b>28,652</b>	FNMA Federal National Mortgage Association ("Fannie Mae")		
Reynolds & Reynolds Co. (The) Tranche 2.285%, 10/24/12	315	308				PIK Payment-in-Kind Security		
Tranche 5.751%, 10/24/13	680	648				REIT Real Estate Investment Trust		

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS MULTI-SECTOR FIXED INCOME FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

<b>Country Weightings as of 3/31/10†</b>		<b>Foreign Currencies:</b>	
United States (includes short-term investments)	72%	AUD	Australian Dollar
Brazil	3	BRL	Brazilian Real
Argentina	2	CND	Canadian Dollar
Canada	2	COP	Colombian Peso
Indonesia	2	IDR	Indonesian Rupiah
South Korea	2	KRW	Korean Won
United Kingdom	2	NOK	Norwegian Krone
Other	15	NZD	New Zealand Dollar
<b>Total</b>	<b>100%</b>	PLN	Polish Zloty
† % of total investments as of March 31, 2010		SEK	Swedish Krona
		TRY	Turkish Lira
		ZAR	South African Rand

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs	Level 3 – Significant Unobservable Inputs
<b>Debt Securities:</b>				
Municipal Securities	\$ 575	\$ —	\$ 575	\$ —
Foreign Government Securities	27,846	—	27,846	—
Mortgage-Backed Securities	26,377	—	26,377	—
Asset-Backed Securities	4,058	—	3,294	764
Corporate Debt	148,099	228	147,251	620
<b>Equity Securities:</b>				
Preferred Stocks	293	293	—	—
Common Stocks	4	—	—	4
Exchange-Traded Funds	968	968	—	—
Short-Term Investments	3,815	3,815	—	—
<b>Total Investments</b>	<b>\$212,035</b>	<b>\$5,304</b>	<b>\$205,343</b>	<b>\$1,388</b>

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS MULTI-SECTOR FIXED INCOME FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

The following is a reconciliation of assets of the Fund, for Level 3 investments for which significant unobservable inputs were used to determine fair value:

(\$ reported in thousands)	Total	Mortgage-Backed Securities	Asset-Backed Securities	Corporate Debt	Common Stock
<b>Balance as of September 30, 2009:</b>	\$1,598	\$ 890	\$ 54	\$654	\$ — <sup>(e)</sup>
Accrued discounts (premiums) <sup>(a)</sup>	2	—	— <sup>(f)</sup>	2	—
Realized gain (loss) <sup>(b)</sup>	— <sup>(f)</sup>	—	— <sup>(f)</sup>	— <sup>(f)</sup>	—
Change in unrealized appreciation (depreciation) <sup>(b)</sup>	103	100	4	(1)	—
Net purchases (sales) <sup>(c)</sup>	(91)	—	(41)	(50)	—
Transfers in and/or out of level 3 <sup>(d)</sup>	(224)	(990)	747	15	4
<b>Balance as of March 31, 2010:</b>	<u>\$1,388</u>	<u>\$ —</u>	<u>\$764</u>	<u>\$620</u>	<u>\$ 4</u>

<sup>(a)</sup> Disclosed in the Statement of Operations under interest income.

<sup>(b)</sup> Disclosed in the Statement of Operations under Net realized and unrealized gain (loss) on investments.

<sup>(c)</sup> Includes paydowns.

<sup>(d)</sup> "Transfers in and/or out" represent the ending value as of March 31, 2010, for any investment security where a change in the pricing level occurred from the beginning to the end of the period.

<sup>(e)</sup> Level 3 Common Stocks have a beginning value of \$0.

<sup>(f)</sup> Amount is less than \$500.

Level 3 securities are without an active market or market participants and therefore are internally fair valued. These internally fair valued securities derive their valuation based on the review of inputs such as, but not limited to, similar securities, liquidity factors, capital structure, and credit analysis.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS SENIOR FLOATING RATE FUND**  
**SCHEDULE OF INVESTMENTS**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>FOREIGN GOVERNMENT SECURITIES—1.0%</b>			<b>Financials—1.0%</b>			<b>Telecommunication Services—continued</b>		
Bolivarian Republic of Venezuela			Ford Motor Credit Co. LLC			ITC Deltacom, Inc. 144A		
RegS 5.750%, 2/26/16 <sup>(6)</sup>	\$ 825	\$ 602	7.500%, 8/1/12	\$ 100	\$ 104	10.500%, 4/1/16 <sup>(4)</sup>	\$ 700	\$ 701
Republic of Argentina			8.700%, 10/1/14	140	152	Level 3 Financing, Inc.		
PIK Interest Capitalization			International Lease Finance Corp.			4.140%, 2/15/15 <sup>(3)</sup>	400	334
8.280%, 12/31/33	825	623	4.750%, 1/13/12	350	342			1,649
			iStar Financial, Inc. 144A					
<b>TOTAL FOREIGN GOVERNMENT SECURITIES</b>			10.000%, 6/15/14 <sup>(4)</sup>	300	301	<b>TOTAL CORPORATE BONDS</b>		
<b>(Identified Cost \$1,235)</b>		<b>1,225</b>	Universal City Development			<b>(Identified Cost \$14,271)</b>		<b>14,980</b>
			Partners Ltd.					
<b>ASSET-BACKED SECURITIES—0.1%</b>			144A 8.875%, 11/15/15 <sup>(4)</sup>	45	46	<b>LOAN AGREEMENTS<sup>(5)</sup>—84.7%</b>		
Harley-Davidson Motorcycle			144A 10.875%, 11/15/16 <sup>(4)</sup>	300	315	<b>Consumer Discretionary—26.8%</b>		
Trust 07-2, C					1,260	AMF Bowling Worldwide, Inc.		
5.410%, 8/15/15	170	177	<b>Health Care—0.1%</b>			Tranche B, 2.730%, 5/17/13	574	513
			Select Medical Corp.			Carmike Cinemas, Inc.		
<b>TOTAL ASSET-BACKED SECURITIES</b>			7.625%, 2/1/15	100	96	Tranche 5.500%, 1/27/16	941	943
<b>(Identified Cost \$131)</b>		<b>177</b>				CDW Corp. Tranche B,		
			<b>Industrials—1.3%</b>			4.230%, 10/12/14	997	877
<b>CORPORATE BONDS—11.9%</b>			Delta Air Lines, Inc. 00-A1,			Cengage Learning Acquisitions,		
<b>Consumer Discretionary—2.6%</b>			7.379%, 5/18/10	196	196	Inc.		
Affinia Group, Inc. 144A			General Maritime Corp. 144A			Tranche 2.790%, 7/5/14	902	797
10.750%, 8/15/16 <sup>(4)</sup>	260	285	12.000%, 11/15/17 <sup>(4)</sup>	250	269	Tranche 7.500%, 6/5/15	497	506
American Axle & Manufacturing			Global Aviation Holdings Ltd. 144A			Ceridian Corp. Tranche		
Holdings, Inc. 144A			14.000%, 8/15/13 <sup>(4)</sup>	730	745	3.249%, 11/8/14	1,551	1,398
9.250%, 1/15/17 <sup>(4)</sup>	350	375	PharmaNet Development			Charter Communications		
Blockbuster, Inc. 144A			Group, Inc. 144A			Operating LLC		
11.750%, 10/1/14 <sup>(4)</sup>	732	544	10.875%, 4/15/17 <sup>(4)</sup>	415	415	Tranche B, 3.550%, 3/6/14	158	152
Eastman Kodak Co.					1,625	Tranche C, 3.550%, 9/6/16	1,283	1,251
7.250%, 11/15/13	55	53	<b>Information Technology—1.4%</b>			Clear Channel Communications,		
Garda World Security Corp. 144A			Freescale Semiconductor, Inc.			Inc.		
9.750%, 3/15/17 <sup>(4)</sup>	350	360	10.125%, 12/15/16	450	401	Tranche B, 3.898%, 1/29/16	1,020	830
Harrah's Operating Co., Inc.			NXP BV/NXP Funding LLC			CSC Holdings, Inc.		
11.250%, 6/1/17	140	152	3.001%, 10/15/13 <sup>(3)</sup>	750	706	Tranche B-2, 1.980%, 3/29/16	808	810
Landry's Restaurants, Inc. 144A			Sorenson Communications, Inc.			Cumulus Media, Inc.		
11.625%, 12/1/15 <sup>(4)</sup>	666	719	144A 10.500%, 2/1/15 <sup>(4)</sup>	750	727	Tranche 4.240%, 6/11/14	366	331
Libbey Glass, Inc. 144A					1,834	Dana Holding Corp.		
10.000%, 2/15/15 <sup>(4)</sup>	75	79	<b>Materials—2.2%</b>			Tranche B 4.250%, 1/31/15	1,000	986
MGM MIRAGE 144A			Hexion Finance Escrow LLC/ Hexion Escrow Corp. 144A			Emmis Operating Co.		
10.375%, 5/15/14 <sup>(4)</sup>	47	52	8.875%, 2/1/18 <sup>(4)</sup>	250	248	Tranche 4.287%, 11/1/13	1,195	1,042
Nebraska Book Co., Inc.			Ineos Group Holdings plc 144A			Ford Motor Co. Tranche B-1,		
10.000%, 12/1/11	615	638	8.500%, 2/15/16 <sup>(4)</sup>	750	622	3.260%, 12/15/13	1,047	1,016
		3,257	Nova Chemicals Corp.			Getty Images, Inc. Tranche B,		
<b>Consumer Staples—0.6%</b>			3.649%, 11/15/13 <sup>(3)</sup>	910	862	6.250%, 7/2/15	1,056	1,064
Smithfield Foods, Inc. 144A			Verso Paper Holdings LLC/ Verso Paper, Inc.			Harrah's Operating Co., Inc.		
10.000%, 7/15/14 <sup>(4)</sup>	400	448	144A 11.500%, 7/1/14 <sup>(4)</sup>	365	396	Tranche B-2,		
Yankee Acquisition Corp. Series B,			Series B, 3.999%, 8/1/14 <sup>(3)</sup>	500	429	3.249%, 1/28/15	1,030	890
8.500%, 2/15/15	300	310	Series B, 11.375%, 8/1/16	210	184	Tranche B-4,		
		758			2,741	9.500%, 10/31/16	584	606
<b>Energy—1.4%</b>			<b>Telecommunication Services—1.3%</b>			HHI Holdings LLC Tranche		
Coffeyville Resources LLC 144A			Clearwire Communications LLC/ Clearwire Finance, Inc.			7.500%, 3/31/15	600	604
10.875%, 4/1/17 <sup>(4)</sup>	700	698	144A 12.000%, 12/1/15 <sup>(4)</sup>	400	409	Intelsat Jackson Holding Ltd.		
Hercules Offshore, Inc. 144A			144A 12.000%, 12/1/15 <sup>(4)</sup>	200	205	Tranche 3.228%, 2/1/14	1,000	932
10.500%, 10/15/17 <sup>(4)</sup>	275	276				Intelstat Corp.		
OPTI Canada, Inc. 144A						Tranche B2-C,		
9.000%, 12/15/12 <sup>(4)</sup>	475	492				2.728%, 1/3/14	189	185
Western Refining, Inc. 144A						Tranche B2-A,		
10.750%, 6/15/14 <sup>(3)(4)</sup>	325	294				2.728%, 1/3/14	189	185
		1,760				Tranche B2-B,		
						2.728%, 1/3/14	189	185
						Isle of Capri Casinos, Inc.		
						Tranche A-DD,		
						5.000%, 11/25/13	139	135
						Tranche 5.000%, 11/25/13	395	385
						Tranche B-DD,		
						5.000%, 11/25/13	158	154

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS SENIOR FLOATING RATE FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>Consumer Discretionary—continued</b>			<b>Energy—4.0%</b>			<b>Health Care—continued</b>		
Lamar Media Corp. Tranche F, 5.500%, 3/31/14	\$ 1,464	\$ 1,476	ATP Oil & Gas Corp. Tranche B-2, 12.250%, 1/15/11	\$ 101	\$ 102	Butler Schein Animal Health Tranche B, 5.500%, 12/31/15	\$ 748	\$ 757
Landry's Restaurant, Inc. Tranche 8.000%, 11/30/13	871	875	Tranche B-1, 11.250%, 7/15/14	714	724	Cardinal Health, Inc. Tranche B, 0.000%, 4/10/14	1,000	944
Las Vegas Sands LLC Tranche I-DD, 2.050%, 5/23/14	193	177	Big West Oil LLC Tranche 9.500%, 4/30/15	565	574	Community Health Systems, Inc. Tranche DD, 2.502%, 7/25/14	60	59
Tranche B, 2.050%, 5/23/14	954	875	Helix Energy Solutions Group, Inc. Tranche B, 2.480%, 7/1/13	638	627	Tranche B, 2.502%, 7/25/14	1,172	1,143
MCC Georgia LLC Tranche E, 3.500%, 1/3/16	995	1,009	Hercules Offshore, Inc. Tranche B, 4.000%, 7/11/13	1,120	1,096	CRC Health Corp. Tranche 2.540%, 2/6/13	488	470
Mediacom Illinois LLC Tranche D, 5.500%, 3/31/17	348	351	Targa Resources, Inc. Tranche 6.000%, 7/6/16	898	904	HCA, Inc. Tranche A-1, 1.790%, 11/17/12	826	802
MGM MIRAGE Tranche D, 4.000%, 10/3/11	500	488	Venoco, Inc. Tranche C, 4.250%, 5/20/14	1,075	1,023	Health Management Associates, Inc. Tranche B, 2.040%, 2/28/14	317	308
Tranche E, 5.000%, 2/21/14	500	445				HealthSouth Corp. Tranche 1, 2.510%, 3/10/13	543	534
Michaels Stores, Inc. Tranche B-2, 4.813%, 7/31/16	473	462				Tranche 2, 4.010%, 9/10/15	447	450
Neiman-Marcus Group, Inc. (The) Tranche 2.228%, 4/6/13	1,715	1,628	<b>Financials—6.9%</b>			Psychiatric Solutions, Inc. Tranche B, 2.154%, 7/1/12	827	820
Nielsen Finance LLC/Nielsen Finance Co. Tranche 2.229%, 8/9/13	649	624	Agile Property Holdings Ltd. Tranche 2.993%, 1/25/13	375	349	RehabCare Group, Inc. Tranche B, 6.000%, 11/24/15	529	533
Tranche B, 3.979%, 5/1/16	607	598	CB Richard Ellis Group, Inc. Tranche A-2 5.250%, 6/24/13	500	500	Rotech Healthcare, Inc. PIK Interest Capitalization 6.000%, 9/26/11	400	374
Pilot Travel Centers LLC Tranche B, 0.000%, 1/15/16	325	328	CIT Group, Inc. Tranche 13.000%, 1/18/12	1,890	1,961	Select Medical Corp. Tranche B-1, 4.001%, 8/22/14	166	163
PTI Group, Inc. Tranche 9.250%, 2/18/13	80	77	Delos Aircraft, Inc. Tranche B-2, 7.000%, 3/17/16	102	103	Warner Chilcott plc Tranche A, 5.500%, 10/30/14	331	332
Sabre, Inc. Tranche 0.000%, 9/30/14	1,000	934	Green Tree Credit Solutions Tranche 8.000%, 12/31/15	588	587	Tranche B-1 5.750%, 4/30/15	152	153
Sinclair Telecommunication Group, Inc. Tranche B, 6.500%, 10/29/15	575	583	Hertz Corp. Letter of Credit 0.271%, 12/21/12	115	114	Tranche B-2 5.750%, 4/30/15	253	254
Six Flags Theme Parks, Inc. Tranche 3.750%, 6/15/15	1,750	1,738	Tranche B, 1.980%, 12/21/12	624	618			9,065
Travelport LLC Tranche DD, 2.790%, 8/23/13	1,094	1,066	International Lease Finance Corp. Tranche B-1, 6.750%, 3/17/15	138	143	<b>Industrials—11.0%</b>		
TRW Automotive Holdings Corp. Tranche B-3 5.000%, 5/30/16	250	253	Nuveen Investments, Inc. Tranche B, 3.323%, 11/13/14	1,175	1,081	Advanced Disposal Tranche B, 6.000%, 1/14/15	1,496	1,515
Univision Communications, Inc. Tranche B, 2.540%, 9/29/14	2,025	1,811	Pinnacle Foods Finance LLC/ Pinnacle Food Finance Corp. Tranche B, 2.979%, 4/2/14	1,080	1,051	ARAMARK Corp. Letter of Credit 0.000%, 1/26/14	18	18
VML U.S. Finance LLC Tranche B-DD 4.800%, 5/25/12	153	149	Richard Ellis (CB) Group, Inc. Tranche B-1, 0.000%, 12/20/15	1,036	1,038	Tranche 2.165%, 1/26/14	276	271
Tranche B, 4.800%, 5/25/13	516	502	Sungard Data Systems, Inc. Tranche A, 1.979%, 2/28/14	22	22	Tranche 2, 0.000%, 7/26/16	33	33
VWR Funding, Inc. Tranche 2.748%, 6/29/14	738	696	Synatech, Inc. Tranche 0.000%, 4/1/14	497	443	Tranche 3.540%, 7/26/16	496	498
		33,922	Universal City Tranche 6.500%, 11/30/19	387	391	Bucyrus International, Inc. Tranche C, 5.500%, 2/19/16	800	810
			Vanguard Health Holding Co., I LLC Tranche B, 5.000%, 1/29/16	370	371	Harland Clarke Holdings Corp. Tranche B, 2.790%, 6/30/14	1,466	1,344
					8,772	Hawker Beechcraft, Inc. Letter of Credit, 2.100%, 3/26/14	81	68
<b>Consumer Staples—2.8%</b>			<b>Health Care—7.2%</b>			Tranche 2.248%, 3/26/14	1,364	1,151
Revlon Consumer Products Corp. Tranche 6.000%, 3/11/15	705	699	Ardent Health Services LLC Tranche 6.500%, 7/19/15	500	494	Language Line Holdings LLC Tranche B, 5.500%, 11/4/15	983	987
Reynolds Group Holdings Ltd. Tranche 6.250%, 11/5/15	542	548	Bausch & Lomb, Inc. Tranche DD, 3.540%, 4/26/15	95	93	Manitowoc Co., Inc. (The) Tranche B, 7.500%, 4/14/14	1,014	1,018
Rite Aid Corp. Tranche 3, 6.000%, 6/4/14	1,295	1,272	Tranche B, 3.540%, 4/26/15	390	382	Protection One Alarm Monitoring, Inc. Tranche B-2, 6.250%, 3/31/14	229	229
Spectrum Brands, Inc. Tranche B, 1.500%, 6/30/12	29	29						
Tranche 8.000%, 6/30/12	568	568						
Yankee Candle Co., Inc. Tranche B, 2.200%, 2/6/14	454	445						
		3,561						

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS SENIOR FLOATING RATE FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE		PAR VALUE	VALUE
<b>Industrials—continued</b>			<b>Materials—8.4%</b>			<b>Utilities—2.0%</b>		
ServiceMaster Co. (The)			Anchor Glass Container Corp.			Calpine Corp. Tranche		
Tranche B, 2.750%, 7/24/14	\$ 1,748	\$ 1,679	Tranche 6.000%, 2/3/16	\$ 650	\$ 649	3.165%, 3/29/14	\$ 391	\$ 380
Tranche DD,			Tranche 10.000%, 8/2/16	715	708	NRG Energy, Inc.		
2.750%, 7/24/14	174	167	Berry Plastics Group, Inc.			Letter of Credit		
Sungard Data Systems, Inc.			Tranche C, 2.257%, 4/3/15	1,248	1,177	0.190%, 2/1/13	306	301
Tranche B, 3.874%, 2/28/16	491	488	Building Materials Holding Corp.			Tranche B, 2.040%, 2/1/13	464	455
Transaction Network Services, Inc.			of America Tranche B,			Texas Competitive Electric		
Tranche 6.000%, 11/18/15	601	605	3.000%, 2/22/14	248	245	Holdings Co. LLC Tranche B-3,		
U.S. Investigations Services, Inc.			Celanese Holdings LLC Tranche			3.790%, 10/10/14	1,699	1,386
Tranche B, 0.000%, 2/21/15	1,600	1,488	2.000%, 4/2/14	437	429			2,522
Vertrue, Inc. Tranche			Chemtura Corp. Tranche A,			<b>TOTAL LOAN AGREEMENTS</b>		
3.300%, 8/18/14	600	475	6.000%, 2/11/11	500	504	<b>(Identified Cost \$101,832)</b>		<b>107,130</b>
Zuffa LLC Tranche			Gentek Holding LLC Tranche			<b>TOTAL LONG-TERM INVESTMENTS—97.7%</b>		
7.500%, 6/19/15	1,032	1,043	7.000%, 10/29/14	259	262	<b>(Identified Cost \$117,469)</b>		<b>123,512</b>
		<u>13,887</u>	Hexion Specialty Chemicals					
<b>Information Technology—12.1%</b>			Tranche C1-A,			<b>SHARES</b>		
Allen Systems Group, Inc.			4.063%, 5/5/13	403	381	<b>SHORT-TERM INVESTMENTS—14.5%</b>		
Tranche 8.500%, 10/20/13	346	349	Tranche C2-A,			<b>Money Market Mutual Funds—14.5%</b>		
Tranche 11.000%, 4/20/14	151	149	4.063%, 5/5/13	178	168	BlackRock Liquidity Funds		
Avaya, Inc. Tranche B-1,			Huntsman International LLC			TempFund Portfolio –		
3.002%, 10/26/14	1,490	1,332	Tranche C, 2.498%, 6/23/16	990	956	Institutional Shares		
CommScope, Inc. Tranche B,			Ineos Holdings Ltd.			(seven-day effective		
2.748%, 12/27/14	529	526	Tranche B-2,			yield 0.119%)	18,282,404	18,282
Dresser, Inc.			7.500%, 12/16/13	421	413	<b>TOTAL SHORT-TERM INVESTMENTS</b>		
Tranche B, 2.500%, 5/4/14	250	241	Tranche C-2,			<b>(Identified Cost \$18,282)</b>		<b>18,282</b>
PIK Interest Capitalization			8.000%, 12/16/14	421	415	<b>TOTAL INVESTMENTS—112.2%</b>		
6.000%, 5/4/15	1,400	1,337	JohnsonDiversity, Inc.			<b>(Identified Cost \$135,751)</b>		<b>141,794<sup>(1)</sup></b>
First Data Corp. Tranche B-3,			Tranche 0.000%, 11/11/15	249	252	Other Assets and Liabilities—(12.2)%		(15,379)
3.040%, 9/24/14	1,908	1,690	Lyondell Chemical Co.			<b>NET ASSETS—100.0%</b>		<b>\$ 126,415</b>
Freescale Semiconductor, Inc.			Tranche 5.799%, 6/3/10	499	519			
Tranche 4.479%, 12/1/16	814	767	Tranche 3.250%, 3/14/16	375	379			
Infor Global Solutions, Inc.			New Sunward Holding BV					
Tranche B, 4.000%, 1/28/12	983	954	Tranche B, 0.000%, 2/14/14	750	701			
Tranche 4.000%, 7/30/12	513	497	Noranda Aluminum, Inc.					
Tranche 6.498%, 3/2/14	348	292	Tranche B, 2.248%, 5/18/14	977	936			
Tranche DD, 6.498%, 3/2/14	202	169	Smurfit-Stone Container					
NuSil Technology Tranche B,			Enterprise Tranche B,					
6.000%, 2/18/15	400	402	4.750%, 2/22/16	950	954			
RedPrairie Corp. Tranche			Solutia, Inc. Tranche B,					
4.000%, 3/24/16	1,000	1,003	4.750%, 3/17/17	615	622			
Reynolds & Reynolds Co. (The)					<u>10,670</u>	<b>Abbreviation:</b>		
Tranche 2.245%, 10/24/12	900	881	<b>Telecommunication Services—3.5%</b>			PIK	Payment-in-Kind Security	
Tranche 5.852%, 10/24/13	900	857	Level 3 Communications, Inc.					
Sensata Technologies BV			Tranche A, 2.501%, 3/13/14	1,450	1,351	<b>Country Weightings as of 3/31/10†</b>		
Tranche B, 1.999%, 4/27/13	1,237	1,196	Tranche B,			United States (includes short-term investments)	92%	
Spansion, Inc.			11.500%, 3/13/14	70	77	Canada	2	
Tranche B, 7.750%, 2/9/15	1,280	1,294	MetroPCS Wireless, Inc.			United Kingdom	2	
Springboard Finance LLC			Tranche B, 2.500%, 11/3/13	411	402	Germany	1	
Tranche B, 7.000%, 2/23/15	850	856	nTelos, Inc. Tranche			Japan	1	
TowerCo LLC Tranche			5.750%, 8/7/15	1,476	1,492	Other	2	
6.000%, 11/20/14	499	504	Time Warner Telecom Holdings,					
		<u>15,296</u>	Inc. Tranche B,			Total		100%
			2.000%, 1/7/13	463	458			
			U.S. TelePacific Corp.			† % of total investments as of March 31, 2010		
			Tranche B, 9.250%, 8/25/15	600	605			
					<u>4,385</u>			

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

**VIRTUS SENIOR FLOATING RATE FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**MARCH 31, 2010 (Unaudited)**

(\$ reported in thousands)

The following table provides a summary of inputs used to value the Fund's net assets as of March 31, 2010 (see Security Valuation Note 2A in the Notes to Financial Statements).

	Total Value at March 31, 2010	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs	Level 3 – Significant Unobservable Inputs
<b>Investment in Securities:</b>				
Debt Securities:				
Foreign Government Securities	\$ 1,225	\$ —	\$ 1,225	\$ —
Asset-Backed Securities	177	—	177	—
Corporate Debt	122,110	—	121,060	1,050
Equity Securities:				
Short-Term Investments	18,282	18,282	—	—
<b>Total Investments</b>	<b>\$141,794</b>	<b>\$18,282</b>	<b>\$122,462</b>	<b>\$1,050</b>

The following is a reconciliation of assets of the Fund, for Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Corporate Debt
(\$ reported in thousands)	
<b>Balance as of September 30, 2009:</b>	<b>\$ 74</b>
Accrued discounts (premiums) <sup>(a)</sup>	— <sup>(d)</sup>
Realized gain (loss) <sup>(b)</sup>	— <sup>(d)</sup>
Change in unrealized appreciation (depreciation) <sup>(b)</sup>	2
Net purchases (sales)	— <sup>(d)</sup>
Transfers in and/or out of Level 3 <sup>(c)</sup>	974
<b>Balance as of March 31, 2010:</b>	<b>\$1,050</b>

<sup>(a)</sup> Disclosed in the Statement of Operations under interest income.

<sup>(b)</sup> Disclosed in the Statement of Operations under Net realized and unrealized gain (loss) on investments.

<sup>(c)</sup> "Transfers in and/or out" represent the ending value as of March 31, 2010, for any investment security where a change in the pricing level occurred from the beginning to the end of the period.

<sup>(d)</sup> Amount is less than \$500.

Level 3 securities are without an active market or market participants and therefore are internally fair valued. These internally fair valued securities derive their valuation based on the review of inputs such as, but not limited to, similar securities, liquidity factors, capital structure, and credit analysis.

For information regarding the footnotes, see the Key Investment Terms and Footnote Legend starting on page 4.

See Notes to Financial Statements

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**VIRTUS OPPORTUNITIES TRUST**  
**Statements of Assets and Liabilities**  
**March 31, 2010**  
**(Unaudited)**

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

	AlphaSector <sup>SM</sup> Allocation Fund	AlphaSector <sup>SM</sup> Rotation Fund	Alternatives Diversifier Fund	Bond Fund	CA Tax-Exempt Bond Fund
<b>Assets</b>					
Investment in securities at value <sup>(1)</sup>	\$ 29,300	\$ 303,322	\$ 91,695	\$ 194,723	\$ 57,789
Investments in affiliated funds at value <sup>(2)</sup>	9,582	—	170,502	—	—
Receivables					
Investment securities sold	392	3,257	—	287	—
Fund shares sold	78	11,184	1,015	136	—
Receivable from adviser	—	—	31	—	—
Dividends and interest receivable	— <sup>(4)</sup>	— <sup>(4)</sup>	— <sup>(4)</sup>	1,910	815
Prepaid expenses	23	44	40	34	17
Total assets	<u>39,375</u>	<u>317,807</u>	<u>263,283</u>	<u>197,090</u>	<u>58,621</u>
<b>Liabilities</b>					
Payables					
Fund shares repurchased	163	233	490	753	163
Investment securities purchased	393	9,841	—	283	504
Dividend distributions	—	—	—	—	109
Investment advisory fee	12	102	—	69	17
Distribution and service fees	19	103	109	23	7
Administration fee	3	13	19	16	4
Transfer agent fees and expenses	6 <sup>(4)</sup>	27	85	20	4
Trustees' fee and expenses	—	3	3	3	1
Professional fee	13	16	16	25	21
Other accrued expenses	2	18	30	25	6
Total liabilities	<u>611</u>	<u>10,356</u>	<u>752</u>	<u>1,217</u>	<u>836</u>
<b>Net Assets</b>	<u>\$ 38,764</u>	<u>\$ 307,451</u>	<u>\$ 262,531</u>	<u>\$ 195,873</u>	<u>\$ 57,785</u>
<b>Net Assets Consist of:</b>					
Capital paid in on shares of beneficial interest	\$ 42,426	\$ 309,449	\$ 350,337	\$ 210,368	\$ 56,911
Accumulated undistributed net investment income (loss)	207	823	336	329	56
Accumulated undistributed net realized gain (loss)	(6,696)	(19,097)	(80,329)	(23,237)	(296)
Net unrealized appreciation (depreciation) on investments	2,827	16,276	(7,813)	8,413	1,114
<b>Net Assets</b>	<u>\$ 38,764</u>	<u>\$ 307,451</u>	<u>\$ 262,531</u>	<u>\$ 195,873</u>	<u>\$ 57,785</u>
<b>Class A</b>					
Net asset value (net assets/shares outstanding) per share	\$ 10.35	\$ 10.32	\$ 9.76	\$ 10.75	\$ 11.92
Maximum offering price per share NAV/(1-4.75%)	\$ —	\$ —	\$ —	\$ 11.29	\$ 12.51
Maximum offering price per share NAV/(1-5.75%)	\$ 10.98	\$ 10.95	\$ 10.36	\$ —	\$ —
Shares of beneficial interest outstanding, unlimited authorization <sup>(3)</sup>	1,955,178	15,166,315	13,543,522	6,123,750	2,666,561
Net Assets	\$ 20,244	\$ 156,545	\$ 132,182	\$ 65,800	\$ 31,777
<b>Class B</b>					
Net asset value (net assets/shares outstanding) and offering price per share	\$ —	\$ —	\$ —	\$ 10.51	\$ —
Shares of beneficial interest outstanding, unlimited authorization <sup>(3)</sup>	—	—	—	317,377	—
Net Assets	\$ —	\$ —	\$ —	\$ 3,336	\$ —
<b>Class C</b>					
Net asset value (net assets/shares outstanding) and offering price per share	\$ 10.31	\$ 10.23	\$ 9.66	\$ 10.54	\$ —
Shares of beneficial interest outstanding, unlimited authorization <sup>(3)</sup>	1,726,716	9,689,782	9,845,131	710,499	—
Net Assets	\$ 17,808	\$ 99,152	\$ 95,116	\$ 7,490	\$ —
<b>Class I</b>					
Net asset value (net assets/shares outstanding) and offering price per share	\$ 10.37	\$ 10.33	\$ 9.77	\$ 10.86	\$ 11.91
Shares of beneficial interest outstanding, unlimited authorization <sup>(3)</sup>	68,643	5,009,868	3,606,211	10,979,054	2,184,133
Net Assets	\$ 712	\$ 51,754	\$ 35,233	\$ 119,247	\$ 26,008

<sup>(1)</sup> Investment in securities at cost

<sup>(2)</sup> Investment in affiliated funds at cost

<sup>(3)</sup> All Funds except the Bond Fund have no par value. The Bond Fund has a par value of \$1.00.

<sup>(4)</sup> Amount is less than \$500 (not reported in thousands).

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**Statements of Assets and Liabilities (Continued)**  
**March 31, 2010**  
**(Unaudited)**

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

	Global Infrastructure Fund	Global Opportunities Fund	Global Real Estate Securities Fund	Greater Asia ex Japan Opportunities Fund	Greater European Opportunities Fund
<b>Assets</b>					
Investment in securities at value <sup>(1)</sup>	\$ 88,004	\$ 60,712	\$ 2,634	\$ 8,148	\$ 7,067
Foreign currency at value <sup>(2)</sup>	—	— <sup>(3)</sup>	— <sup>(3)</sup>	—	— <sup>(3)</sup>
Receivables					
Investment securities sold	—	50	4	146	15
Fund shares sold	79	1	— <sup>(3)</sup>	51	3
Receivable from adviser	—	—	7	—	2
Dividends and interest receivable	162	385	11	28	34
Tax reclaims	16	53	1	— <sup>(3)</sup>	11
Unrealized appreciation on forward currency contracts	—	18	—	—	107
Prepaid expenses	26	21	27	27	27
<b>Total assets</b>	<b>88,287</b>	<b>61,240</b>	<b>2,684</b>	<b>8,400</b>	<b>7,266</b>
<b>Liabilities</b>					
Payables					
Fund shares repurchased	27	62	—	—	—
Investment securities purchased	—	—	10	408	16
Foreign capital gain taxes payable	—	—	—	7	—
Investment advisory fee	48	40	—	— <sup>(3)</sup>	—
Distribution and service fees	15	14	1	2	2
Administration fee	6	4	— <sup>(3)</sup>	1	— <sup>(3)</sup>
Transfer agent fees and expenses	21	19	— <sup>(3)</sup>	— <sup>(3)</sup>	— <sup>(3)</sup>
Trustees' fee and expenses	1	1	— <sup>(3)</sup>	— <sup>(3)</sup>	— <sup>(3)</sup>
Professional fee	20	19	17	17	18
Other accrued expenses	14	13	3	6	3
Unrealized depreciation on forward currency contracts	—	119	—	15	2
<b>Total liabilities</b>	<b>152</b>	<b>291</b>	<b>31</b>	<b>456</b>	<b>41</b>
<b>Net Assets</b>	<b>\$ 88,135</b>	<b>\$ 60,949</b>	<b>\$ 2,653</b>	<b>\$ 7,944</b>	<b>\$ 7,225</b>
<b>Net Assets Consist of:</b>					
Capital paid in on shares of beneficial interest	\$ 99,342	\$ 79,112	\$ 1,827	\$ 5,936	\$ 5,510
Accumulated undistributed net investment income (loss)	(13)	224	(124)	5	7
Accumulated undistributed net realized gain (loss)	(11,737)	(30,722)	42	107	105
Net unrealized appreciation (depreciation) on investments	543	12,335	908	1,896	1,603
<b>Net Assets</b>	<b>\$ 88,135</b>	<b>\$ 60,949</b>	<b>\$ 2,653</b>	<b>\$ 7,944</b>	<b>\$ 7,225</b>
<b>Class A</b>					
Net asset value (net assets/shares outstanding) per share	\$ 10.36	\$ 7.46	\$ 17.95	\$ 13.89	\$ 13.38
Maximum offering price per share NAV/(1-5.75%)	\$ 10.99	\$ 7.92	\$ 19.05	\$ 14.74	\$ 14.20
Shares of beneficial interest outstanding, no par value, unlimited authorization	3,784,207	7,873,672	99,983	549,372	519,101
Net Assets	\$ 39,198	\$ 58,714	\$ 1,795	\$ 7,632	\$ 6,946
<b>Class B</b>					
Net asset value (net assets/shares outstanding) and offering price per share	\$ —	\$ 6.70	\$ —	\$ —	\$ —
Shares of beneficial interest outstanding, no par value, unlimited authorization	—	197,962	—	—	—
Net Assets	\$ —	\$ 1,327	\$ —	\$ —	\$ —
<b>Class C</b>					
Net asset value (net assets/shares outstanding) and offering price per share	\$ 10.34	\$ 6.66	\$ 17.86	\$ 13.83	\$ 13.32
Shares of beneficial interest outstanding, no par value, unlimited authorization	730,154	136,311	12,661	12,167	10,420
Net Assets	\$ 7,550	\$ 908	\$ 226	\$ 168	\$ 139
<b>Class I</b>					
Net asset value (net assets/shares outstanding) and offering price per share	\$ 10.36	\$ —	\$ 17.99	\$ 13.91	\$ 13.40
Shares of beneficial interest outstanding, no par value, unlimited authorization	3,995,783	—	35,124	10,363	10,459
Net Assets	\$ 41,387	\$ —	\$ 632	\$ 144	\$ 140
<sup>(1)</sup> Investment in securities at cost	\$ 87,462	\$ 48,279	\$ 1,726	\$ 6,230	\$ 5,569
<sup>(2)</sup> Foreign currency at cost	—	— <sup>(3)</sup>	— <sup>(3)</sup>	—	— <sup>(3)</sup>
<sup>(3)</sup> Amount is less than \$500 (not reported in thousands).					

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**Statements of Assets and Liabilities (Continued)**  
**March 31, 2010**  
**(Unaudited)**

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

	High Yield Fund	International Real Estate Securities Fund	Market Neutral Fund	Multi-Sector Fixed Income Fund	Senior Floating Rate Fund
<b>Assets</b>					
Investment in securities at value <sup>(1)</sup>	\$ 90,645	\$ 28,261	\$ 93,786	\$ 212,035	\$ 141,794
Foreign currency at value <sup>(2)</sup>	—	—	11	—	—
Deposits with broker for securities sold short	—	—	93,715	—	—
Receivables					
Investment securities sold	799	—	5,871	3,804	2,300
Fund shares sold	26	— <sup>(4)</sup>	163	1,873	1,126
Dividends and interest receivable	2,041	152	139	2,974	474
Tax reclaims	—	29	6	—	—
Prepaid expenses	27	19	31	41	30
Total assets	<u>93,538</u>	<u>28,461</u>	<u>193,722</u>	<u>220,727</u>	<u>145,724</u>
<b>Liabilities</b>					
Securities sold short at value <sup>(3)</sup>	—	—	92,181	—	—
Payables					
Fund shares repurchased	152	—	23	254	68
Investment securities purchased	1,959	—	5,636	7,926	19,099
Dividend distributions	—	—	—	422	—
Dividends on short sales	—	—	196	—	—
Investment advisory fee	50	22	106	96	65
Distribution and service fees	21	1	8	82	28
Administration fee	7	2	6	14	7
Transfer agent fees and expenses	28	4	12	35	5
Trustees' fee and expenses	1	— <sup>(4)</sup>	1	2	1
Professional fee	24	18	24	25	24
Other accrued expenses	12	9	14	26	12
Total liabilities	<u>2,254</u>	<u>56</u>	<u>98,207</u>	<u>8,882</u>	<u>19,309</u>
<b>Net Assets</b>	<u>\$ 91,284</u>	<u>\$ 28,405</u>	<u>\$ 95,515</u>	<u>\$ 211,845</u>	<u>\$ 126,415</u>
<b>Net Assets Consist of:</b>					
Capital paid in on shares of beneficial interest	\$ 210,600	\$ 51,158	\$ 113,438	\$ 223,204	\$ 119,327
Accumulated undistributed net investment income (loss)	213	(1,774)	(1,003)	680	75
Accumulated undistributed net realized gain (loss)	(120,388)	(25,066)	(24,744)	(22,532)	970
Net unrealized appreciation (depreciation) on investments	859	4,087	16,835	10,493	6,043
Net unrealized appreciation (depreciation) on securities sold short	—	—	(9,011)	—	—
<b>Net Assets</b>	<u>\$ 91,284</u>	<u>\$ 28,405</u>	<u>\$ 95,515</u>	<u>\$ 211,845</u>	<u>\$ 126,415</u>
<b>Class A</b>					
Net asset value (net assets/shares outstanding) per share	\$ 4.04	\$ 5.62	\$ 10.58	\$ 10.49	\$ 9.95
Maximum offering price per share NAV/(1-4.75%)	\$ 4.24	\$ —	\$ —	\$ 11.01	\$ 10.45
Maximum offering price per share NAV/(1-5.75%)	\$ —	\$ 5.96	\$ 11.23	\$ —	\$ —
Shares of beneficial interest outstanding, no par value, unlimited authorization	21,935,989	338,885	1,653,102	11,522,382	8,269,696
Net Assets	\$ 88,535	\$ 1,904	\$ 17,497	\$ 120,879	\$ 82,314
<b>Class B</b>					
Net asset value (net assets/shares outstanding) and offering price per share	\$ 3.96	\$ —	\$ 10.09	\$ 10.48	\$ —
Shares of beneficial interest outstanding, no par value, unlimited authorization	198,096	—	96,810	1,341,800	—
Net Assets	\$ 784	\$ —	\$ 977	\$ 14,056	\$ —
<b>Class C</b>					
Net asset value (net assets/shares outstanding) and offering price per share	\$ 3.99	\$ 5.60	\$ 10.05	\$ 10.56	\$ 9.96
Shares of beneficial interest outstanding, no par value, unlimited authorization	492,693	80,687	437,456	5,206,613	1,471,228
Net Assets	\$ 1,965	\$ 452	\$ 4,396	\$ 54,958	\$ 14,655
<b>Class I</b>					
Net asset value (net assets/shares outstanding) and offering price per share	\$ —	\$ 5.62	\$ 10.58	\$ 10.49	\$ 9.95
Shares of beneficial interest outstanding, no par value, unlimited authorization	—	4,635,571	6,863,586	2,092,161	2,960,214
Net Assets	\$ —	\$ 26,049	\$ 72,645	\$ 21,952	\$ 29,446
<sup>(1)</sup> Investment in securities at cost	\$ 89,786	\$ 24,173	\$ 76,954	\$ 201,546	\$ 135,751
<sup>(2)</sup> Foreign currency at cost	—	—	11	—	—
<sup>(3)</sup> Proceeds from securities sold short	—	—	83,170	—	—
<sup>(4)</sup> Amount is less than \$500 (not reported in thousands).					

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**Statements of Operations**  
**Six Months Ended March 31, 2010**  
**(Unaudited)**

(Reported in thousands)

	AlphaSector <sup>SM</sup> Allocation Fund	AlphaSector <sup>SM</sup> Rotation Fund	Alternatives Diversifier Fund	Bond Fund	CA Tax-Exempt Bond Fund
<b>Investment Income</b>					
Dividends .....	\$ 278	\$ 1,928	\$ 150	\$ 4	\$ — <sup>(1)</sup>
Dividend income from affiliated funds .....	197	—	3,864	—	—
Interest .....	—	—	—	5,659	1,397
Total investment income .....	<u>475</u>	<u>1,928</u>	<u>4,014</u>	<u>5,663</u>	<u>1,397</u>
<b>Expenses</b>					
Investment advisory fees .....	82	367	132	496	130
Service fees, Class A .....	24	101	173	83	40
Distribution and service fees, Class B .....	—	—	—	19	—
Distribution and service fees, Class C .....	85	303	491	39	—
Administration fees .....	15	63	113	94	25
Transfer agent fee and expenses .....	21	100	272	81	16
Custodian fees .....	2	4	3	12	2
Printing fees and expenses .....	6	49	29	2	3
Professional fees .....	10	12	17	10	18
Registration fees .....	19	24	28	21	12
Trustees' fee and expenses .....	2	5	11	9	2
Miscellaneous expenses .....	4	10	21	18	5
Total expenses .....	270	1,038	1,290	884	253
Less expenses reimbursed/waived by investment adviser .....	(16)	—	(362)	(104)	(39)
Net expenses .....	<u>254</u>	<u>1,038</u>	<u>928</u>	<u>780</u>	<u>214</u>
<b>Net investment income (loss) .....</b>	<u>221</u>	<u>890</u>	<u>3,086</u>	<u>4,883</u>	<u>1,183</u>
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>					
Net realized gain (loss) on investments .....	89	(357)	(1,318)	3,171	(67)
Net realized gain (loss) on affiliated funds .....	2	—	(5,233)	—	—
Capital gain distributions from affiliated funds .....	—	—	539	—	—
Net change in unrealized appreciation (depreciation) on investments .....	2,708	16,895	5,935	456	(1,730)
Net change in unrealized appreciation (depreciation) on investments in affiliated funds .....	148	—	10,515	—	—
<b>Net gain (loss) on investments .....</b>	<u>2,947</u>	<u>16,538</u>	<u>10,438</u>	<u>3,627</u>	<u>(1,797)</u>
Net increase (decrease) in net assets resulting from operations .....	<u>\$3,168</u>	<u>\$17,428</u>	<u>\$13,524</u>	<u>\$8,510</u>	<u>\$ (614)</u>

<sup>(1)</sup> Amount is less than \$500 (not reported in thousands).

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**Statements of Operations (Continued)**  
**Six Months Ended March 31, 2010**  
**(Unaudited)**

(Reported in thousands)

	Global Infrastructure Fund	Global Opportunities Fund	Global Real Estate Securities Fund	Greater Asia ex Japan Opportunities Fund	Greater European Opportunities Fund
<b>Investment Income</b>					
Dividends	\$ 1,486	\$ 818	\$ 49	\$ 77	\$ 91
Foreign taxes withheld	(86)	(21)	(2)	(7)	(6)
Total investment income	<u>1,400</u>	<u>797</u>	<u>47</u>	<u>70</u>	<u>85</u>
<b>Expenses</b>					
Investment advisory fees	281	246	10	36	29
Service fees, Class A	48	69	2	9	8
Distribution and service fees, Class B	—	7	—	—	—
Distribution and service fees, Class C	35	4	1	1	1
Administration fees	37	24	1	3	3
Transfer agent fee and expenses	81	69	1	—	—
Custodian fees	8	17	6	14	6
Printing fees and expenses	8	4	— <sup>(1)</sup>	1	1
Professional fees	17	17	15	15	14
Registration fees	18	17	30	26	26
Trustees' fee and expenses	3	2	— <sup>(1)</sup>	— <sup>(1)</sup>	— <sup>(1)</sup>
Miscellaneous expenses	7	5	1	1	—
Total expenses	<u>543</u>	<u>481</u>	<u>67</u>	<u>106</u>	<u>88</u>
Less expenses reimbursed/waived by investment adviser	—	(11)	(50)	(41)	(38)
Net expenses	<u>543</u>	<u>470</u>	<u>17</u>	<u>65</u>	<u>50</u>
<b>Net investment income (loss)</b>	<u>857</u>	<u>327</u>	<u>30</u>	<u>5</u>	<u>35</u>
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>					
Net realized gain (loss) on investments	(1,434)	3,496	42	165	242
Net realized gain (loss) on foreign currency transactions	5	256	— <sup>(1)</sup>	(18)	(3)
Net change in unrealized appreciation (depreciation) on investments	4,904	3,135	177	573	130
Net change in unrealized appreciation (depreciation) on foreign currency translation	(1)	(110)	—	(10)	105
<b>Net gain (loss) on investments</b>	<u>3,474</u>	<u>6,777</u>	<u>219</u>	<u>710</u>	<u>474</u>
Net increase (decrease) in net assets resulting from operations	<u>\$4,331</u>	<u>\$7,104</u>	<u>\$249</u>	<u>\$715</u>	<u>\$509</u>

<sup>(1)</sup> Amount is less than \$500 (not reported in thousands).

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**Statements of Operations (Continued)**  
**Six Months Ended March 31, 2010**  
**(Unaudited)**

(Reported in thousands)

	High Yield Fund	International Real Estate Securities Fund	Market Neutral Fund	Multi-Sector Fixed Income Fund	Senior Floating Rate Fund
<b>Investment Income</b>					
Dividends .....	\$ 2	\$ 588	\$ 562	\$ 21	\$ 8
Interest .....	4,306	— <sup>(1)</sup>	5	7,395	3,377
Foreign taxes withheld .....	—	(23)	(5)	— <sup>(1)</sup>	—
Total investment income .....	<u>4,308</u>	<u>565</u>	<u>562</u>	<u>7,416</u>	<u>3,385</u>
<b>Expenses</b>					
Investment advisory fees .....	302	146	657	532	260
Service fees, Class A .....	113	3	22	141	66
Distribution and service fees, Class B .....	4	—	6	69	—
Distribution and service fees, Class C .....	9	2	22	238	34
Administration fees .....	40	13	37	83	36
Transfer agent fee and expenses .....	96	10	41	127	19
Custodian fees .....	4	12	15	18	5
Printing fees and expenses .....	6	2	8	14	7
Professional fees .....	20	16	21	23	20
Registration fees .....	17	17	23	27	8
Trustees' fee and expenses .....	4	— <sup>(1)</sup>	3	8	3
Miscellaneous expenses .....	9	3	8	19	12
Total expenses .....	<u>624</u>	<u>224</u>	<u>863</u>	<u>1,299</u>	<u>470</u>
Dividends on short sales .....	—	—	644	—	—
Interest expense on short sales .....	—	—	173	—	—
Less expenses reimbursed/waived by investment adviser .....	—	(37)	(118)	—	42 <sup>(2)</sup>
Net expenses .....	<u>624</u>	<u>187</u>	<u>1,562</u>	<u>1,299</u>	<u>512</u>
<b>Net investment income (loss) .....</b>	<u><b>3,684</b></u>	<u><b>378</b></u>	<u><b>(1,000)</b></u>	<u><b>6,117</b></u>	<u><b>2,873</b></u>
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>					
Net realized gain (loss) on investments .....	3,182	(704)	8,802	2,264	1,343
Net realized gain (loss) on securities sold short .....	—	—	(4,175)	—	—
Net realized gain (loss) on foreign currency transactions .....	—	5	(4)	11	—
Net change in unrealized appreciation (depreciation) on investments .....	53	958	629	7,409	1,683
Net change in unrealized appreciation (depreciation) on securities sold short .....	—	—	(3,609)	—	—
Net change in unrealized appreciation (depreciation) on foreign currency translation .....	—	(35)	3	(19)	—
<b>Net gain (loss) on investments .....</b>	<u><b>3,235</b></u>	<u><b>224</b></u>	<u><b>1,646</b></u>	<u><b>9,665</b></u>	<u><b>3,026</b></u>
Net increase (decrease) in net assets resulting from operations .....	<u><u><b>\$6,919</b></u></u>	<u><u><b>\$ 602</b></u></u>	<u><u><b>\$ 646</b></u></u>	<u><u><b>\$15,782</b></u></u>	<u><u><b>\$5,899</b></u></u>

<sup>(1)</sup> Amount is less than \$500 (not reported in thousands).

<sup>(2)</sup> See Note 3C in the Notes to Financial Statements for information on recapture of expenses previously waived.

See Notes to Financial Statements

## VIRTUS OPPORTUNITIES TRUST

### Statements of Changes in Net Assets

(\$ Reported in thousands)

	AlphaSector <sup>SM</sup> Allocation Fund		AlphaSector <sup>SM</sup> Rotation Fund	
	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009
<b>INCREASE/(DECREASE) IN NET ASSETS</b>				
<b>From Operations</b>				
Net investment income (loss) .....	\$ 221	\$ 816	\$ 890	\$ 1,022
Net realized gain (loss) .....	91	(6,354)	(357)	(17,763)
Net change in unrealized appreciation (depreciation) .....	2,856	4,618	16,895	13,479
<b>Increase (decrease) in net assets resulting from operations .....</b>	<u>3,168</u>	<u>(920)</u>	<u>17,428</u>	<u>(3,262)</u>
<b>From Distributions to Shareholders</b>				
Net investment income, Class A .....	(151)	(590)	(233)	(670)
Net investment income, Class B .....	—	—	—	—
Net investment income, Class C .....	(99)	(387)	(97)	(424)
Net investment income, Class I .....	(2)	—	(65)	—
Net realized long-term gains, Class A .....	—	(76)	—	(558)
Net realized long-term gains, Class B .....	—	—	—	—
Net realized long-term gains, Class C .....	—	(69)	—	(625)
Net realized long-term gains, Class I .....	—	—	—	—
<b>Decrease in net assets from distributions to shareholders .....</b>	<u>(252)</u>	<u>(1,122)</u>	<u>(395)</u>	<u>(2,277)</u>
<b>From Share Transactions (See Note 5)</b>				
Change in net assets from share transactions, Class A .....	(297)	(3,417)	110,460	(1,731)
Change in net assets from share transactions, Class B .....	—	—	—	—
Change in net assets from share transactions, Class C .....	(263)	(4,112)	52,835	(6,293)
Change in net assets from share transactions, Class I .....	684	—	49,283	—
<b>Increase (decrease) in net assets from share transactions .....</b>	<u>124</u>	<u>(7,529)</u>	<u>212,578</u>	<u>(8,024)</u>
<b>Capital Contributions</b>				
Fair Funds settlement <sup>(1)</sup> .....	—	—	—	—
<b>Net increase (decrease) in net assets .....</b>	3,040	(9,571)	229,611	(13,563)
<b>Net Assets</b>				
Beginning of period .....	35,724	45,295	77,840	91,403
<b>End of period .....</b>	<u>\$38,764</u>	<u>\$35,724</u>	<u>\$307,451</u>	<u>\$ 77,840</u>
Accumulated undistributed net investment income (loss) at end of period ...	\$ 207	\$ 238	\$ 823	\$ 328

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

See Notes to Financial Statements

Alternatives Diversifier Fund		Bond Fund		CA Tax-Exempt Bond Fund	
Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009
\$ 3,086	\$ 3,586	\$ 4,883	\$ 7,987	\$ 1,183	\$ 2,437
(6,012)	(58,276)	3,171	(2,547)	(67)	(140)
16,450	(2,181)	456	17,869	(1,730)	4,403
<u>13,524</u>	<u>(56,871)</u>	<u>8,510</u>	<u>23,309</u>	<u>(614)</u>	<u>6,700</u>
(2,706)	(2,270)	(1,378)	(1,659)	(641)	(1,359)
—	—	(66)	(149)	—	—
(1,473)	(546)	(135)	(179)	—	—
(375)	—	(3,057)	(5,993)	(537)	(1,097)
—	—	—	—	—	(21)
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	(15)
<u>(4,554)</u>	<u>(2,816)</u>	<u>(4,636)</u>	<u>(7,980)</u>	<u>(1,178)</u>	<u>(2,492)</u>
(40,021)	(58,940)	(1,534)	38,228	(944)	(2,877)
—	—	(940)	(197)	—	—
(9,299)	(18,076)	(686)	4,714	—	—
34,326	—	(28,168)	(7,351)	1,169	(4,081)
<u>(14,994)</u>	<u>(77,016)</u>	<u>(31,328)</u>	<u>35,394</u>	<u>225</u>	<u>(6,958)</u>
—	—	—	37	—	12
(6,024)	(136,703)	(27,454)	50,760	(1,567)	(2,738)
<u>268,555</u>	<u>405,258</u>	<u>223,327</u>	<u>172,567</u>	<u>59,352</u>	<u>62,090</u>
<u>\$262,531</u>	<u>\$268,555</u>	<u>\$195,873</u>	<u>\$223,327</u>	<u>\$57,785</u>	<u>\$59,352</u>
\$ 336	\$ 1,804	\$ 329	\$ 82	\$ 56	\$ 51

See NOTES to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**Statements of Changes in Net Assets (Continued)**

(\$ Reported in thousands)

	Global Infrastructure Fund		Global Opportunities Fund	
	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009
<b>INCREASE/(DECREASE) IN NET ASSETS</b>				
<b>From Operations</b>				
Net investment income (loss) . . . . .	\$ 857	\$ 2,363	\$ 327	\$ 600
Net realized gain (loss) . . . . .	(1,429)	(10,235)	3,752	(31,976)
Net change in unrealized appreciation (depreciation) . . . . .	<u>4,903</u>	<u>6,299</u>	<u>3,025</u>	<u>19,640</u>
<b>Increase (decrease) in net assets resulting from operations . . . . .</b>	<u>4,331</u>	<u>(1,573)</u>	<u>7,104</u>	<u>(11,736)</u>
<b>From Distributions to Shareholders</b>				
Net investment income, Class A . . . . .	(446)	(2,172)	(614)	(729)
Net investment income, Class B . . . . .	—	—	(11)	(16)
Net investment income, Class C . . . . .	(57)	(103)	(6)	(9)
Net investment income, Class I . . . . .	(528)	(8)	—	—
Net realized short-term gains, Class A . . . . .	—	—	—	—
Net realized short-term gains, Class B . . . . .	—	—	—	—
Net realized short-term gains, Class C . . . . .	—	—	—	—
Net realized short-term gains, Class I . . . . .	—	—	—	—
Net realized long-term gains, Class A . . . . .	—	(448)	—	—
Net realized long-term gains, Class B . . . . .	—	—	—	—
Net realized long-term gains, Class C . . . . .	—	(12)	—	—
Net realized long-term gains, Class I . . . . .	—	(1)	—	—
<b>Decrease in net assets from distributions to shareholders . . . . .</b>	<u>(1,031)</u>	<u>(2,744)</u>	<u>(631)</u>	<u>(754)</u>
<b>From share transactions (See Note 5)</b>				
Change in net assets from share transactions, Class A . . . . .	(38,197)	6,209	(1,159)	(7,674)
Change in net assets from share transactions, Class B . . . . .	—	—	(193)	(572)
Change in net assets from share transactions, Class C . . . . .	1,104	3,849	39	(163)
Change in net assets from share transactions, Class I . . . . .	<u>38,347</u>	<u>238</u>	<u>—</u>	<u>—</u>
<b>Increase (decrease) in net assets from share transactions . . . . .</b>	<u>1,254</u>	<u>10,296</u>	<u>(1,313)</u>	<u>(8,409)</u>
<b>Capital Contributions</b>				
Fair Funds settlement <sup>(2)</sup> . . . . .	—	—	—	157
<b>Net increase (decrease) in net assets . . . . .</b>	<u>4,554</u>	<u>5,979</u>	<u>5,160</u>	<u>(20,742)</u>
<b>Net Assets</b>				
Beginning of period . . . . .	83,581	77,602	55,789	76,531
<b>End of period . . . . .</b>	<u>\$ 88,135</u>	<u>\$ 83,581</u>	<u>\$ 60,949</u>	<u>\$ 55,789</u>
Accumulated undistributed net investment income (loss) at end of period . . . . .	\$ (13)	\$ 161	\$ 224	\$ 528

<sup>(1)</sup> Amount is less than \$500 (not reported in thousands).

<sup>(2)</sup> The Fund was a recipient of a distribution from a Fair Fund settlement established by the United States Securities and Exchange Commission. The proceeds received were a part of the Millennium Partners, L.P. and Bear Stearns & Co., Inc. settlements.

See Notes to Financial Statements

Global Real Estate Securities Fund		Greater Asia ex Japan Opportunities Fund		Greater European Opportunities Fund	
Six Months Ended March 31, 2010 (Unaudited)	From Inception March 2, 2009 to September 30, 2009	Six Months Ended March 31, 2010 (Unaudited)	From Inception April 21, 2009 to September 30, 2009	Six Months Ended March 31, 2010 (Unaudited)	From Inception April 21, 2009 to September 30, 2009
\$ 30	\$ 30	\$ 5	\$ 48	\$ 35	\$ 61
42	94	147	146	239	65
<u>177</u>	<u>731</u>	<u>563</u>	<u>1,333</u>	<u>235</u>	<u>1,368</u>
249	855	715	1,527	509	1,494
(136)	—	(67)	—	(71)	—
—	—	—	—	—	—
(16)	—	(1)	—	(1)	—
(44)	—	(1)	—	(2)	—
(54)	—	(159)	—	(203)	—
—	—	—	—	—	—
(7)	—	(3)	—	(7)	—
(17)	—	(3)	—	(4)	—
(3)	—	—	—	—	—
— <sup>(1)</sup>	—	—	—	—	—
(1)	—	—	—	—	—
<u>(278)</u>	<u>—</u>	<u>(234)</u>	<u>—</u>	<u>(288)</u>	<u>—</u>
229	899	738	4,964	494	4,809
—	—	—	—	—	—
35	109	29	100	(58)	159
<u>455</u>	<u>100</u>	<u>5</u>	<u>100</u>	<u>6</u>	<u>100</u>
719	1,108	772	5,164	442	5,068
—	—	—	—	—	—
690	1,963	1,253	6,691	663	6,562
1,963	—	6,691	—	6,562	—
<u>\$2,653</u>	<u>\$1,963</u>	<u>\$7,944</u>	<u>\$6,691</u>	<u>\$7,225</u>	<u>\$6,562</u>
\$ (124)	\$ 42	\$ 5	\$ 69	\$ 7	\$ 46

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**Statements of Changes in Net Assets (Continued)**

(\$ Reported in thousands)

	High Yield Fund		International Real Estate Securities Fund	
	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009
<b>INCREASE/(DECREASE) IN NET ASSETS</b>				
<b>From Operations</b>				
Net investment income (loss) .....	\$ 3,684	\$ 7,387	\$ 378	\$ 1,719
Net realized gain (loss) .....	3,182	(18,245)	(699)	(23,503)
Net change in unrealized appreciation (depreciation) .....	53	16,375	923	11,782
<b>Increase (decrease) in net assets resulting from operations .....</b>	<b>6,919</b>	<b>5,517</b>	<b>602</b>	<b>(10,002)</b>
<b>From Distributions to Shareholders</b>				
Net investment income, Class A .....	(3,498)	(7,268)	(145)	(1,995)
Net investment income, Class B .....	(32)	(81)	—	—
Net investment income, Class C .....	(63)	(102)	(35)	(15)
Net investment income, Class I .....	—	—	(2,179)	(3)
Net realized short-term gains, Class A .....	—	—	—	—
Net realized short-term gains, Class B .....	—	—	—	—
Net realized short-term gains, Class C .....	—	—	—	—
Net realized short-term gains, Class I .....	—	—	—	—
<b>Decrease in net assets from distributions to shareholders .....</b>	<b>(3,593)</b>	<b>(7,451)</b>	<b>(2,359)</b>	<b>(2,013)</b>
<b>From Share Transactions (See Note 5)</b>				
Change in net assets from share transactions, Class A .....	(5,258)	(524)	(29,052)	(16,660)
Change in net assets from share transactions, Class B .....	(267)	(271)	—	—
Change in net assets from share transactions, Class C .....	319	155	66	212
Change in net assets from share transactions, Class I .....	—	—	26,486	8
<b>Increase (decrease) in net assets from share transactions .....</b>	<b>(5,206)</b>	<b>(640)</b>	<b>(2,500)</b>	<b>(16,440)</b>
<b>Net increase (decrease) in net assets .....</b>	<b>(1,880)</b>	<b>(2,574)</b>	<b>(4,257)</b>	<b>(28,455)</b>
<b>Net Assets</b>				
Beginning of period .....	93,164	95,738	32,662	61,117
<b>End of period .....</b>	<b>\$91,284</b>	<b>\$ 93,164</b>	<b>\$ 28,405</b>	<b>\$ 32,662</b>
Accumulated undistributed net investment income (loss) at end of period ...	\$ 213	\$ 122	\$ (1,774)	\$ 207

See Notes to Financial Statements

Market Neutral Fund		Multi-Sector Fixed Income Fund		Senior Floating Rate Fund	
Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009	Six Months Ended March 31, 2010 (Unaudited)	Year Ended September 30, 2009
\$ (1,000)	\$ (2,043)	\$ 6,117	\$ 7,746	\$ 2,873	\$ 1,958
4,623	(795)	2,275	(9,528)	1,343	923
<u>(2,977)</u>	<u>8,585</u>	<u>7,390</u>	<u>24,573</u>	<u>1,683</u>	<u>5,291</u>
646	5,747	15,782	22,791	5,899	8,172
—	—	(3,430)	(6,623)	(1,641)	(1,919)
—	—	(367)	(854)	—	—
—	—	(1,255)	(1,656)	(205)	(51)
—	—	(608)	—	(952)	(18)
—	—	—	—	(551)	(56)
—	—	—	—	—	—
—	—	—	—	(103)	(2)
—	—	—	—	<u>(552)</u>	<u>(1)</u>
—	—	<u>(5,660)</u>	<u>(9,133)</u>	<u>(4,004)</u>	<u>(2,047)</u>
(57,429)	(50,048)	(7,036)	25,286	27,957	32,707
(461)	(336)	63	169	—	—
(53)	(793)	11,078	19,964	11,736	2,212
<u>72,194</u>	<u>—</u>	<u>21,000</u>	<u>—</u>	<u>28,706</u>	<u>137</u>
14,251	<u>(51,177)</u>	25,105	45,419	68,399	35,056
14,897	(45,430)	35,227	59,077	70,294	41,181
80,618	126,048	176,618	117,541	56,121	14,940
<u>\$ 95,515</u>	<u>\$ 80,618</u>	<u>\$211,845</u>	<u>\$176,618</u>	<u>\$126,415</u>	<u>\$56,121</u>
\$ (1,003)	\$ (3)	\$ 680	\$ 223	\$ 75	\$ —

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**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)	Capital Gain Distributions Received from Affiliated Funds	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions
<b>AlphaSector<sup>SM</sup> Allocation Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.56	0.08 <sup>(2)</sup>	—	0.79	0.87	(0.08)	—	(0.08)
10/1/08 to 9/30/09	9.78	0.23 <sup>(2)</sup>	—	(0.15)	0.08	(0.27)	(0.03)	(0.30)
10/1/07 to 9/30/08	12.01	0.26 <sup>(2)</sup>	0.19 <sup>(2)</sup>	(2.32)	(1.87)	(0.26)	(0.10)	(0.36)
8/1/07 to 9/30/07	12.02	0.02 <sup>(2)</sup>	—	0.40	0.42	(0.05)	(0.38)	(0.43)
8/1/06 to 7/31/07	11.31	0.27 <sup>(2)</sup>	0.46 <sup>(2)</sup>	0.59	1.32	(0.43)	(0.18)	(0.61)
8/4/05 to 7/31/06	11.61	0.22 <sup>(2)</sup>	0.10 <sup>(2)</sup>	0.18	0.50	(0.23)	(0.57)	(0.80)
8/1/04 to 7/31/05	10.74	0.17	0.06	0.81	1.04	(0.17)	— <sup>(5)</sup>	(0.17)
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.54	0.04 <sup>(2)</sup>	—	0.79	0.83	(0.06)	—	(0.06)
10/1/08 to 9/30/09	9.75	0.16 <sup>(2)</sup>	—	(0.14)	0.02	(0.20)	(0.03)	(0.23)
10/1/07 to 9/30/08	11.98	0.18 <sup>(2)</sup>	0.20 <sup>(2)</sup>	(2.33)	(1.95)	(0.18)	(0.10)	(0.28)
8/1/07 to 9/30/07	12.00	0.01 <sup>(2)</sup>	—	0.40	0.41	(0.05)	(0.38)	(0.43)
8/1/06 to 7/31/07	11.30	0.18 <sup>(2)</sup>	0.46 <sup>(2)</sup>	0.58	1.22	(0.34)	(0.18)	(0.52)
8/4/05 to 7/31/06	11.60	0.12 <sup>(2)</sup>	0.10 <sup>(2)</sup>	0.19	0.41	(0.14)	(0.57)	(0.71)
8/1/04 to 7/31/05	10.72	0.09	0.06	0.81	0.96	(0.08)	— <sup>(5)</sup>	(0.08)
<b>Class I</b>								
10/1/09 <sup>(6)</sup> to 3/31/10 <sup>(10)</sup>	\$ 9.39	0.12 <sup>(2)</sup>	—	0.94	1.06	(0.08)	—	(0.08)
<b>AlphaSector<sup>SM</sup> Rotation Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.34	0.07 <sup>(2)</sup>	—	0.94	1.01	(0.03)	—	(0.03)
10/1/08 to 9/30/09	9.95	0.15 <sup>(2)</sup>	—	(0.48)	(0.33)	(0.15)	(0.13)	(0.28)
10/1/07 to 9/30/08	12.81	0.18 <sup>(2)</sup>	0.29 <sup>(2)</sup>	(2.92)	(2.45)	(0.24)	(0.17)	(0.41)
8/1/07 to 9/30/07	12.91	0.02 <sup>(2)</sup>	—	0.53	0.55	(0.03)	(0.62)	(0.65)
8/1/06 to 7/31/07	11.89	0.20 <sup>(2)</sup>	0.60 <sup>(2)</sup>	0.86	1.66	(0.42)	(0.22)	(0.64)
8/4/05 to 7/31/06	12.07	0.15 <sup>(2)</sup>	0.12 <sup>(2)</sup>	0.40	0.67	(0.16)	(0.69)	(0.85)
8/1/04 to 7/31/05	10.89	0.11 <sup>(2)</sup>	0.07 <sup>(2)</sup>	1.10	1.28	(0.10)	— <sup>(5)</sup>	(0.10)
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.29	0.02 <sup>(2)</sup>	—	0.94	0.96	(0.02)	—	(0.02)
10/1/08 to 9/30/09	9.88	0.08 <sup>(2)</sup>	—	(0.45)	(0.37)	(0.09)	(0.13)	(0.22)
10/1/07 to 9/30/08	12.74	0.09 <sup>(2)</sup>	0.30 <sup>(2)</sup>	(2.92)	(2.53)	(0.16)	(0.17)	(0.33)
8/1/07 to 9/30/07	12.85	— <sup>(2)(5)</sup>	—	0.54	0.54	(0.03)	(0.62)	(0.65)
8/1/06 to 7/31/07	11.84	0.10 <sup>(2)</sup>	0.60 <sup>(2)</sup>	0.86	1.56	(0.33)	(0.22)	(0.55)
8/4/05 to 7/31/06	12.02	0.06 <sup>(2)</sup>	0.12 <sup>(2)</sup>	0.40	0.58	(0.07)	(0.69)	(0.76)
8/1/04 to 7/31/05	10.86	0.02 <sup>(2)</sup>	0.07 <sup>(2)</sup>	1.10	1.19	(0.03)	— <sup>(5)</sup>	(0.03)
<b>Class I</b>								
10/1/09 <sup>(6)</sup> to 3/31/10 <sup>(10)</sup>	\$ 9.11	0.10 <sup>(2)</sup>	—	1.15	1.25	(0.03)	—	(0.03)
<b>Alternatives Diversifier Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.43	0.13 <sup>(2)</sup>	0.02 <sup>(2)</sup>	0.36	0.51	(0.18)	—	(0.18)
10/1/08 to 9/30/09	10.62	0.13 <sup>(2)</sup>	0.01 <sup>(2)</sup>	(1.22)	(1.08)	(0.11)	—	(0.11)
10/1/07 to 9/30/08	11.80	0.10 <sup>(2)</sup>	0.11 <sup>(2)</sup>	(1.25)	(1.04)	(0.14)	—	(0.14)
8/1/07 to 9/30/07	11.15	0.03 <sup>(2)</sup>	—	0.69	0.72	(0.01)	(0.06)	(0.07)
8/1/06 to 7/31/07	10.63	0.18 <sup>(2)</sup>	0.13 <sup>(2)</sup>	0.41 <sup>(9)</sup>	0.72	(0.20)	— <sup>(5)</sup>	(0.20)
11/30/05 <sup>(6)</sup> to 7/31/06	10.00	0.08 <sup>(2)</sup>	0.02 <sup>(2)</sup>	0.57	0.67	(0.04)	—	(0.04)

The footnote legend is at the end of the financial highlights.

See Notes to Financial Statements

Change in Net Asset Value	Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (in thousands)	Ratio of Net Operating Expenses to Average Net Assets <sup>(9)</sup>	Ratio of Gross Expenses to Average Net Assets (before waivers and reimbursements) <sup>(8)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
0.79	\$10.35	9.08% <sup>(4)</sup>	\$ 20,244	1.04% <sup>(3)</sup>	1.13% <sup>(3)</sup>	1.56% <sup>(3)</sup>	26% <sup>(4)</sup>
(0.22)	9.56	1.33	18,989	0.59	0.59	2.71	111
(2.23)	9.78	(15.94)	23,358	0.22 <sup>(7)</sup>	0.47	2.36	24
(0.01)	12.01	3.48 <sup>(4)</sup>	29,742	0.27 <sup>(3)</sup>	0.48 <sup>(3)</sup>	1.15 <sup>(3)</sup>	2 <sup>(4)</sup>
0.71	12.02	11.82	29,304	0.05	0.46	2.28	41
(0.30)	11.31	4.43	24,768	0.26 <sup>(7)</sup>	0.56	1.92	67
0.87	11.61	9.74	20,696	0.52	0.65	1.56	5
0.77	\$10.31	8.70% <sup>(4)</sup>	\$ 17,808	1.79% <sup>(3)</sup>	1.88% <sup>(3)</sup>	0.79% <sup>(3)</sup>	26% <sup>(4)</sup>
(0.21)	9.54	0.59	16,735	1.34	1.34	1.92	111
(2.23)	9.75	(16.59)	21,937	0.97 <sup>(7)</sup>	1.22	1.64	24
(0.02)	11.98	3.40 <sup>(4)</sup>	32,320	1.01 <sup>(3)</sup>	1.23 <sup>(3)</sup>	0.39 <sup>(3)</sup>	2 <sup>(4)</sup>
0.70	12.00	10.90	32,286	0.80	1.21	1.53	41
(0.30)	11.30	3.63	33,776	1.03 <sup>(7)</sup>	1.31	1.08	67
0.88	11.60	9.03	40,252	1.27	1.40	0.80	5
0.98	\$10.37	11.27% <sup>(4)</sup>	\$ 712	0.84% <sup>(3)</sup>	0.93% <sup>(3)</sup>	2.39% <sup>(3)</sup>	26% <sup>(4)</sup>
0.98	\$10.32	10.81% <sup>(4)</sup>	\$156,545	1.03% <sup>(3)</sup>	1.03% <sup>(3)</sup>	1.32% <sup>(3)</sup>	11% <sup>(4)</sup>
(0.61)	9.34	(2.81)	37,722	0.64	0.64	1.80	131
(2.86)	9.95	(19.66)	41,396	0.21 <sup>(7)</sup>	0.45	1.57	23
(0.10)	12.81	4.23 <sup>(4)</sup>	58,663	0.26 <sup>(3)</sup>	0.49 <sup>(3)</sup>	0.72 <sup>(3)</sup>	2 <sup>(4)</sup>
1.02	12.91	14.16	56,857	0.06	0.45	1.54	43
(0.18)	11.89	5.76	51,755	0.20 <sup>(7)</sup>	0.45	1.25	74
1.18	12.07	11.76	47,934	0.40	0.45	0.93	4
0.94	\$10.23	10.30% <sup>(4)</sup>	\$ 99,152	1.78% <sup>(3)</sup>	1.78% <sup>(3)</sup>	0.46% <sup>(3)</sup>	11% <sup>(4)</sup>
(0.59)	9.29	(3.41)	40,118	1.38	1.38	1.03	131
(2.86)	9.88	(20.35)	50,007	0.96 <sup>(7)</sup>	1.20	0.81	23
(0.11)	12.74	4.17 <sup>(4)</sup>	77,181	1.01 <sup>(3)</sup>	1.24 <sup>(3)</sup>	(0.03) <sup>(3)</sup>	2 <sup>(4)</sup>
1.01	12.85	13.29	76,049	0.80	1.20	0.79	43
(0.18)	11.84	4.99	75,168	0.96 <sup>(7)</sup>	1.19	0.48	74
1.16	12.02	11.01	84,281	1.15	1.20	0.19	4
1.22	\$10.33	13.72% <sup>(4)</sup>	\$ 51,754	0.79% <sup>(3)</sup>	0.79% <sup>(3)</sup>	2.01% <sup>(3)</sup>	11% <sup>(4)</sup>
0.33	\$ 9.76	5.41% <sup>(4)</sup>	\$132,182	0.45% <sup>(3)</sup>	0.72% <sup>(3)</sup>	2.63% <sup>(3)</sup>	3% <sup>(4)</sup>
(1.19)	9.43	(10.00)	167,472	0.29	0.58	1.62	20
(1.18)	10.62	(8.94)	267,294	0.31	0.52	0.89	32
0.65	11.80	6.45 <sup>(4)</sup>	109,620	0.34 <sup>(3)</sup>	0.54 <sup>(3)</sup>	1.74 <sup>(3)</sup>	18 <sup>(4)</sup>
0.52	11.15	6.76	95,230	0.26	0.51	1.61	11
0.63	10.63	6.72 <sup>(4)</sup>	1,231	0.20 <sup>(3)</sup>	31.52 <sup>(3)</sup>	1.11 <sup>(3)</sup>	81 <sup>(4)</sup>

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**VIRTUS OPPORTUNITIES TRUST**  
**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) <sup>(2)</sup>	Capital Gain Distributions Received from Affiliated Funds	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions
<b>Alternatives Diversifier Fund (Continued)</b>								
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.34	0.09	0.02 <sup>(2)</sup>	0.35	0.46	(0.14)	—	(0.14)
10/1/08 to 9/30/09	10.50	0.07	0.01 <sup>(2)</sup>	(1.19)	(1.11)	(0.05)	—	(0.05)
10/1/07 to 9/30/08	11.70	0.02	0.12 <sup>(2)</sup>	(1.27)	(1.13)	(0.07)	—	(0.07)
8/1/07 to 9/30/07	11.07	0.02	—	0.68	0.70	(0.01)	(0.06)	(0.07)
8/1/06 to 7/31/07	10.58	0.11	0.14 <sup>(2)</sup>	0.38 <sup>(9)</sup>	0.63	(0.14)	— <sup>(5)</sup>	(0.14)
11/30/05 <sup>(6)</sup> to 7/31/06	10.00	0.03	0.04 <sup>(2)</sup>	0.54	0.61	(0.03)	—	(0.03)
<b>Class I</b>								
10/1/09 <sup>(6)</sup> to 3/31/10 <sup>(10)</sup>	\$ 9.27	0.13	0.02 <sup>(2)</sup>	0.54	0.69	(0.19)	—	(0.19)
<b>Bond Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$10.57	0.23	—	0.17	0.40	(0.22)	—	(0.22)
10/1/08 to 9/30/09	9.75	0.42	—	0.82	1.24	(0.42)	—	(0.42)
10/1/07 to 9/30/08	10.21	0.42	—	(0.45)	(0.03)	(0.43)	—	(0.43)
10/1/06 to 9/30/07	10.27	0.44	—	(0.05)	0.39	(0.45)	—	(0.45)
10/1/05 to 9/30/06	10.46	0.43	—	(0.06)	0.37	(0.41)	(0.15)	(0.56)
10/1/04 to 9/30/05	10.63	0.34	—	(0.11)	0.23	(0.34)	(0.06)	(0.40)
<b>Class B</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$10.34	0.18	—	0.17	0.35	(0.18)	—	(0.18)
10/1/08 to 9/30/09	9.55	0.34	—	0.80	1.14	(0.35)	—	(0.35)
10/1/07 to 9/30/08	10.01	0.33	—	(0.43)	(0.10)	(0.36)	—	(0.36)
10/1/06 to 9/30/07	10.07	0.35	—	(0.04)	0.31	(0.37)	—	(0.37)
10/1/05 to 9/30/06	10.28	0.34	—	(0.06)	0.28	(0.34)	(0.15)	(0.49)
10/1/04 to 9/30/05	10.44	0.25	—	(0.09)	0.16	(0.26)	(0.06)	(0.32)
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$10.37	0.19	—	0.16	0.35	(0.18)	—	(0.18)
10/1/08 to 9/30/09	9.58	0.34	—	0.80	1.14	(0.35)	—	(0.35)
10/1/07 to 9/30/08	10.04	0.31	—	(0.41)	(0.10)	(0.36)	—	(0.36)
10/1/06 to 9/30/07	10.09	0.35	—	(0.03)	0.32	(0.37)	—	(0.37)
10/1/05 to 9/30/06	10.30	0.34	—	(0.06)	0.28	(0.34)	(0.15)	(0.49)
10/1/04 to 9/30/05	10.46	0.25	—	(0.09)	0.16	(0.26)	(0.06)	(0.32)
<b>Class I</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$10.68	0.24	—	0.18	0.42	(0.24)	—	(0.24)
10/1/08 to 9/30/09	9.86	0.45	—	0.83	1.28	(0.46)	—	(0.46)
10/1/07 to 9/30/08	10.32	0.53	—	(0.54)	(0.01)	(0.45)	—	(0.45)
10/1/06 to 9/30/07	10.36	0.46	—	(0.02)	0.44	(0.48)	—	(0.48)
10/1/05 to 9/30/06	10.56	0.47	—	(0.08)	0.39	(0.44)	(0.15)	(0.59)
10/1/04 to 9/30/05	10.73	0.37	—	(0.11)	0.26	(0.37)	(0.06)	(0.43)
<b>CA Tax-Exempt Bond Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$12.29	0.24	—	(0.37)	(0.13)	(0.24)	—	(0.24)
10/1/08 to 9/30/09	11.41	0.47	—	0.90	1.37	(0.48)	(0.01)	(0.49)
10/1/07 to 9/30/08	12.09	0.46	—	(0.68)	(0.22)	(0.46)	—	(0.46)
5/1/07 to 9/30/07	12.26	0.19	—	(0.17)	0.02	(0.18)	(0.01)	(0.19)
5/1/06 to 4/30/07	12.19	0.47	—	0.18	0.65	(0.48)	(0.10)	(0.58)
5/1/05 to 4/30/06	12.71	0.49	—	(0.39)	0.10	(0.49)	(0.13)	(0.62)
5/1/04 to 4/30/05	12.49	0.48	—	0.30	0.78	(0.47)	(0.09)	(0.56)
<b>Class I</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$12.28	0.25	—	(0.37)	(0.12)	(0.25)	—	(0.25)
10/1/08 to 9/30/09	11.41	0.50	—	0.88	1.38	(0.50)	(0.01)	(0.51)
10/1/07 to 9/30/08	12.08	0.49	—	(0.67)	(0.18)	(0.49)	—	(0.49)
5/1/07 to 9/30/07	12.25	0.20	—	(0.17)	0.03	(0.19)	(0.01)	(0.20)
9/29/06 <sup>(6)</sup> to 4/30/07	12.43	0.28	—	(0.06)	0.22	(0.30)	(0.10)	(0.40)

The footnote legend is at the end of the financial highlights.

See Notes to Financial Statements

Change in Net Asset Value	Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (in thousands)	Ratio of Net Operating Expenses to Average Net Assets <sup>(8)</sup>	Ratio of Gross Expenses to Average Net Assets (before waivers and reimbursements) <sup>(8)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
0.32	\$ 9.66	4.96% <sup>(4)</sup>	\$ 95,116	1.20% <sup>(3)</sup>	1.47% <sup>(3)</sup>	1.84% <sup>(3)</sup>	3% <sup>(4)</sup>
(1.16)	9.34	(10.55)	101,083	1.04	1.33	0.91	20
(1.20)	10.50	(9.71)	137,964	1.06	1.27	0.14	32
0.63	11.70	6.32 <sup>(4)</sup>	68,343	1.09 <sup>(3)</sup>	1.29 <sup>(3)</sup>	0.99 <sup>(3)</sup>	18 <sup>(4)</sup>
0.49	11.07	6.01	60,669	1.01	1.26	0.93	11
0.58	10.58	6.16 <sup>(4)</sup>	581	0.95 <sup>(3)</sup>	46.88 <sup>(3)</sup>	0.38 <sup>(3)</sup>	81 <sup>(4)</sup>
0.50	\$ 9.77	7.40% <sup>(4)</sup>	\$ 35,233	0.20% <sup>(3)</sup>	0.48% <sup>(3)</sup>	2.73% <sup>(3)</sup>	3% <sup>(4)</sup>
0.18	\$10.75	3.75% <sup>(4)</sup>	\$ 65,800	0.83% <sup>(3)</sup>	0.92% <sup>(3)</sup>	4.31% <sup>(3)</sup>	73% <sup>(4)</sup>
0.82	10.57	13.12	66,232	0.85	1.01	4.15	274
(0.46)	9.75	(0.49)	23,823	1.12 <sup>(7)</sup>	1.17	4.10	325
(0.06)	10.21	4.09	29,077	1.12	1.12	4.25	266
(0.19)	10.27	3.51	28,022	1.11	1.15	4.21	275
(0.17)	10.46	2.14	29,501	1.15	1.19	3.20	221
0.17	\$10.51	3.43% <sup>(4)</sup>	\$ 3,336	1.58% <sup>(3)</sup>	1.67% <sup>(3)</sup>	3.54% <sup>(3)</sup>	73% <sup>(4)</sup>
0.79	10.34	12.23	4,212	1.59	1.75	3.52	274
(0.46)	9.55	(1.23)	4,075	1.87 <sup>(7)</sup>	1.92	3.35	325
(0.06)	10.01	3.26	4,294	1.87	1.87	3.49	266
(0.21)	10.07	2.80	5,459	1.88	2.30	3.43	275
(0.16)	10.28	1.36	6,706	1.90	2.30	2.45	221
0.17	\$10.54	3.42% <sup>(4)</sup>	\$ 7,490	1.58% <sup>(3)</sup>	1.67% <sup>(3)</sup>	3.55% <sup>(3)</sup>	73% <sup>(4)</sup>
0.79	10.37	12.19	8,048	1.59	1.75	3.43	274
(0.46)	9.58	(1.14)	2,839	1.86 <sup>(7)</sup>	1.92	3.33	325
(0.05)	10.04	3.25	1,534	1.87	1.87	3.50	266
(0.21)	10.09	2.79	1,401	1.88	3.44	3.41	275
(0.16)	10.30	1.35	2,038	1.90	2.90	2.44	221
0.18	\$10.86	3.92% <sup>(4)</sup>	\$119,247	0.58% <sup>(3)</sup>	0.67% <sup>(3)</sup>	4.56% <sup>(3)</sup>	73% <sup>(4)</sup>
0.82	10.68	13.34	144,835	0.59	0.75	4.52	274
(0.46)	9.86	(0.16)	141,830	0.76 <sup>(7)</sup>	0.85	4.38	325
(0.04)	10.32	4.32	52,044	0.87	0.87	4.49	266
(0.20)	10.36	3.84	63,156	0.82	0.82	4.59	275
(0.17)	10.56	2.44	30,126	0.89	0.89	3.45	221
(0.37)	\$11.92	(1.07)% <sup>(4)</sup>	\$ 31,777	0.85% <sup>(3)</sup>	0.99% <sup>(3)</sup>	3.98% <sup>(3)</sup>	3% <sup>(4)</sup>
0.88	12.29	12.31	33,728	0.85	1.02	4.10	8
(0.68)	11.41	(1.94)	34,197	0.85	1.01	3.82	10
(0.17)	12.09	0.18 <sup>(4)</sup>	39,094	0.88 <sup>(3)</sup>	1.05 <sup>(3)</sup>	3.74 <sup>(3)</sup>	4 <sup>(4)</sup>
0.07	12.26	5.40	42,243	0.87	1.10	3.81	19
(0.52)	12.19	0.71	46,214	1.02 <sup>(7)</sup>	1.28	3.89	8
0.22	12.71	6.48	53,113	1.19	1.19	3.78	11
(0.37)	\$11.91	(0.95)% <sup>(4)</sup>	\$ 26,008	0.60% <sup>(3)</sup>	0.74% <sup>(3)</sup>	4.24% <sup>(3)</sup>	3% <sup>(4)</sup>
0.87	12.28	12.50	25,624	0.60	0.77	4.35	8
(0.67)	11.41	(1.61)	27,893	0.60	0.76	4.07	10
(0.17)	12.08	0.30 <sup>(4)</sup>	28,277	0.64 <sup>(3)</sup>	0.80 <sup>(3)</sup>	3.99 <sup>(3)</sup>	4 <sup>(4)</sup>
(0.18)	12.25	1.79 <sup>(4)</sup>	28,952	0.64 <sup>(3)</sup>	0.79 <sup>(3)</sup>	3.90 <sup>(3)</sup>	19 <sup>(4)</sup>

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**VIRTUS OPPORTUNITIES TRUST**  
**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) <sup>(2)</sup>	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value
<b>Global Infrastructure Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.97	0.09	0.42	0.51	(0.12)	—	(0.12)	0.39
10/1/08 to 9/30/09	10.91	0.31	(0.87)	(0.56)	(0.30)	(0.08)	(0.38)	(0.94)
10/1/07 to 9/30/08	13.70	0.31	(2.31)	(2.00)	(0.28)	(0.51)	(0.79)	(2.79)
5/1/07 to 9/30/07	13.66	0.18	0.23	0.41	(0.23)	(0.14)	(0.37)	0.04
5/1/06 to 4/30/07	10.60	0.44	3.03	3.47	(0.41)	—	(0.41)	3.06
5/1/05 to 4/30/06	10.13	0.42	0.44	0.86	(0.39)	—	(0.39)	0.47
12/30/04 <sup>(6)</sup> to 4/30/05	10.00	0.13	0.08	0.21	(0.08)	—	(0.08)	0.13
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.95	0.06	0.41	0.47	(0.08)	—	(0.08)	0.39
10/1/08 to 9/30/09	10.89	0.26	(0.89)	(0.63)	(0.23)	(0.08)	(0.31)	(0.94)
10/1/07 to 9/30/08	13.66	0.23	(2.31)	(2.08)	(0.18)	(0.51)	(0.69)	(2.77)
5/1/07 to 9/30/07	13.62	0.14	0.22	0.36	(0.18)	(0.14)	(0.32)	0.04
5/1/06 to 4/30/07	10.57	0.37	3.01	3.38	(0.33)	—	(0.33)	3.05
5/1/05 to 4/30/06	10.12	0.35	0.43	0.78	(0.33)	—	(0.33)	0.45
12/30/04 <sup>(6)</sup> to 4/30/05	10.00	0.12	0.07	0.19	(0.07)	—	(0.07)	0.12
<b>Class I</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.96	0.12	0.41	0.53	(0.13)	—	(0.13)	0.40
10/1/08 to 9/30/09	10.90	0.34	(0.87)	(0.53)	(0.33)	(0.08)	(0.41)	(0.94)
6/6/08 <sup>(6)</sup> to 9/30/08	13.41	0.07	(2.40)	(2.33)	(0.18)	—	(0.18)	(2.51)
<b>Global Opportunities Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 6.67	0.04	0.83	0.87	(0.08)	—	(0.08)	0.79
10/1/08 to 9/30/09	7.82	0.07	(1.14)	(1.07)	(0.08)	—	(0.08)	(1.15)
10/1/07 to 9/30/08	11.59	0.13	(3.59)	(3.46)	(0.09)	(0.22)	(0.31)	(3.77)
7/1/07 to 9/30/07	12.15	0.02	0.20	0.22	(0.08)	(0.70)	(0.78)	(0.56)
7/1/06 to 6/30/07	9.86	0.11	2.30	2.41	(0.12)	—	(0.12)	2.29
7/1/05 to 6/30/06	8.38	0.07	1.51	1.58	(0.10)	—	(0.10)	1.48
7/1/04 to 6/30/05	7.72	0.08	0.68	0.76	(0.10)	—	(0.10)	0.66
<b>Class B</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 6.00	0.01	0.74	0.75	(0.05)	—	(0.05)	0.70
10/1/08 to 9/30/09	7.06	0.02	(1.02)	(1.00)	(0.06)	—	(0.06)	(1.06)
10/1/07 to 9/30/08	10.48	0.04	(3.22)	(3.18)	(0.02)	(0.22)	(0.24)	(3.42)
7/1/07 to 9/30/07	11.04	— <sup>(5)</sup>	0.18	0.18	(0.04)	(0.70)	(0.74)	(0.56)
7/1/06 to 6/30/07	8.98	0.02	2.10	2.12	(0.06)	—	(0.06)	2.06
7/1/05 to 6/30/06	7.65	— <sup>(5)</sup>	1.37	1.37	(0.04)	—	(0.04)	1.33
7/1/04 to 6/30/05	7.05	0.02	0.63	0.65	(0.05)	—	(0.05)	0.60
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 5.97	0.01	0.73	0.74	(0.05)	—	(0.05)	0.69
10/1/08 to 9/30/09	7.03	0.02	(1.02)	(1.00)	(0.06)	—	(0.06)	(1.06)
10/1/07 to 9/30/08	10.44	0.05	(3.22)	(3.17)	(0.02)	(0.22)	(0.24)	(3.41)
7/1/07 to 9/30/07	11.01	— <sup>(5)</sup>	0.17	0.17	(0.04)	(0.70)	(0.74)	(0.57)
7/1/06 to 6/30/07	8.95	0.02	2.10	2.12	(0.06)	—	(0.06)	2.06
7/1/05 to 6/30/06	7.62	— <sup>(5)</sup>	1.37	1.37	(0.04)	—	(0.04)	1.33
7/1/04 to 6/30/05	7.03	0.02	0.62	0.64	(0.05)	—	(0.05)	0.59
<b>Global Real Estate Securities Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$18.33	0.22	1.60	1.82	(1.55)	(0.65)	(2.20)	(0.38)
3/2/09 <sup>(6)</sup> to 9/30/09	10.00	0.30	8.03	8.33	—	—	—	8.33

The footnote legend is at the end of the financial highlights.

See Notes to Financial Statements

Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (in thousands)	Ratio of Net Operating Expenses to Average Net Assets <sup>(6)</sup>	Ratio of Gross Expenses to Average Net Assets (before waivers and reimbursements) <sup>(6)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
\$10.36	5.11% <sup>(4)</sup>	\$ 39,198	1.31% <sup>(3)</sup>	1.31% <sup>(3)</sup>	1.83% <sup>(3)</sup>	13% <sup>(4)</sup>
9.97	(4.76)	77,049	1.31	1.33	3.50	46
10.91	(15.63)	75,664	1.15	1.22	2.39	60
13.70	3.02 <sup>(4)</sup>	57,938	1.19 <sup>(3)</sup>	1.25 <sup>(3)</sup>	3.23 <sup>(3)</sup>	29 <sup>(4)</sup>
13.66	33.74	51,190	1.17	1.40	3.64	21
10.60	8.66	14,298	1.15	2.72	4.06	40
10.13	2.09 <sup>(4)</sup>	6,163	1.15 <sup>(3)</sup>	5.59 <sup>(3)</sup>	3.81 <sup>(3)</sup>	17 <sup>(4)</sup>
\$10.34	4.73% <sup>(4)</sup>	\$ 7,550	2.06% <sup>(3)</sup>	2.06% <sup>(3)</sup>	1.16% <sup>(3)</sup>	13% <sup>(4)</sup>
9.95	(5.49)	6,188	2.09	2.10	2.85	46
10.89	(16.18)	1,856	1.90	1.97	1.72	60
13.66	2.72 <sup>(4)</sup>	1,964	1.95 <sup>(3)</sup>	2.00 <sup>(3)</sup>	2.47 <sup>(3)</sup>	29 <sup>(4)</sup>
13.62	32.55	1,769	1.91	2.19	3.11	21
10.57	7.87	1,108	1.90	3.54	3.38	40
10.12	1.88 <sup>(4)</sup>	330	1.90 <sup>(3)</sup>	8.16 <sup>(3)</sup>	3.58 <sup>(3)</sup>	17 <sup>(4)</sup>
\$10.36	5.33% <sup>(4)</sup>	\$ 41,387	1.07% <sup>(3)</sup>	1.07% <sup>(3)</sup>	2.27% <sup>(3)</sup>	13% <sup>(4)</sup>
9.96	(4.54)	344	1.09	1.10	3.80	46
10.90	(17.51) <sup>(4)</sup>	82	0.90 <sup>(3)</sup>	1.01 <sup>(3)</sup>	1.83 <sup>(3)</sup>	60 <sup>(4)</sup>
\$ 7.46	13.09% <sup>(4)</sup>	\$ 58,714	1.60% <sup>(3)(7)</sup>	1.64% <sup>(3)</sup>	1.16% <sup>(3)</sup>	40% <sup>(4)</sup>
6.67	(13.53)	53,644	1.86	1.86	1.16	168
7.82	(30.50)	73,003	1.65	1.65	1.31	62
11.59	1.93 <sup>(4)</sup>	116,983	1.60 <sup>(3)</sup>	1.60 <sup>(3)</sup>	0.59 <sup>(3)</sup>	15 <sup>(4)</sup>
12.15	24.61	117,709	1.61	1.64	1.01	74
9.86	18.90	102,783	1.60	1.70	0.76	124
8.38	9.80	100,469	1.57	1.57	0.97	49
\$ 6.70	12.55% <sup>(4)</sup>	\$ 1,327	2.35% <sup>(3)(7)</sup>	2.39% <sup>(3)</sup>	0.36% <sup>(3)</sup>	40% <sup>(4)</sup>
6.00	(14.10)	1,369	2.61	2.61	0.35	168
7.06	(30.93)	2,379	2.39	2.39	0.49	62
10.48	1.65 <sup>(4)</sup>	4,945	2.35 <sup>(3)</sup>	2.35 <sup>(3)</sup>	(0.15) <sup>(3)</sup>	15 <sup>(4)</sup>
11.04	23.76	5,074	2.36	2.39	0.22	74
8.98	17.92	5,395	2.35	2.45	0.01	124
7.65	9.14	5,096	2.32	2.32	0.23	49
\$ 6.66	12.45% <sup>(4)</sup>	\$ 908	2.35% <sup>(3)(7)</sup>	2.39% <sup>(3)</sup>	0.47% <sup>(3)</sup>	40% <sup>(4)</sup>
5.97	(14.16)	776	2.62	2.62	0.37	168
7.03	(30.95)	1,149	2.40	2.40	0.55	62
10.44	1.67 <sup>(4)</sup>	1,857	2.35 <sup>(3)</sup>	2.35 <sup>(3)</sup>	(0.15) <sup>(3)</sup>	15 <sup>(4)</sup>
11.01	23.74	1,838	2.36	2.38	0.23	74
8.95	17.99	2,826	2.35	2.45	(0.03)	124
7.62	9.03	2,876	2.32	2.32	0.22	49
\$17.95	10.76% <sup>(4)</sup>	\$ 1,795	1.40% <sup>(3)</sup>	3.79% <sup>(3)</sup>	2.51% <sup>(3)</sup>	11% <sup>(4)</sup>
18.33	83.30 <sup>(4)</sup>	1,586	1.40 <sup>(3)</sup>	9.62 <sup>(3)</sup>	3.68 <sup>(3)</sup>	29 <sup>(4)</sup>

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**VIRTUS OPPORTUNITIES TRUST**  
**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) <sup>(2)</sup>	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value
<b>Global Real Estate Securities Fund (Continued)</b>								
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$18.25	0.15	1.60	1.75	(1.49)	(0.65)	(2.14)	(0.39)
3/2/09 <sup>(6)</sup> to 9/30/09	10.00	0.24	8.01	8.25	—	—	—	8.25
<b>Class I</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$18.36	0.27	1.58	1.85	(1.57)	(0.65)	(2.22)	(0.37)
3/2/09 <sup>(6)</sup> to 9/30/09	10.00	0.32	8.04	8.36	—	—	—	8.36
<b>Greater Asia ex Japan Opportunities Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$13.01	0.01	1.32	1.33	(0.13)	(0.32)	(0.45)	0.88
4/21/09 <sup>(6)</sup> to 9/30/09	10.00	0.10	2.91	3.01	—	—	—	3.01
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$12.96	(0.04)	1.33	1.29	(0.10)	(0.32)	(0.42)	0.87
4/21/09 <sup>(6)</sup> to 9/30/09	10.00	0.06	2.90	2.96	—	—	—	2.96
<b>Class I</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$13.02	0.02	1.34	1.36	(0.15)	(0.32)	(0.47)	0.89
4/21/09 <sup>(6)</sup> to 9/30/09	10.00	0.11	2.91	3.02	—	—	—	3.02
<b>Greater European Opportunities Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$12.97	0.07	0.91	0.98	(0.15)	(0.42)	(0.57)	0.41
4/21/09 <sup>(6)</sup> to 9/30/09	10.00	0.12	2.85	2.97	—	—	—	2.97
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$12.93	—	0.92	0.92	(0.11)	(0.42)	(0.53)	0.39
4/21/09 <sup>(6)</sup> to 9/30/09	10.00	0.07	2.86	2.93	—	—	—	2.93
<b>Class I</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$12.98	0.08	0.92	1.00	(0.16)	(0.42)	(0.58)	0.42
4/21/09 <sup>(6)</sup> to 9/30/09	10.00	0.14	2.84	2.98	—	—	—	2.98
<b>High Yield Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 3.89	0.16	0.14	0.30	(0.15)	—	(0.15)	0.15
10/1/08 to 9/30/09	3.98	0.31	(0.08)	0.23	(0.32)	—	(0.32)	(0.09)
10/1/07 to 9/30/08	4.89	0.34	(0.90)	(0.56)	(0.35)	—	(0.35)	(0.91)
11/1/06 to 9/30/07	4.91	0.30	(0.01)	0.29	(0.31)	—	(0.31)	(0.02)
11/1/05 to 10/31/06	4.88	0.31	0.05	0.36	(0.33)	—	(0.33)	0.03
11/1/04 to 10/31/05	5.11	0.31	(0.19)	0.12	(0.35)	—	(0.35)	(0.23)
11/1/03 to 10/31/04	5.02	0.33	0.11	0.44	(0.35)	—	(0.35)	0.09
<b>Class B</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 3.82	0.14	0.14	0.28	(0.14)	—	(0.14)	0.14
10/1/08 to 9/30/09	3.92	0.28	(0.09)	0.19	(0.29)	—	(0.29)	(0.10)
10/1/07 to 9/30/08	4.81	0.30	(0.88)	(0.58)	(0.31)	—	(0.31)	(0.89)
11/1/06 to 9/30/07	4.84	0.26	(0.01)	0.25	(0.28)	—	(0.28)	(0.03)
11/1/05 to 10/31/06	4.81	0.26	0.06	0.32	(0.29)	—	(0.29)	0.03
11/1/04 to 10/31/05	5.05	0.27	(0.20)	0.07	(0.31)	—	(0.31)	(0.24)
11/1/03 to 10/31/04	4.96	0.29	0.11	0.40	(0.31)	—	(0.31)	0.09

The footnote legend is at the end of the financial highlights.

See Notes to Financial Statements

Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (in thousands)	Ratio of Net Operating Expenses to Average Net Assets <sup>(6)</sup>	Ratio of Gross Expenses to Average Net Assets (before waivers and reimbursements) <sup>(6)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
\$17.86	10.36% <sup>(4)</sup>	\$ 226	2.15% <sup>(3)</sup>	4.53% <sup>(3)</sup>	1.76% <sup>(3)</sup>	11% <sup>(4)</sup>
18.25	82.50 <sup>(4)</sup>	194	2.15 <sup>(3)</sup>	10.45 <sup>(3)</sup>	2.94 <sup>(3)</sup>	29 <sup>(4)</sup>
\$17.99	10.93% <sup>(4)</sup>	\$ 632	1.15% <sup>(3)</sup>	3.67% <sup>(3)</sup>	3.05% <sup>(3)</sup>	11% <sup>(4)</sup>
18.36	83.60 <sup>(4)</sup>	183	1.15 <sup>(3)</sup>	6.04 <sup>(3)</sup>	3.93 <sup>(3)</sup>	29 <sup>(4)</sup>
\$13.89	10.42% <sup>(4)</sup>	\$ 7,632	1.80% <sup>(3)</sup>	2.92% <sup>(3)</sup>	0.13% <sup>(3)</sup>	20% <sup>(4)</sup>
13.01	30.10 <sup>(4)</sup>	6,431	1.80 <sup>(3)</sup>	3.78 <sup>(3)</sup>	1.88 <sup>(3)</sup>	26 <sup>(4)</sup>
\$13.83	10.07% <sup>(4)</sup>	\$ 168	2.55% <sup>(3)</sup>	3.67% <sup>(3)</sup>	(0.56)% <sup>(3)</sup>	20% <sup>(4)</sup>
12.96	29.60 <sup>(4)</sup>	130	2.55 <sup>(3)</sup>	4.54 <sup>(3)</sup>	1.12 <sup>(3)</sup>	26 <sup>(4)</sup>
\$13.91	10.60% <sup>(4)</sup>	\$ 144	1.55% <sup>(3)</sup>	2.67% <sup>(3)</sup>	0.37% <sup>(3)</sup>	20% <sup>(4)</sup>
13.02	30.20 <sup>(4)</sup>	130	1.55 <sup>(3)</sup>	3.54 <sup>(3)</sup>	2.11 <sup>(3)</sup>	26 <sup>(4)</sup>
\$13.38	7.69% <sup>(4)</sup>	\$ 6,946	1.45% <sup>(3)</sup>	2.57% <sup>(3)</sup>	1.05% <sup>(3)</sup>	16% <sup>(4)</sup>
12.97	29.70 <sup>(4)</sup>	6,236	1.45 <sup>(3)</sup>	3.60 <sup>(3)</sup>	2.38 <sup>(3)</sup>	14 <sup>(4)</sup>
\$13.32	7.24% <sup>(4)</sup>	\$ 139	2.20% <sup>(3)</sup>	3.27% <sup>(3)</sup>	(0.03)% <sup>(3)</sup>	16% <sup>(4)</sup>
12.93	29.30 <sup>(4)</sup>	196	2.20 <sup>(3)</sup>	4.27 <sup>(3)</sup>	1.31 <sup>(3)</sup>	14 <sup>(4)</sup>
\$13.40	7.87% <sup>(4)</sup>	\$ 140	1.20% <sup>(3)</sup>	2.32% <sup>(3)</sup>	1.27% <sup>(3)</sup>	16% <sup>(4)</sup>
12.98	29.80 <sup>(4)</sup>	130	1.20 <sup>(3)</sup>	3.34 <sup>(3)</sup>	2.63% <sup>(3)</sup>	14 <sup>(4)</sup>
\$ 4.04	7.96% <sup>(4)</sup>	\$ 88,535	1.32% <sup>(3)</sup>	1.32% <sup>(3)</sup>	7.95% <sup>(3)</sup>	47% <sup>(4)</sup>
3.89	7.02	90,560	1.37	1.37	8.88	134
3.98	(12.10)	92,907	1.34	1.34	7.41	100
4.89	6.06 <sup>(4)</sup>	125,200	1.39 <sup>(3)</sup>	1.39 <sup>(3)</sup>	6.59 <sup>(3)</sup>	102 <sup>(4)</sup>
4.91	7.52	132,408	1.37	1.37	6.25	161
4.88	2.37	144,060	1.36	1.36	6.23	59
5.11	8.85	174,527	1.32	1.32	6.57	99
\$ 3.96	7.50% <sup>(4)</sup>	\$ 784	2.07% <sup>(3)</sup>	2.07% <sup>(3)</sup>	7.18% <sup>(3)</sup>	47% <sup>(4)</sup>
3.82	6.13	1,019	2.12	2.12	8.21	134
3.92	(12.59)	1,366	2.08	2.08	6.63	100
4.81	5.22 <sup>(4)</sup>	2,597	2.13 <sup>(3)</sup>	2.13 <sup>(3)</sup>	5.78 <sup>(3)</sup>	102 <sup>(4)</sup>
4.84	6.83	4,595	2.12	2.12	5.46	161
4.81	1.46	7,791	2.11	2.11	5.47	59
5.05	8.18	14,574	2.07	2.07	5.90	99

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**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) <sup>(2)</sup>	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value
<b>High Yield Fund (Continued)</b>								
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 3.85	0.14	0.14	0.28	(0.14)	—	(0.14)	0.14
10/1/08 to 9/30/09	3.94	0.28	(0.08)	0.20	(0.29)	—	(0.29)	(0.09)
10/1/07 to 9/30/08	4.84	0.30	(0.89)	(0.59)	(0.31)	—	(0.31)	(0.90)
11/1/06 to 9/30/07	4.87	0.26	(0.01)	0.25	(0.28)	—	(0.28)	(0.03)
11/1/05 to 10/31/06	4.84	0.27	0.05	0.32	(0.29)	—	(0.29)	0.03
11/1/04 to 10/31/05	5.07	0.27	(0.19)	0.08	(0.31)	—	(0.31)	(0.23)
11/1/03 to 10/31/04	4.99	0.29	0.10	0.39	(0.31)	—	(0.31)	0.08

**International Real Estate Securities Fund**

<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 6.00	0.03	0.07	0.10	(0.48)	—	(0.48)	(0.38)
10/1/08 to 9/30/09	6.72	0.21	(0.66)	(0.45)	(0.27)	—	(0.27)	(0.72)
10/1/07 <sup>(6)</sup> to 9/30/08	10.00	0.21	(3.32)	(3.11)	(0.17)	—	(0.17)	(3.28)
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 6.00	0.05	0.03	0.08	(0.48)	—	(0.48)	(0.40)
10/1/08 to 9/30/09	6.70	0.19	(0.67)	(0.48)	(0.22)	—	(0.22)	(0.70)
10/1/07 <sup>(6)</sup> to 9/30/08	10.00	0.20	(3.38)	(3.18)	(0.12)	—	(0.12)	(3.30)
<b>Class I</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 5.99	0.08	0.03	0.11	(0.48)	—	(0.48)	(0.37)
10/1/08 to 9/30/09	6.72	0.23	(0.67)	(0.44)	(0.29)	—	(0.29)	(0.73)
10/1/07 <sup>(6)</sup> to 9/30/08	10.00	0.25	(3.35)	(3.10)	(0.18)	—	(0.18)	(3.28)

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) <sup>(2)</sup>	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Total Distributions	Change in Net Asset Value
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**Market Neutral Fund**

<b>Class A</b>							
10/1/09 to 3/31/10 <sup>(10)</sup>	\$10.50	(0.12)	0.20	0.08	—	—	0.08
10/1/08 to 9/30/09	9.81	(0.01)	0.70	0.69	—	—	0.69
10/1/07 to 9/30/08	10.53	(0.09)	(0.47)	(0.56)	(0.16)	(0.16)	(0.72)
11/1/06 to 9/30/07	11.19	0.14	(0.58)	(0.44)	(0.22)	(0.22)	(0.66)
11/1/05 to 10/31/06	11.87	0.12	(0.80)	(0.68)	—	—	(0.68)
11/1/04 to 10/31/05	11.51	(0.03)	0.39	0.36	—	—	0.36
11/1/03 to 10/31/04	11.39	(0.16)	0.28	0.12	—	—	0.12

The footnote legend is at the end of the financial highlights.

See Notes to Financial Statements

Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (in thousands)	Ratio of Net Operating Expenses to Average Net Assets <sup>(6)</sup>	Ratio of Gross Expenses to Average Net Assets (before waivers and reimbursements) <sup>(6)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
\$ 3.99	7.44% <sup>(4)</sup>	\$ 1,965	2.07% <sup>(3)</sup>	2.07% <sup>(3)</sup>	7.23% <sup>(3)</sup>	47% <sup>(4)</sup>
3.85	6.36	1,585	2.12	2.12	8.06	134
3.94	(12.72)	1,465	2.09	2.09	6.66	100
4.84	5.20 <sup>(4)</sup>	2,081	2.14 <sup>(3)</sup>	2.14 <sup>(3)</sup>	5.89 <sup>(3)</sup>	102 <sup>(4)</sup>
4.87	6.80	1,585	2.12	2.12	5.48	161
4.84	1.66	1,758	2.11	2.11	5.48	59
5.07	8.14	1,990	2.07	2.07	5.87	99

\$ 5.62	2.09% <sup>(4)</sup>	\$ 1,904	1.50% <sup>(3)</sup>	1.65% <sup>(3)</sup>	1.16% <sup>(3)</sup>	9% <sup>(4)</sup>
6.00	(5.59)	32,178	1.50	1.66	4.71	54
6.72	(31.46)	60,907	1.50	2.11	2.74	8

\$ 5.60	1.74% <sup>(4)</sup>	\$ 452	2.25% <sup>(3)</sup>	2.50% <sup>(3)</sup>	1.68% <sup>(3)</sup>	9% <sup>(4)</sup>
6.00	(6.30)	413	2.25	2.40	4.21	54
6.70	(32.09)	141	2.23	3.00	2.52	8

\$ 5.62	2.28% <sup>(4)</sup>	\$ 26,049	1.25% <sup>(3)</sup>	1.51% <sup>(3)</sup>	2.74% <sup>(3)</sup>	9% <sup>(4)</sup>
5.99	(5.43)	71	1.25	1.41	4.87	54
6.72	(31.32)	69	1.24	2.16	3.00	8

Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (in thousands)	Ratio of Expenses (excluding dividends and interest on short sales after expense waivers and reimbursements) <sup>(6)</sup> to Average Net Assets	Ratio of Expenses (including dividends and interest on short sales after expense waivers and reimbursements) <sup>(6)</sup> to Average Net Assets	Ratio of Expenses (including dividends and interest on short sales before expense waivers and reimbursements) <sup>(6)</sup> to Average Net Assets	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
\$10.58	0.76% <sup>(4)</sup>	\$ 17,497	1.83% <sup>(3)(7)</sup>	3.46% <sup>(3)(7)</sup>	3.59% <sup>(3)</sup>	(2.24)% <sup>(3)</sup>	82% <sup>(4)</sup>
10.50	7.03	74,749	1.77	4.04	4.23	(0.08)	253
9.81	(5.36)	119,387	1.81	3.49	3.84	(0.85)	285
10.53	(3.86) <sup>(4)</sup>	54,630	1.91 <sup>(3)</sup>	3.56 <sup>(3)</sup>	3.95 <sup>(3)</sup>	1.45 <sup>(3)</sup>	394 <sup>(4)</sup>
11.19	(5.81)	89,054	2.19	3.63	3.63	1.04	285
11.87	3.13	111,133	2.20	3.65	3.65	(0.26)	177
11.51	1.05	70,892	2.21	3.42	3.42	(1.45)	175

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**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) <sup>(2)</sup>	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Total Distributions	Change in Net Asset Value
<b>Market Neutral Fund (Continued)</b>							
<b>Class B</b>							
10/1/09 to 3/31/10 <sup>(10)</sup>	\$10.06	(0.16)	0.19	0.03	—	—	0.03
10/1/08 to 9/30/09	9.47	(0.08)	0.67	0.59	—	—	0.59
10/1/07 to 9/30/08	10.17	(0.12)	(0.49)	(0.61)	(0.09)	(0.09)	(0.70)
11/1/06 to 9/30/07	10.80	0.08	(0.57)	(0.49)	(0.14)	(0.14)	(0.63)
11/1/05 to 10/31/06	11.55	0.02	(0.77)	(0.75)	—	—	(0.75)
11/1/04 to 10/31/05	11.28	(0.13)	0.40	0.27	—	—	0.27
11/1/03 to 10/31/04	11.24	(0.24)	0.28	0.04	—	—	0.04
<b>Class C</b>							
10/1/09 to 3/31/10 <sup>(10)</sup>	\$10.02	(0.16)	0.19	0.03	—	—	0.03
10/1/08 to 9/30/09	9.43	(0.07)	0.66	0.59	—	—	0.59
10/1/07 to 9/30/08	10.12	(0.12)	(0.49)	(0.61)	(0.08)	(0.08)	(0.69)
11/1/06 to 9/30/07	10.75	0.07	(0.56)	(0.49)	(0.14)	(0.14)	(0.63)
11/1/05 to 10/31/06	11.49	0.02	(0.76)	(0.74)	—	—	(0.74)
11/1/04 to 10/31/05	11.22	(0.11)	0.38	0.27	—	—	0.27
11/1/03 to 10/31/04	11.18	(0.24)	0.28	0.04	—	—	0.04
<b>Class I</b>							
10/1/09 <sup>(6)</sup> to 3/31/10 <sup>(10)</sup>	\$10.49	(0.12)	0.21	0.09	—	—	0.09
	Net Asset Value, Beginning of Period	Net Investment Income (Loss) <sup>(2)</sup>	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions
<b>Multi-Sector Fixed Income Fund</b>							
<b>Class A</b>							
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.96	0.33	0.51	0.84	(0.31)	—	(0.31)
10/1/08 to 9/30/09	9.23	0.59	0.85	1.44	(0.71)	—	(0.71)
10/1/07 to 9/30/08	10.89	0.68	(1.66)	(0.98)	(0.68)	—	(0.68)
11/1/06 to 9/30/07	10.88	0.56	(0.03)	0.53	(0.52)	—	(0.52)
11/1/05 to 10/31/06	10.63	0.59	0.21	0.80	(0.55)	—	(0.55)
11/1/04 to 10/31/05	11.16	0.59	(0.40)	0.19	(0.72)	—	(0.72)
11/1/03 to 10/31/04	10.85	0.69	0.34	1.03	(0.72)	—	(0.72)
<b>Class B</b>							
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.95	0.29	0.51	0.80	(0.27)	—	(0.27)
10/1/08 to 9/30/09	9.22	0.53	0.84	1.37	(0.64)	—	(0.64)
10/1/07 to 9/30/08	10.88	0.60	(1.66)	(1.06)	(0.60)	—	(0.60)
11/1/06 to 9/30/07	10.87	0.48	(0.02)	0.46	(0.45)	—	(0.45)
11/1/05 to 10/31/06	10.61	0.51	0.22	0.73	(0.47)	—	(0.47)
11/1/04 to 10/31/05	11.13	0.50	(0.40)	0.10	(0.62)	—	(0.62)
11/1/03 to 10/31/04	10.82	0.61	0.33	0.94	(0.63)	—	(0.63)

The footnote legend is at the end of the financial highlights.

See Notes to Financial Statements

Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (in thousands)	Ratio of Expenses (excluding dividends and interest on short sales after expense reimbursement) <sup>(6)</sup> to Average Net Assets	Ratio of Expenses (including dividends and interest on short sales after expense reimbursement) <sup>(6)</sup> to Average Net Assets	Ratio of Expenses (including dividends and interest on short sales before expense reimbursement) <sup>(6)</sup> to Average Net Assets	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
\$10.09	0.30% <sup>(4)</sup>	\$ 977	2.58% <sup>(3)(7)</sup>	4.36% <sup>(3)(7)</sup>	4.50% <sup>(3)</sup>	(3.14)% <sup>(3)</sup>	82% <sup>(4)</sup>
10.06	6.23	1,435	2.52	4.83	5.02	(0.79)	253
9.47	(6.04)	1,678	2.55	4.19	4.55	(1.19)	285
10.17	(4.64) <sup>(4)</sup>	2,651	2.67 <sup>(3)</sup>	4.22 <sup>(3)</sup>	4.63 <sup>(3)</sup>	0.82 <sup>(3)</sup>	394 <sup>(4)</sup>
10.80	(6.41)	4,338	2.91	4.39	4.39	0.22	285
11.55	2.39	7,859	2.90	4.36	4.36	(1.14)	177
11.28	0.36	12,290	2.91	4.11	4.11	(2.15)	175
\$10.05	0.30% <sup>(4)</sup>	\$ 4,396	2.58% <sup>(3)(7)</sup>	4.42% <sup>(3)(7)</sup>	4.56% <sup>(3)</sup>	(3.16)% <sup>(3)</sup>	82% <sup>(4)</sup>
10.02	6.26	4,434	2.52	4.84	5.03	(0.77)	253
9.43	(6.04)	4,983	2.55	4.19	4.55	(1.21)	285
10.12	(4.57) <sup>(4)</sup>	7,187	2.68 <sup>(3)</sup>	4.27 <sup>(3)</sup>	4.68 <sup>(3)</sup>	0.76 <sup>(3)</sup>	394 <sup>(4)</sup>
10.75	(6.44)	18,377	2.92	4.41	4.41	0.19	285
11.49	2.41	40,584	2.90	4.35	4.35	(0.97)	177
11.22	0.36	25,779	2.91	4.12	4.12	(2.15)	175
\$10.58	0.86% <sup>(4)</sup>	\$ 72,645	1.59% <sup>(3)(7)</sup>	3.52% <sup>(3)(7)</sup>	3.65% <sup>(3)</sup>	(2.22)% <sup>(3)</sup>	82% <sup>(4)</sup>

  

Change in Net Asset Value	Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets <sup>(8)</sup>	Ratio of Gross Expenses to Average Net Assets <sup>(8)</sup>	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
0.53	\$10.49	8.54% <sup>(4)</sup>	\$120,879	1.13% <sup>(3)</sup>	1.13% <sup>(3)</sup>	6.54% <sup>(3)</sup>	34% <sup>(4)</sup>
0.73	9.96	17.34	121,968	1.16	1.16	6.90	85
(1.66)	9.23	(9.46)	88,744	1.15	1.15	6.54	91
0.01	10.89	4.95 <sup>(4)</sup>	113,458	1.19 <sup>(3)</sup>	1.19 <sup>(3)</sup>	5.55 <sup>(3)</sup>	92 <sup>(4)</sup>
0.25	10.88	7.74	113,362	1.17	1.17	5.52	96
(0.53)	10.63	1.73	113,885	1.20	1.20	5.36	136
0.31	11.16	9.78	116,079	1.18	1.18	6.30	156
0.53	\$10.48	8.15% <sup>(4)</sup>	\$ 14,056	1.88% <sup>(3)</sup>	1.88% <sup>(3)</sup>	5.79% <sup>(3)</sup>	34% <sup>(4)</sup>
0.73	9.95	16.47	13,276	1.91	1.91	6.18	85
(1.66)	9.22	(10.16)	11,969	1.90	1.90	5.80	91
0.01	10.88	4.25 <sup>(4)</sup>	14,205	1.94 <sup>(3)</sup>	1.94 <sup>(3)</sup>	4.80 <sup>(3)</sup>	92 <sup>(4)</sup>
0.26	10.87	7.05	14,147	1.92	1.92	4.78	96
(0.52)	10.61	0.91	16,879	1.95	1.95	4.61	136
0.31	11.13	8.99	21,554	1.93	1.93	5.56	156

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**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) <sup>(2)</sup>	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value
<b>Multi-Sector Fixed Income Fund (Continued)</b>								
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$10.02	0.30	0.51	0.81	(0.27)	—	(0.27)	0.54
10/1/08 to 9/30/09	9.27	0.52	0.87	1.39	(0.64)	—	(0.64)	0.75
10/1/07 to 9/30/08	10.94	0.61	(1.68)	(1.07)	(0.60)	—	(0.60)	(1.67)
11/1/06 to 9/30/07	10.93	0.48	(0.02)	0.46	(0.45)	—	(0.45)	0.01
11/1/05 to 10/31/06	10.67	0.51	0.22	0.73	(0.47)	—	(0.47)	0.26
11/1/04 to 10/31/05	11.18	0.51	(0.40)	0.11	(0.62)	—	(0.62)	(0.51)
11/1/03 to 10/31/04	10.87	0.61	0.33	0.94	(0.63)	—	(0.63)	0.31
<b>Class I</b>								
10/1/09 <sup>(6)</sup> to 3/31/10 <sup>(10)</sup>	\$ 9.95	0.34	0.52	0.86	(0.32)	—	(0.32)	0.54
<b>Senior Floating Rate Fund</b>								
<b>Class A</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.87	0.34	0.25	0.59	(0.32)	(0.19)	(0.51)	0.08
10/1/08 to 9/30/09	9.41	0.54	0.47	1.01	(0.55)	— <sup>(5)</sup>	(0.55)	0.46
1/31/08 <sup>(6)</sup> to 9/30/08	10.00	0.41	(0.61)	(0.20)	(0.39)	—	(0.39)	(0.59)
<b>Class C</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.87	0.29	0.27	0.56	(0.28)	(0.19)	(0.47)	0.09
10/1/08 to 9/30/09	9.41	0.44	0.51	0.95	(0.49)	— <sup>(5)</sup>	(0.49)	0.46
1/31/08 <sup>(6)</sup> to 9/30/08	10.00	0.37	(0.61)	(0.24)	(0.35)	—	(0.35)	(0.59)
<b>Class I</b>								
10/1/09 to 3/31/10 <sup>(10)</sup>	\$ 9.86	0.30	0.31	0.61	(0.33)	(0.19)	(0.52)	0.09
10/1/08 to 9/30/09	9.41	0.58	0.45	1.03	(0.58)	— <sup>(5)</sup>	(0.58)	0.45
1/31/08 <sup>(6)</sup> to 9/30/08	10.00	0.43	(0.61)	(0.18)	(0.41)	—	(0.41)	(0.59)

**Footnote Legend**

- <sup>(1)</sup> Sales charges, where applicable, are not reflected in the total return calculation.
- <sup>(2)</sup> Computed using average shares outstanding.
- <sup>(3)</sup> Annualized.
- <sup>(4)</sup> Not annualized.
- <sup>(5)</sup> Amount is less than \$0.005.
- <sup>(6)</sup> Inception date.
- <sup>(7)</sup> Due to a change in expense ratio, the ratio shown is a blended expense ratio.
- <sup>(8)</sup> The Funds will also indirectly bear their prorated share of expenses of the underlying funds in which they invest. Such expenses are not included in the calculation of this ratio.
- <sup>(9)</sup> The amount shown for a share outstanding throughout the period does not accord with the aggregate net loss on investments for the period because of the sales and repurchases of fund shares in relation to fluctuating market value of the investments of the Fund.
- <sup>(10)</sup> Unaudited.
- <sup>(11)</sup> See Note 3C in the Notes to Financial Statements for information on recapture of expenses previously waived.

See Notes to Financial Statements

Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets <sup>(6)</sup>	Ratio of Gross Expenses to Average Net Assets <sup>(6)</sup>	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
\$10.56	8.19% <sup>(4)</sup>	\$ 54,958	1.88% <sup>(3)</sup>	1.88% <sup>(3)</sup>	5.79% <sup>(3)</sup>	34% <sup>(4)</sup>
10.02	16.59	41,374	1.90	1.90	5.93	85
9.27	(10.20)	16,828	1.90	1.90	5.80	91
10.94	4.22 <sup>(4)</sup>	20,677	1.94 <sup>(3)</sup>	1.94 <sup>(3)</sup>	4.81 <sup>(3)</sup>	92 <sup>(4)</sup>
10.93	7.00	17,222	1.91	1.91	4.77	96
10.67	0.99	15,175	1.95	1.95	4.62	136
11.18	8.95	10,941	1.93	1.93	5.56	156
\$10.49	8.77% <sup>(4)</sup>	\$ 21,952	0.88% <sup>(3)</sup>	0.88% <sup>(3)</sup>	6.80% <sup>(3)</sup>	34% <sup>(4)</sup>
\$ 9.95	6.24% <sup>(4)</sup>	\$ 82,314	1.20% <sup>(3)(11)</sup>	1.10% <sup>(3)(11)</sup>	7.02% <sup>(3)</sup>	27% <sup>(4)</sup>
9.87	11.74	52,987	1.20	1.33	6.00	63
9.41	(2.12) <sup>(4)</sup>	14,349	1.20 <sup>(3)</sup>	1.80 <sup>(3)</sup>	6.25 <sup>(3)</sup>	27 <sup>(4)</sup>
\$ 9.96	5.94% <sup>(4)</sup>	\$ 14,655	1.95% <sup>(3)(11)</sup>	1.88% <sup>(3)(11)</sup>	5.88% <sup>(3)</sup>	27% <sup>(4)</sup>
9.87	10.94	2,740	1.95	2.05	4.82	63
9.41	(2.59) <sup>(4)</sup>	359	1.95 <sup>(3)</sup>	2.57 <sup>(3)</sup>	5.58 <sup>(3)</sup>	27 <sup>(4)</sup>
\$ 9.95	6.49% <sup>(4)</sup>	\$ 29,446	0.95% <sup>(3)(11)</sup>	0.84% <sup>(3)(11)</sup>	6.03% <sup>(3)</sup>	27% <sup>(4)</sup>
9.86	11.94	394	0.95	1.13	6.54	63
9.41	(1.96) <sup>(4)</sup>	232	0.95 <sup>(3)</sup>	1.56 <sup>(3)</sup>	6.51 <sup>(3)</sup>	27 <sup>(4)</sup>

See Notes to Financial Statements

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2010**  
**(Unaudited)**

**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, 18 funds are offered for sale (each a "Fund"), of which 15 are reported in this annual report. Each Fund has a distinct investment objective and 13 Funds are diversified. The Global Real Estate Securities Fund and the International Real Estate Securities Fund are non-diversified Funds.

The Funds have the following investment objectives.

	<u>Investment Objective</u>
AlphaSector <sup>SM</sup> Allocation Fund	long-term capital appreciation and current income.
AlphaSector <sup>SM</sup> Rotation Fund	seeking long-term capital appreciation.
Alternatives Diversifier Fund	long-term capital appreciation by investing in a diversified mix of affiliated mutual funds.
Bond Fund	high total return from both current income and capital appreciation.
CA Tax-Exempt Bond Fund	To obtain a high level of current income exempt from California state and local income taxes, as well as federal income tax, consistent with the preservation of capital.
Global Infrastructure Fund	seeking both capital appreciation and current income.
Global Opportunities Fund	capital appreciation.
Global Real Estate Securities Fund	Primary investment objective of long-term capital appreciation, with a secondary investment objective of income.
Greater Asia ex Japan Opportunities Fund	long-term capital appreciation.
Greater European Opportunities Fund	long-term capital appreciation.
High Yield Fund	To seek high current income and a secondary objective of capital growth.
International Real Estate Securities Fund	Primary investment objective of long-term capital appreciation, with a secondary investment objective of income.
Market Neutral Fund	To seek long-term capital appreciation while maintaining minimal portfolio exposure to general equity market risk.
Multi-Sector Fixed Income Fund	maximize current income while preserving capital.
Senior Floating Rate Fund	high total return from both current income and capital appreciation.

*There is no guarantee that a Fund will achieve its objective.*

All the Funds offer Class A and Class C shares with the exception of the CA Tax-Exempt Bond Fund which does not offer Class C shares. All Funds with the exception of the Global Opportunities Fund and the High Yield Fund, offer Class I shares. Effective December 1, 2009, Class B shares were no longer available for purchase by new or existing shareholders, except for existing shareholders through Qualifying Transactions (for more information regarding Qualifying Transactions refer to the prospectus).

Class A shares of the Bond Fund, CA Tax-Exempt Bond Fund, High Yield Fund, Multi-Sector Fixed Income Fund and Senior Floating Rate Fund are sold with a front-end sales charge of up to 4.75% with some exceptions. Class A shares of the remaining Funds 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 Funds when redeemed; however, a 0.50% – 1% contingent deferred sales charge ("CDSC") may be imposed on certain redemptions made within a certain period following purchases on which a finder's fee has been paid. Prior to January 29, 2010, the CDSC was imposed on certain redemptions made within one year following purchases on which a finder's fee had been paid. As of January 29, 2010, the period for which such CDSC applies for the funds was modified to be 18 months. In each case, the CDSC period begins on the last day of the month proceeding the month in which the purchase was made.

Class B shares are generally sold with a contingent deferred sales charge, which declines from 5% to zero depending on the period of time the shares are held. Class C shares are generally sold with a 1%, or 1.25% for the Market Neutral Fund, contingent deferred sales charge 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 shares bear no distribution and/or service expenses. Income and other expenses and realized and unrealized gains and losses of each 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, and 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.

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**March 31, 2010**  
**(Unaudited)**

**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.

Certain foreign securities 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 those foreign markets. In such cases, the funds fair value foreign securities using an external pricing service which considers the correlation of the trading patterns of the foreign securities to the intraday trading in the U.S. markets for investments such as American depositary receipts, financial futures, exchange-traded funds and certain indexes, as well as prices for similar securities. 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 Funds utilize 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 Funds' net assets by each major security type is disclosed at the end of the Schedule of Investments for each Fund. 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. Each Fund amortizes premiums and accretes discounts using the effective interest method. Realized gains and losses are determined on the identified cost basis.

Dividend income is recorded using management's estimate of the income included in distributions received from the REIT investments.

Distributions received in excess of this estimated amount are recorded as a reduction of the cost of investments or reclassified to capital gains.

The actual amounts of income, return of capital, and capital gains are only determined by each REIT after its fiscal year-end, and may differ from the estimated amounts.

**C. Income taxes:**

Each Fund is treated as a separate taxable entity. It is the policy of each 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 Trust may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable. Each 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.

The Funds have adopted the authoritative guidance on accounting for and disclosure of uncertainty in tax positions, which requires the Funds to determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Funds have determined that there was no effect on the financial statements from the adoption of this authoritative guidance. The Funds do not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months. The Funds file tax returns as prescribed by the tax laws of the jurisdictions in which they operate. In the normal course of business, the Funds are subject to examination by federal, state and local jurisdictions, where applicable. As of September 30, 2009, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations is from the year 2006 forward (with limited exceptions).

**D. Distributions to shareholders:**

Distributions are recorded by each Fund on the ex-dividend date. For the CA Tax-Exempt Fund and the Multi-Sector Fixed Income Fund income distributions are declared and recorded daily and distributed monthly. 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.

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**March 31, 2010**  
**(Unaudited)**

**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.

In addition to the Net Annual Operating Expenses that the Funds bear directly, the shareholders of the Funds indirectly bear the pro-rata expenses of the underlying mutual funds in which certain funds invest.

**F. Foreign currency translation:**

Foreign securities and other foreign 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 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 Funds.

*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 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.

Funds enter 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 Funds also, from time to time, hedge 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.

*Warrants and Rights:* Certain Funds hold warrants and rights acquired either through a direct purchase, including as part of private placement, or pursuant to corporate actions. Warrants and rights entitle the holder to buy a proportionate amount of common stock at a specific price and time through the expiration dates. Such warrants and rights are held as long positions by the Fund until exercised, sold or expired. Warrants and rights are valued at fair value in accordance with the Board of Trustees' approved fair valuation procedures.

*Equity-Linked Instruments:* Equity-linked instruments are investments of various types issued by financial institutions or special purpose entities located in foreign countries. They provide investors with the synthetic economic performance of a referenced equity security including benefits from dividends and other corporate actions, but they do not have certain rights of direct investment in the referenced securities, e.g.: voting rights. In addition to the market and other risks of the referenced equity security, investments in equity-linked instruments expose the Funds to counterparty risk, which includes the risk that the issuing entity may not be able to honor its financial commitment to the Fund. Equity-linked instruments have no guaranteed return of principal and may experience a return different from the referenced equity security. Typically, when the Funds invest in equity-linked instruments they do so in order to obtain exposure to certain countries in which the Funds do not have local accounts.

The following is a summary of the Funds' derivative instrument holdings categorized by primary risk exposure as of March 31, 2010 (\$ reported in thousands):

Derivative Type**	Location on the Statements of Assets and Liabilities		
	Asset Derivatives	Liability Derivatives	
Equity contracts	Investment in securities at value	—	
Foreign exchange contracts	Unrealized appreciation on forward currency contracts	Unrealized depreciation on forward currency contracts	
	Asset Derivative Fair Value		
	Total Value at March 31, 2010	Foreign Exchange Contracts	
		Equity Contracts	
Global Opportunities Fund	\$9,862	\$9,844	\$ 18
Global Real Estate Securities Fund	— <sup>(1)</sup>	— <sup>(1)</sup>	—
Greater Asia ex Japan Opportunities Fund	1,753	1,753	—
Greater European Opportunities Fund	107	—	107
International Real Estate Securities Fund	5	5	—

<sup>(1)</sup> Amount is less than \$500.

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**March 31, 2010**  
**(Unaudited)**

**Liability Derivative Fair Value**

	<u>Total Value at March 31, 2010</u>	<u>Equity Contracts</u>	<u>Foreign Exchange Contracts</u>
Global Opportunities Fund	\$119	\$ —	\$119
Greater Asia ex Japan Opportunities Fund	15	—	15
Greater European Opportunities Fund	2	—	2

\*\* For open derivatives as of March 31, 2010 see the Schedules of Investments, which is also indicative of activity for the period ended March 31, 2010.

<u>Derivative Type</u>	<u>Location on the Statements of Operations</u>
<b>Equity Contracts</b>	Net realized gain (loss) on investments Net change in unrealized appreciation (depreciation) on investments
<b>Foreign Exchange Contracts</b>	Net realized gain (loss) on foreign currency transactions Net change in unrealized appreciation (depreciation) on foreign currency translation

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

	<u>Total Value at March 31, 2010</u>	<u>Equity Contracts</u>	<u>Foreign Exchange Contracts</u>
Global Opportunities Fund	\$336	\$16	\$320
Greater Asia ex Japan Opportunities Fund	25	9	16

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

	<u>Total Value at March 31, 2010</u>	<u>Equity Contracts</u>	<u>Foreign Exchange Contracts</u>
Global Opportunities Fund	\$1,373	\$1,486	\$(113)
Global Real Estate Securities Fund	— <sup>(1)</sup>	— <sup>(1)</sup>	—
Greater Asia ex Japan Opportunities Fund	464	475	(11)
Greater European Opportunities Fund	105	—	105
International Real Estate Securities Fund	3	3	—

<sup>(1)</sup> Amount is less than \$500.

**H. When-issued and delayed delivery transactions:**

Certain Funds may engage in when-issued or delayed delivery transactions. Each Fund records when-issued and delayed delivery securities on the trade date. Each Fund maintains collateral for the securities purchased. Securities purchased on a when-issued or delayed delivery basis begin earning interest on the settlement date.

**I. Loan agreements:**

Certain Funds may invest in direct debt instruments which are interests in amounts owed by a corporate, governmental, or other borrower to lenders or lending syndicates. The Fund's investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties. A loan is often administered by a bank or other financial institution (the lender) that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. When investing in a loan participation, the Fund has the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the loan agreement and only upon receipt by the lender of payments from the borrower. The Fund generally has no right to enforce compliance with the terms of the loan agreement with the borrower. As a result, the Fund may be subject to the credit risk of both the borrower and the lender that is selling the loan agreement. When the Fund purchases assignments from lenders it acquires direct rights against the borrower on the loan. Direct indebtedness of emerging countries involves a risk that the government entities responsible for the repayment of the debt may be unable, or unwilling, to pay the principal and interest when due. The funds currently hold assignment loans.

**J. Credit linked notes:**

Certain Funds may invest in credit linked notes which are usually issued by a special purpose vehicle that is selling credit protection through a credit default swap. The performance of the notes is linked to the performance of the underlying reference obligation. The special purpose vehicle invests the proceeds from the notes to cover its contingent obligation. Credit linked notes may also have risks with default by the referenced obligation, currency and/or interest rates.

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**March 31, 2010**  
**(Unaudited)**

**K. Short sales:**  
**(\$ reported in thousands)**

Certain funds may sell securities short. A short sale is a transaction in which the Fund sells a security it does not own in anticipation of a decline in market price. To sell a security short, the Fund must borrow the security. The Fund's obligation to replace the security borrowed and sold short will be fully collateralized at all times by the proceeds from the short sale retained by the broker and by cash and securities deposited in a segregated account with the Fund's custodian. If the price of the security sold short increases between the time of the short sale and the time the Fund replaces the borrowed security, the Fund will realize a loss, and if the price declines during the period, the Fund will realize a gain. Any realized gain will be decreased, and any realized loss increased, by the amount of transaction costs. On ex-dividend date, dividends on short sales are recorded as an expense to the Fund.

At March 31, 2010, the value of securities sold short in the Market Neutral Fund amounted to \$(92,181) against which collateral of \$139,680 was held. The collateral includes the deposits with broker for securities sold short and the market value of segregated investments held long, as footnoted in the Schedule of Investments and Securities Sold Short. Short selling used in the management of the Fund may accelerate the velocity of potential losses if the prices of securities sold short appreciate quickly. Stocks purchased may decline in value at the same time stocks sold short appreciate in value, thereby increasing potential losses.

In accordance with the terms of its prime brokerage agreements, the Market Neutral Fund may receive rebate income or be charged a fee on borrowed securities. Such income or fee is calculated on a daily basis based upon the market value of each borrowed security and a variable rate that is dependent upon the availability of such security. The Fund records these prime broker charges on a net basis as interest income or interest expense. For the period ended March 31, 2010, the Fund had net charges of \$173 on borrowed securities. Such amounts are included in prime broker interest expense on the statement of operations.

**L. Security lending:**

Certain Funds may loan securities to qualified brokers through an agreement with Bank of New York Mellon ("BNY Mellon") or PFPC Trust Company ("PFPC"). Under the terms of 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 and securities issued by the U.S. Government. 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 BNY Mellon or PFPC for its services in connection with this securities lending program. Lending portfolio securities involves a risk of delay in the recovery of the loaned securities or in the declining value of the collateral.

At March 31, 2010, the Funds had no securities on loan.

**M. Repurchase agreements:**

Certain Funds may invest in repurchase agreements. A repurchase agreement is a transaction where a Fund acquires a security for cash and obtains a simultaneous commitment from the seller to repurchase the security at an agreed upon price and date. Each Fund, through its custodian, takes possession of securities collateralizing the repurchase agreement. The collateral is marked-to-market daily to ensure that the market value of the underlying assets remains sufficient to protect the Fund in the event of default by the seller. If the seller defaults and the value of the collateral declines, or if the seller enters insolvency proceedings, realization of collateral may be delayed or limited.

At March 31, 2010, the Funds had no open repurchase agreements.

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

**A. Adviser:**

Virtus Investment Advisers, Inc. ("VIA," the "Adviser"), an indirect wholly-owned subsidiary of Virtus Investment Partners, Inc. ("Virtus"), is the Adviser to the Trust.

For managing, or directing the management of, the investments of each Fund, the Adviser is entitled to a fee based upon the following annual rates as a percentage of the average daily net assets of each Fund:

	<u>1st \$1 Billion</u>	<u>\$1+ Billion – \$2 Billion</u>	<u>\$2+ Billion</u>
CA Tax-Exempt Bond Fund .....	0.45%	0.40%	0.35%
Global Infrastructure Fund .....	0.65	0.60	0.55
Global Opportunities Fund .....	0.85	0.80	0.75
Global Real Estate Securities Fund .....	0.85	0.80	0.75
High Yield Fund .....	0.65	0.60	0.55
International Real Estate Securities Fund .....	1.00	0.95	0.90
Multi-Sector Fixed Income Fund .....	0.55	0.50	0.45
Senior Floating Rate Fund .....	0.60	0.55	0.50

	<u>1st \$1 Billion</u>	<u>Over \$1 Billion</u>
AlphaSector <sup>SM</sup> Allocation Fund .....	0.45%**	0.40%**
AlphaSector <sup>SM</sup> Rotation Fund .....	0.45	0.40
Bond Fund <sup>†</sup> .....	0.45	0.40
Greater Asia ex Japan Opportunities Fund .....	1.00	0.95
Greater European Opportunities Fund .....	0.85	0.80
Market Neutral Fund* <sup>†</sup> .....	1.50	1.40

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For the Fund shown below the individual rate is as follows:

Alternatives Diversifier Fund ..... 0.10%

The Adviser manages the Funds' investment programs and general operations of the Funds, including oversight of the Funds' subadvisers.

\* The Adviser had voluntarily agreed to waive 0.15% of its management fee. The waiver was discontinued on March 15, 2010.

\*\* The Adviser has voluntarily agreed to waive 0.09% of its management fee associated with the Fund's fixed income portfolio.

† Effective January 1, 2010, breakpoints were added to the management fee structure.

**B. Subadviser:**

The subadvisers manage the investments of the Funds for which they are paid a fee by the Adviser. The subadvisers with respect to the Funds they serve are as follows:

<u>Fund</u>	<u>Subadviser</u>	<u>Fund</u>	<u>Subadviser</u>
AlphaSector <sup>SM</sup> Allocation Fund	F-Squared <sup>(6)</sup>	Greater European Opportunities Fund	Vontobel <sup>(5)</sup>
AlphaSector <sup>SM</sup> Rotation Fund	F-Squared <sup>(6)</sup>	High Yield Fund	SCM <sup>(4)</sup>
Bond Fund	SCM <sup>(4)</sup>	International Real Estate Securities Fund	DPIM <sup>(2)</sup>
Global Infrastructure Fund	DPIM <sup>(2)</sup>	Market Neutral Fund	TBCAM <sup>(1)</sup>
Global Opportunities Fund	Vontobel <sup>(5)</sup>	Multi-Sector Fixed Income Fund	Goodwin <sup>(3)</sup>
Global Real Estate Securities Fund	DPIM <sup>(2)</sup>	Senior Floating Rate Fund	Goodwin <sup>(3)</sup>
Greater Asia ex Japan Opportunities Fund	Vontobel <sup>(5)</sup>		

<sup>(1)</sup> Boston Company Asset Management LLC (The)

<sup>(2)</sup> Duff & Phelps Investment Management Co.\*\*

<sup>(3)</sup> Goodwin Capital Advisers, Inc.

<sup>(4)</sup> SCM Advisors\*\*

<sup>(5)</sup> Vontobel Asset Management, Inc.

<sup>(6)</sup> F-Squared Investments, Inc. ("F-Squared"). F-Squared provides VIA with a proposed asset allocation among ETFs. Final allocations and trading for the funds is conducted by VIA based on F-Squared's recommendations.

\*\*DPIM and SCM are indirect, wholly-owned subsidiaries of Virtus.

**C. Expense Limits and Fee Waivers:**

The Adviser has voluntarily agreed to limit each Fund's total operating expenses (excluding taxes and extraordinary expenses), so that such expenses do not exceed the below percentages of the average daily net asset values for the following funds. The Adviser may discontinue these voluntary expense caps at any time.

	<u>Class A</u>	<u>Class B</u>	<u>Class C</u>	<u>Class I</u>
Alternatives Diversifier Fund <sup>(2)</sup> .....	0.20%	—	0.20%	—
Bond Fund .....	0.85	1.60%	1.60	0.60%
CA Tax-Exempt Bond Fund .....	0.85	—	—	0.60
Global Opportunities Fund <sup>(4)</sup> .....	1.55	2.30	2.30	—
International Real Estate Securities Fund .....	1.50	—	2.25	1.25
Market Neutral Fund <sup>(1)</sup> .....	1.90	2.65	2.65	1.65
Senior Floating Rate Fund <sup>(3)</sup> .....	1.20	—	1.95	0.95

<sup>(1)</sup> Excluding dividends on short sales and prime brokerage expenses.

<sup>(2)</sup> Excluding 12b-1 fees and acquired fund fees and expenses.

<sup>(3)</sup> Excluding leverage expenses, if any.

<sup>(4)</sup> Effective January 1, 2010. Prior to that, there was no expense limitation.

The Adviser had contractually agreed to limit the Funds listed below total operating expenses (excluding interest, taxes, and extraordinary expenses) through March 31, 2010, so that such expenses do not exceed the following percentages of the average daily net asset values. The Adviser has voluntarily agreed to continue the expense limitations. The Adviser may discontinue these voluntary expense caps at any time.

	<u>Class A</u>	<u>Class C</u>	<u>Class I</u>
Global Real Estate Securities Fund .....	1.40%	2.15%	1.15%
Greater Asia ex Japan Opportunities Fund .....	1.80	2.55	1.55
Greater European Opportunities Fund .....	1.45	2.20	1.20

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Effective August 23, 2007, the Adviser may recapture operating expenses waived or reimbursed under this arrangement, within three fiscal years following the end of the fiscal year in which such waiver or reimbursement occurred. Each Fund must pay its ordinary operating expenses before the Adviser is entitled to any reimbursement and must remain in compliance with applicable expense limitations. All or a portion of the following Adviser reimbursed expenses may be recaptured by the fiscal year ending.

	Expiration Date			Total
	2010	2011	2012	
AlphaSector <sup>SM</sup> Allocation Fund . . . . .	\$12	\$137	\$ —	\$ 149
AlphaSector <sup>SM</sup> Rotation Fund . . . . .	29	274	—	303
Alternatives Diversifier Fund . . . . .	36	571	775	1,382
Bond Fund . . . . .	—	95	281	376
CA Tax-Exempt Bond Fund . . . . .	7	109	96	212
Global Infrastructure Fund . . . . .	8	51	13	72
Global Real Estate Securities Fund . . . . .	—	—	66	66
Greater Asia ex Japan Opportunities Fund . . . . .	—	—	51	51
Greater European Opportunities Fund . . . . .	—	—	55	55
International Real Estate Securities Fund . . . . .	—	126	57	183
Market Neutral Fund . . . . .	10	191	164	365
Senior Floating Rate Fund* . . . . .	—	61	42	103

\* Adviser is currently recapturing previously waived or reimbursed expenses. The amounts in the above table do not reflect the amounts recaptured.

**D. Distributor:**

As the distributor of each Fund's shares, VP Distributors, Inc. ("VP Distributors"), an indirect wholly-owned subsidiary of Virtus, has advised the Funds that for the six months (the "period") ended March 31, 2010, it retained Class A net commissions of \$258 and deferred sales charges of \$1; Class B deferred sales charges of \$32; and Class C deferred sales charges of \$45.

In addition, each Fund pays VP Distributors distribution and/or service fees as a percentage of the average daily net assets of each respective class at the annual rates as follows: Class A shares 0.25%<sup>(1)</sup>; Class B shares 1.00%; Class C shares 1.00%; Class I shares do not have distribution and/or service fees.

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 fee, the CDSC schedule of the original shares purchased continues to apply.

<sup>(1)</sup> The AlphaSector<sup>SM</sup> Allocation Fund, AlphaSector<sup>SM</sup> Rotation Fund and Alternatives Diversifier Funds invest in ETFs. The Funds will now bear their proportionate share of any distribution and shareholder servicing fees of the ETFs.

**E. Administration and Transfer Agent Services:**

VP Distributors serves as the Administrator to the Trust. For the period ended March 31, 2010, VP Distributors received administration fees totaling \$395 which is included in the Statement of Operations. A portion of these fees was paid to a sub-administrator for certain accounting and administration services.

VP Distributors also serves as the Trust's transfer agent. For the period ended March 31, 2010, VP Distributors received transfer agent fees totaling \$800 which is included in the Statements of Operations. A portion of these fees was paid to various outside companies for certain sub-transfer agency services.

**VIRTUS OPPORTUNITIES TRUST**  
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**F. Affiliated Shareholders:**

At March 31, 2010, Virtus and its affiliates and the retirement plans of Virtus and its affiliates held shares of the funds which may be redeemed at any time that aggregated the following:

	<u>Aggregate Shares</u>	<u>Net Asset Value</u>
AlphaSector <sup>SM</sup> Allocation Fund, Class I .....	10,730	\$ 111
AlphaSector <sup>SM</sup> Rotation Fund, Class I .....	11,008	114
Alternatives Diversifier Fund, Class C .....	10,993	107
Bond Fund, Class I .....	1,251,160	13,588
Global Real Estate Securities Fund, Class A .....	90,482	1,624
Class C .....	11,277	201
Class I .....	11,321	204
Greater Asian ex Japan Opportunities Fund, Class A .....	10	— <sup>(1)</sup>
Class C .....	10	— <sup>(1)</sup>
Class I .....	10	— <sup>(1)</sup>
Greater European Opportunities Fund, Class A .....	10	— <sup>(1)</sup>
Class C .....	10	— <sup>(1)</sup>
Class I .....	10	— <sup>(1)</sup>
International Real Estate Securities Fund, Class A .....	231,388	1,300
Class C .....	11,561	65
Class I .....	4,629,538	26,018
Market Neutral Fund, Class I .....	4,871,405	51,539
Multi-Sector Fixed Income Fund, Class I .....	10,369	109
Senior Floating Rate Fund, Class I .....	2,635,423	26,222

<sup>(1)</sup> Amount is less than \$500 (not reported in thousands).

**G. Investments in Affiliates:**  
**(\$ reported in thousands)**

A summary of the Fund of Fund's total long-term and short-term purchases and sales of the shares of the underlying Funds during the period ended March 31, 2010 is as follows:

	<u>Balance at 9/30/09</u>	<u>Purchases<sup>(1)</sup></u>	<u>Sales Proceeds</u>	<u>Balance at 3/31/10</u>	<u>Dividend Income</u>	<u>Distributions of Realized Gains</u>
<b>AlphaSector<sup>SM</sup> Allocation Fund</b>						
Bond Fund .....	\$ 8,891	\$1,606	\$ (1,065)	\$ 9,582	\$ 164	\$ 0
	<u>\$ 8,891</u>	<u>\$1,606</u>	<u>\$ (1,065)</u>	<u>\$ 9,582</u>	<u>\$ 164</u>	<u>\$ 0</u>
<b>Alternatives Diversifier Fund</b>						
Global Infrastructure Fund <sup>(2)</sup> .....	\$ 41,383	\$ 506	\$ 3,984	\$ 39,561	\$ 506	\$ 0
International Real Estate Securities Fund <sup>(2)</sup> .....	30,436	2,171	5,046	25,952	2,171	0
Market Neutral Fund <sup>(2)</sup> .....	49,991	1,175	—	51,539	—	0
Real Estate Securities Fund <sup>(2)</sup> .....	30,661	276	8,332	27,228	276	0
Senior Floating Rate Fund <sup>(2)</sup> .....	27,088	1,450	2,556	26,222	911	0
	<u>\$179,559</u>	<u>\$5,578</u>	<u>\$19,918</u>	<u>\$170,502</u>	<u>\$3,864</u>	<u>\$ 0</u>

<sup>(1)</sup> Includes reinvested dividends from income and capital gains distributions.

<sup>(2)</sup> Class A shares exchanged for Class I shares on October 5, 2009.

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
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**4. Purchases and Sales of Securities**  
**(\$ reported in thousands)**

Purchases and sales of investment securities (excluding U.S. Government securities and agency securities, forward currency contracts, futures and short-term securities) during the period ended March 31, 2010, were as follows:

	<u>Purchases</u>	<u>Sales</u>
Alpha-Sector Allocation Fund .....	\$ 9,374	\$ 9,794
Alpha-Sector Rotation Fund .....	222,711	17,563
Alternative Diversifier Fund .....	8,827	25,193
Bond Fund .....	84,696	82,964
CA Tax-Exempt Bond .....	2,509	1,751
Global Infrastructure Fund .....	11,650	10,477
Global Opportunities Fund .....	22,890	25,015
Global Real Estate Securities Fund .....	694	256
Greater Asia ex Japan Opportunities Fund .....	1,888	1,408
Greater European Opportunities Fund .....	1,150	1,070
High Yield Fund .....	42,765	43,437
International Real Estate Securities Fund .....	2,683	6,710
Market Neutral Fund .....	64,036	60,098
Multi-Sector Fixed Income Fund .....	89,131	62,655
Senior Floating Rate Fund .....	87,887	23,988
	<u>Short Sales</u>	<u>Purchases to Cover Shorts</u>
Market Neutral Fund .....	\$74,608	\$67,108

Purchases and sales of long term U.S. Government and agency securities for the Funds during the period ended March 31, 2010, were as follows:

	<u>Purchases</u>	<u>Sales</u>
Bond Fund .....	\$70,965	\$98,349
Multi-Sector Fixed Income Fund .....	1,246	3,270

**VIRTUS OPPORTUNITIES TRUST**  
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**5. Capital Share Transactions**  
**(reported in thousands)**

Transactions in shares of capital stock, during the periods ended as indicated below, were as follows:

	SHARES	AMOUNT	SHARES	AMOUNT
	Six Months Ended March 31, 2010 (Unaudited)		Year Ended September 30, 2009	
<b>AlphaSector<sup>SM</sup> Allocation Fund</b>				
<b>Class A</b>				
Sale of shares	349	\$ 3,438	248	\$ 2,071
Reinvestment of distributions	12	123	71	582
Shares repurchased	(393)	(3,858)	(720)	(6,070)
Net increase/(decrease)	<u>(32)</u>	<u>\$ (297)</u>	<u>(401)</u>	<u>\$ (3,417)</u>
<b>Class C</b>				
Sale of shares	146	\$ 1,460	94	\$ 772
Reinvestment of distributions	5	54	27	220
Shares repurchased	(179)	(1,777)	(616)	(5,104)
Net increase/(decrease)	<u>(28)</u>	<u>\$ (263)</u>	<u>(495)</u>	<u>\$ (4,112)</u>
<b>Class I<sup>(2)</sup></b>				
Sale of shares	73	\$ 732	—	\$ —
Reinvestment of distributions	— <sup>(1)</sup>	1	—	—
Shares repurchased	(5)	(49)	—	—
Net increase/(decrease)	<u>68</u>	<u>\$ 684</u>	<u>—</u>	<u>\$ —</u>
<b>AlphaSector<sup>SM</sup> Rotation Fund</b>				
<b>Class A</b>				
Sale of shares	12,535	\$ 124,150	336	\$ 2,733
Reinvestment of distributions	21	212	132	1,049
Plan of Reorganization (See Note 11)	—	—	673	4,920
Shares repurchased	(1,427)	(13,902)	(1,267)	(10,433)
Net increase/(decrease)	<u>11,129</u>	<u>\$ 110,460</u>	<u>(126)</u>	<u>\$ (1,731)</u>
<b>Class C</b>				
Sale of shares	6,198	\$ 60,844	291	\$ 2,307
Reinvestment of distributions	5	54	63	495
Plan of Reorganization (See Note 11)	— <sup>(1)</sup>	— <sup>(1)</sup>	326	2,368
Shares repurchased	(834)	(8,063)	(1,421)	(11,463)
Net increase/(decrease)	<u>5,369</u>	<u>\$ 52,835</u>	<u>(741)</u>	<u>\$ (6,293)</u>
<b>Class I<sup>(2)</sup></b>				
Sale of shares	5,138	\$ 50,539	—	\$ —
Reinvestment of distributions	— <sup>(1)</sup>	1	—	—
Shares repurchased	(128)	(1,257)	—	—
Net increase/(decrease)	<u>5,010</u>	<u>\$ 49,283</u>	<u>—</u>	<u>\$ —</u>

<sup>(1)</sup> Amount less than 500.

<sup>(2)</sup> Inception date for Class I is October 1, 2009.

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	SHARES	AMOUNT	SHARES	AMOUNT
	Six Months Ended March 31, 2010 (Unaudited)		Year Ended September 30, 2009	
<b>Alternatives Diversifier Fund</b>				
<b>Class A</b>				
Sale of shares	3,034	\$ 29,294	9,545	\$ 79,842
Reinvestment of distributions	246	2,402	208	1,695
Shares repurchased	(7,490)	(71,717)	(17,177)	(140,477)
Net increase/(decrease)	<u>(4,210)</u>	<u>\$ (40,021)</u>	<u>(7,424)</u>	<u>\$ (58,940)</u>
<b>Class C</b>				
Sale of shares	996	\$ 9,500	2,585	\$ 21,666
Reinvestment of distributions	93	899	40	318
Shares repurchased	(2,068)	(19,698)	(4,935)	(40,060)
Net increase/(decrease)	<u>(979)</u>	<u>\$ (9,299)</u>	<u>(2,310)</u>	<u>\$ (18,076)</u>
<b>Class I<sup>(2)</sup></b>				
Sale of shares	4,224	\$ 40,278	—	\$ —
Reinvestment of distributions	— <sup>(1)</sup>	3	—	—
Shares repurchased	(618)	(5,955)	—	—
Net increase/(decrease)	<u>3,606</u>	<u>\$ 34,326</u>	<u>—</u>	<u>\$ —</u>
<b>Bond Fund</b>				
<b>Class A</b>				
Sale of shares	226	\$ 2,405	799	\$ 7,932
Reinvestment of distributions	93	990	136	1,365
Plan of Reorganization (See Note 11)	—	—	5,242	52,917
Shares repurchased	(462)	(4,929)	(2,352)	(23,986)
Net increase/(decrease)	<u>(143)</u>	<u>\$ (1,534)</u>	<u>3,825</u>	<u>\$ 38,228</u>
<b>Class B</b>				
Sale of shares	11	\$ 110	105	\$ 1,008
Reinvestment of distributions	4	42	8	79
Plan of Reorganization (See Note 11)	—	—	95	940
Shares repurchased	(105)	(1,092)	(227)	(2,224)
Net increase/(decrease)	<u>(90)</u>	<u>\$ (940)</u>	<u>(19)</u>	<u>\$ (197)</u>
<b>Class C</b>				
Sale of shares	75	\$ 787	463	\$ 4,507
Reinvestment of distributions	10	102	14	137
Plan of Reorganization (See Note 11)	—	—	201	1,994
Shares repurchased	(151)	(1,575)	(199)	(1,924)
Net increase/(decrease)	<u>(66)</u>	<u>\$ (686)</u>	<u>479</u>	<u>\$ 4,714</u>
<b>Class I</b>				
Sale of shares	460	\$ 4,964	1,802	\$ 18,627
Reinvestment of distributions	263	2,833	533	5,339
Shares repurchased	(3,309)	(35,965)	(3,159)	(31,317)
Net increase/(decrease)	<u>(2,586)</u>	<u>\$ (28,168)</u>	<u>(824)</u>	<u>\$ (7,351)</u>

<sup>(1)</sup> Amount less than 500.

<sup>(2)</sup> Inception date for Class I is October 1, 2009.

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	SHARES	AMOUNT	SHARES	AMOUNT
	Six Months Ended March 31, 2010 (Unaudited)		Year Ended September 30, 2009	
<b>CA Tax-Exempt Bond Fund</b>				
<b>Class A</b>				
Sale of shares	4	\$ 43	84	\$ 955
Reinvestment of distributions	31	367	69	792
Shares repurchased	(113)	(1,354)	(403)	(4,624)
Net increase/(decrease)	(78)	\$ (944)	(250)	\$ (2,877)
<b>Class I</b>				
Sale of shares	152	\$ 1,822	417	\$ 4,764
Reinvestment of distributions	14	165	32	363
Shares repurchased	(68)	(818)	(807)	(9,208)
Net increase/(decrease)	98	\$ 1,169	(358)	\$ (4,081)
<b>Global Infrastructure Fund</b>				
<b>Class A</b>				
Sale of shares	1,014	\$ 10,399	3,481	\$ 30,659
Reinvestment of distributions	39	412	275	2,518
Shares repurchased	(4,999)	(49,008)	(2,961)	(26,968)
Net increase/(decrease)	(3,946)	\$ (38,197)	795	\$ 6,209
<b>Class C</b>				
Sale of shares	157	\$ 1,609	547	\$ 4,742
Reinvestment of distributions	3	31	8	74
Shares repurchased	(52)	(536)	(103)	(967)
Net increase/(decrease)	108	\$ 1,104	452	\$ 3,849
<b>Class I</b>				
Sale of shares	4,317	\$ 42,019	36	\$ 317
Reinvestment of distributions	49	514	1	9
Shares repurchased	(405)	(4,186)	(10)	(88)
Net increase/(decrease)	3,961	\$ 38,347	27	\$ 238
<b>Global Opportunities Fund</b>				
<b>Class A</b>				
Sale of shares	359	\$ 2,518	253	\$ 1,470
Reinvestment of distributions	78	547	110	642
Shares repurchased	(605)	(4,224)	(1,652)	(9,786)
Net increase/(decrease)	(168)	\$ (1,159)	(1,289)	\$ (7,674)
<b>Class B</b>				
Sale of shares	12	\$ 72	59	\$ 314
Reinvestment of distributions	2	10	3	15
Shares repurchased	(44)	(275)	(170)	(901)
Net increase/(decrease)	(30)	\$ (193)	(108)	\$ (572)
<b>Class C</b>				
Sale of shares	14	\$ 87	20	\$ 103
Reinvestment of distributions	1	5	1	7
Shares repurchased	(8)	(53)	(55)	(273)
Net increase/(decrease)	7	\$ 39	(34)	\$ (163)

**VIRTUS OPPORTUNITIES TRUST**  
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**March 31, 2010**

	SHARES	AMOUNT	SHARES	AMOUNT
	Six Months Ended March 31, 2010 (Unaudited)		From Inception March 2, 2009 to September 30, 2009	
<b>Global Real Estate Securities Fund</b>				
<b>Class A</b>				
Sale of shares	4	\$ 78	87	\$ 906
Reinvestment of distributions	11	192	—	—
Shares repurchased	(2)	(41)	— <sup>(1)</sup>	(7)
Net increase/(decrease)	<u>13</u>	<u>\$ 229</u>	<u>87</u>	<u>\$ 899</u>
<b>Class C</b>				
Sale of shares	1	\$ 12	11	\$ 109
Reinvestment of distributions	1	23	—	—
Shares repurchased	— <sup>(1)</sup>	— <sup>(1)</sup>	—	—
Net increase/(decrease)	<u>2</u>	<u>\$ 35</u>	<u>11</u>	<u>\$ 109</u>
<b>Class I</b>				
Sale of shares	24	\$ 445	10	\$ 104
Reinvestment of distributions	4	62	—	—
Shares repurchased	(3)	(52)	— <sup>(1)</sup>	(4)
Net increase/(decrease)	<u>25</u>	<u>\$ 455</u>	<u>10</u>	<u>\$ 100</u>
From Inception April 21, 2009 to September 30, 2009				
<b>Greater Asia ex Japan Opportunities Fund</b>				
<b>Class A</b>				
Sale of shares	48	\$ 643	496	\$ 4,977
Reinvestment of distributions	17	229	—	—
Shares repurchased	(10)	(134)	(1)	(13)
Net increase/(decrease)	<u>55</u>	<u>\$ 738</u>	<u>495</u>	<u>\$ 4,964</u>
<b>Class C</b>				
Sale of shares	2	\$ 25	10	\$ 100
Reinvestment of distributions	— <sup>(1)</sup>	4	—	—
Net increase/(decrease)	<u>2</u>	<u>\$ 29</u>	<u>10</u>	<u>\$ 100</u>
<b>Class I</b>				
Sale of shares	—	\$ —	10	\$ 100
Reinvestment of distributions	— <sup>(1)</sup>	5	—	—
Net increase/(decrease)	<u>—<sup>(1)</sup></u>	<u>\$ 5</u>	<u>10</u>	<u>\$ 100</u>
<b>Greater European Opportunities Fund</b>				
<b>Class A</b>				
Sale of shares	17	\$ 217	481	\$ 4,809
Reinvestment of distributions	21	277	—	—
Shares repurchased	— <sup>(1)</sup>	— <sup>(1)</sup>	—	—
Net increase/(decrease)	<u>38</u>	<u>\$ 494</u>	<u>481</u>	<u>\$ 4,809</u>
<b>Class C</b>				
Sale of shares	—	\$ —	15	\$ 159
Reinvestment of distributions	1	8	—	—
Shares repurchased	(5)	(66)	— <sup>(1)</sup>	— <sup>(1)</sup>
Net increase/(decrease)	<u>(4)</u>	<u>\$ (58)</u>	<u>15</u>	<u>\$ 159</u>
<b>Class I</b>				
Sale of shares	—	\$ —	10	\$ 100
Reinvestment of distributions	— <sup>(1)</sup>	6	—	—
Shares repurchased	— <sup>(1)</sup>	— <sup>(1)</sup>	—	—
Net increase/(decrease)	<u>—<sup>(1)</sup></u>	<u>\$ 6</u>	<u>10</u>	<u>\$ 100</u>

<sup>(1)</sup> Amount less than 500.

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**March 31, 2010**

	SHARES	AMOUNT	SHARES	AMOUNT
	Six Months Ended March 31, 2010 (Unaudited)		Year Ended September 30, 2009	
<b>High Yield Fund</b>				
<b>Class A</b>				
Sale of shares	586	\$ 2,323	2,754	\$ 9,302
Reinvestment of distributions	600	2,376	1,398	4,860
Shares repurchased	(2,511)	(9,957)	(4,232)	(14,686)
Net increase/(decrease)	<u>(1,325)</u>	<u>\$ (5,258)</u>	<u>(80)</u>	<u>\$ (524)</u>
<b>Class B</b>				
Sale of shares	12	\$ 45	49	\$ 177
Reinvestment of distributions	5	19	14	48
Shares repurchased	(85)	(331)	(145)	(496)
Net increase/(decrease)	<u>(68)</u>	<u>\$ (267)</u>	<u>(82)</u>	<u>\$ (271)</u>
<b>Class C</b>				
Sale of shares	103	\$ 406	160	\$ 564
Reinvestment of distributions	9	35	17	59
Shares repurchased	(31)	(122)	(137)	(468)
Net increase/(decrease)	<u>81</u>	<u>\$ 319</u>	<u>40</u>	<u>\$ 155</u>
<b>International Real Estate Securities Fund</b>				
<b>Class A</b>				
Sale of shares	35	\$ 209	1,367	\$ 5,970
Reinvestment of distributions	27	145	420	1,993
Shares repurchased	(5,087)	(29,406)	(5,485)	(24,623)
Net increase/(decrease)	<u>(5,025)</u>	<u>\$ (29,052)</u>	<u>(3,698)</u>	<u>\$ (16,660)</u>
<b>Class C</b>				
Sale of shares	8	\$ 47	92	\$ 428
Reinvestment of distributions	5	29	3	13
Shares repurchased	(2)	(10)	(47)	(229)
Net increase/(decrease)	<u>11</u>	<u>\$ 66</u>	<u>48</u>	<u>\$ 212</u>
<b>Class I</b>				
Sale of shares	4,884	\$ 28,180	1	\$ 5
Reinvestment of distributions	407	2,177	1	3
Shares repurchased	(667)	(3,871)	—	—
Net increase/(decrease)	<u>4,624</u>	<u>\$ 26,486</u>	<u>2</u>	<u>\$ 8</u>
<b>Market Neutral Fund</b>				
<b>Class A</b>				
Sale of shares	660	\$ 6,975	3,947	\$ 40,379
Reinvestment of distributions	—	—	—	—
Shares repurchased	(6,124)	(64,404)	(8,995)	(90,427)
Net increase/(decrease)	<u>(5,464)</u>	<u>\$ (57,429)</u>	<u>(5,048)</u>	<u>\$ (50,048)</u>
<b>Class B</b>				
Sale of shares	3	\$ 27	31	\$ 302
Shares repurchased	(49)	(488)	(65)	(638)
Net increase/(decrease)	<u>(46)</u>	<u>\$ (461)</u>	<u>(34)</u>	<u>\$ (336)</u>
<b>Class C</b>				
Sale of shares	54	\$ 537	137	\$ 1,345
Shares repurchased	(59)	(590)	(223)	(2,138)
Net increase/(decrease)	<u>(5)</u>	<u>\$ (53)</u>	<u>(86)</u>	<u>\$ (793)</u>

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**March 31, 2010**

	SHARES	AMOUNT	SHARES	AMOUNT
	Six Months Ended March 31, 2010 (Unaudited)		Year Ended September 30, 2009	
<b>Market Neutral Fund (Continued)</b>				
<b>Class I<sup>(2)</sup></b>				
Sale of shares	6,960	\$ 73,213	—	\$ —
Shares repurchased	(97)	(1,019)	—	—
Net increase/(decrease)	<u>6,863</u>	<u>\$ 72,194</u>	<u>—</u>	<u>\$ —</u>
<b>Multi-Sector Fixed Income Fund</b>				
<b>Class A</b>				
Sale of shares	2,439	\$ 24,881	5,597	\$ 49,548
Reinvestment of distributions	246	2,519	514	4,358
Shares repurchased	(3,409)	(34,436)	(3,479)	(28,620)
Net increase/(decrease)	<u>(724)</u>	<u>\$ (7,036)</u>	<u>2,632</u>	<u>\$ 25,286</u>
<b>Class B</b>				
Sale of shares	74	\$ 741	258	\$ 2,120
Reinvestment of distributions	19	199	54	453
Shares repurchased	(86)	(877)	(276)	(2,404)
Net increase/(decrease)	<u>7</u>	<u>\$ 63</u>	<u>36</u>	<u>\$ 169</u>
<b>Class C</b>				
Sale of shares	1,477	\$ 15,179	3,161	\$ 27,293
Reinvestment of distributions	59	605	96	830
Shares repurchased	(459)	(4,706)	(942)	(8,159)
Net increase/(decrease)	<u>1,077</u>	<u>\$ 11,078</u>	<u>2,315</u>	<u>\$ 19,964</u>
<b>Class I<sup>(2)</sup></b>				
Sale of shares	2,742	\$ 27,596	—	\$ —
Reinvestment of distributions	— <sup>(1)</sup>	3	—	—
Shares repurchased	(650)	(6,599)	—	—
Net increase/(decrease)	<u>2,092</u>	<u>\$ 21,000</u>	<u>—</u>	<u>\$ —</u>
<b>Senior Floating Rate Fund</b>				
<b>Class A</b>				
Sale of shares	6,727	\$ 65,719	3,998	\$ 34,119
Reinvestment of distributions	133	1,298	205	1,836
Shares repurchased	(3,961)	(39,060)	(357)	(3,248)
Net increase/(decrease)	<u>2,899</u>	<u>\$ 27,957</u>	<u>3,846</u>	<u>\$ 32,707</u>
<b>Class C</b>				
Sale of shares	1,194	\$ 11,740	249	\$ 2,289
Reinvestment of distributions	21	204	4	38
Shares repurchased	(21)	(208)	(13)	(115)
Net increase/(decrease)	<u>1,194</u>	<u>\$ 11,736</u>	<u>240</u>	<u>\$ 2,212</u>
<b>Class I</b>				
Sale of shares	3,030	\$ 29,792	40	\$ 365
Reinvestment of distributions	151	1,475	2	18
Shares repurchased	(261)	(2,561)	(27)	(246)
Net increase/(decrease)	<u>2,920</u>	<u>\$ 28,706</u>	<u>15</u>	<u>\$ 137</u>

<sup>(1)</sup> Amount less than 500.

<sup>(2)</sup> Inception date for Class I is October 1, 2009.

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**March 31, 2010**  
**(Unaudited)**

**6. 10% Shareholders**

As of March 31, 2010, certain Funds 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.

	<u>% of Shares Outstanding</u>	<u>Number of Accounts</u>
AlphaSector <sup>SM</sup> Allocation Fund .....	20%	1
AlphaSector <sup>SM</sup> Rotation Fund .....	10	1
Alternatives Diversifier Fund .....	13	1
Bond Fund .....	35	2
CA Tax-Exempt Bond Fund .....	31	2
Global Infrastructure Fund .....	45	1
Global Real Estate Securities Fund .....	76	2*
Greater Asia ex Japan Opportunities Fund ...	87	1
Greater European Opportunities Fund .....	93	1
International Real Estate Securities Fund ....	91	1*
Market Neutral Fund .....	76	2*
Multi-Sector Fixed Income Fund .....	10	1
Senior Floating Rate Fund .....	63	4*

\* Includes affiliated shareholder accounts.

The Alternatives Diversifier Fund does not invest in the underlying funds for the purpose of exercising management or control; however, investments made by the Fund within each of its principal investment strategies may represent a significant portion of an underlying fund's net assets. At March 31, 2010, the Fund was the owner of record of approximately 91% of the International Real Estate Securities Fund, 54% of the Market Neutral Fund, 45% of the Global Infrastructure Fund, and 21% of the Senior Floating Rate Fund.

**7. Illiquid and Restricted Securities  
(\$ reported in thousands)**

Investments shall be considered illiquid if they cannot be disposed of within seven days in the ordinary course of business at the approximate amount at which such securities have been valued by the Fund. Additionally, the following information is also considered in determining liquidity: the frequency of trades and quotes for the investment, whether the investment is listed for trading on a recognized domestic exchange and/or whether two or more brokers are willing to purchase or sell the security at a comparable price, the extent of market making activity in the investment and the nature of the market for investment. Illiquid securities are footnoted as such at the end of each Fund's Schedule of Investments where applicable.

Restricted securities are illiquid securities, as defined above, not registered under the Securities Act of 1933. Generally, 144A securities are excluded from this category, except where defined as illiquid.

At March 31, 2010, the Funds held the following illiquid and restricted securities:

	<u>Acquisition Date</u>	<u>Acquisition Cost</u>	<u>Market Value at 3/31/10</u>	<u>% of Net Assets at 3/31/10</u>
<u>Bond Fund</u>				
DLJ Mortgage Acceptance Corp. 96-M, 1 (Principal Only) 144A 0.000%, 9/18/11 .....	4/28/04	\$ 2	\$ 2	0.0%
<u>High Yield Fund</u>				
Poland Telecom Finance BV Series B 14%, 12/1/07 .....	11/24/97	5,000	62	0.0%
ACG Holdings, Inc. ....	12/4/93	358	0	0.0%
<u>Market Neutral Fund</u>				
Telefonica Moviles S.A. ....	12/20/01	0	0	0.0%

The Funds will bear any costs, including those involved in registration under the Securities Act of 1933, in connection with the disposition of such securities.

**8. Credit Risk and Asset Concentration**

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.

High yield/high risk securities typically entail greater price volatility and/or principal and interest rate risk. There is a greater chance that an issuer will not be able to make principal and interest payments on time. Analysis of the creditworthiness of issuers of high yield securities may be complex, and as a result, it may be more difficult for the adviser and/or subadviser to accurately predict risk.

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**March 31, 2010**  
**(Unaudited)**

Since the Market Neutral Fund does not clear its own short selling transactions, it has established accounts with its broker for this purpose. This results in concentration of credit risk with the brokerage firm. Such risk, however, is mitigated by the broker's obligation to comply with rules and regulations governing their business activities. These rules and regulations generally require maintenance of net capital and segregation of customer's funds and securities from holdings of the firm. In the event that the clearing broker becomes insolvent, recovery of segregated funds may be limited to a pro rata share of all customer-segregated funds available. In such an instance, the Fund could incur losses to the extent that the recovery amount is less than the total cash and other securities deposited with the clearing broker.

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

At March 31, 2010, certain Funds held securities issued by various companies in specific sectors or countries as detailed below:

Fund	Sector	Percentage of Total Investments
Global Infrastructure Fund	Telecommunication Services	31%
	Utilities	30
Global Opportunities Fund	Consumer Staples	40
Greater European Opportunities Fund	Consumer Staples	35

#### 9. Indemnifications

Under the Funds' organizational documents, their trustees and officers are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, the Funds enter into contracts that contain a variety of indemnifications. The Funds' maximum exposure under these arrangements is unknown. However, the Funds have not had prior claims or losses pursuant to these arrangements.

#### 10. Regulatory Exams

Federal and state regulatory authorities from time to time make inquiries and conduct examinations regarding compliance by Virtus 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.

#### 11. Plans of Reorganization

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

On May 29, 2009, the Bond Fund acquired all of the net assets of the Virtus Core Bond Fund ("Core Bond Fund") of the Virtus Opportunities Trust pursuant to an Agreement and Plan of Reorganization approved by the Core Bond Fund's Board of Trustees on February 25, 2009. The acquisition was accomplished by a tax-free exchange of 5,242 Class A shares, 95 Class B shares, and 201 Class C shares of the Bond Fund outstanding on May 29, 2009, (valued at \$52,917, \$940 and \$1,994, respectively) for 6,851 Class A shares, 123 Class B shares, and 259 Class C shares of the Core Bond Fund outstanding on May 29, 2009. The Core Bond Fund had net assets on that date of \$55,851 including \$3,274 of net depreciation, which were combined with those of the Bond Fund. The aggregate net assets of Bond Fund immediately after the merger were \$221,885 (which included Class I net assets of \$131,924 which were not included in the exchange). The shareholders of each Class of the Core Bond Fund received for each share owned approximately 0.76, 0.77 and 0.78 share, respectively, of Class A, Class B, and Class C shares of the Bond Fund.

On November 21, 2008, the AlphaSector<sup>SM</sup> Rotation Fund (formerly the Wealth Builder Fund) acquired all of the net assets of the Virtus Wealth Accumulator Fund ("Wealth Accumulator Fund") pursuant to an Agreement and Plan of Reorganization approved by the Board of Trustees of the Virtus Opportunities Trust on August 20, 2008. The acquisition was accomplished by a tax-free exchange of 673 Class A shares and 326 Class C shares of the AlphaSector<sup>SM</sup> Rotation Fund outstanding on November 21, 2008 (valued at \$4,920 and \$2,368, respectively) for 773 Class A shares and 376 Class C shares of the Wealth Accumulator Fund outstanding on November 21, 2008. The Wealth Accumulator Fund had net assets on that date of \$7,288 including \$5,266 of net depreciation, which were combined with those of the Fund. The aggregate net assets of the Fund immediately after the merger were \$70,731. The shareholders of the Wealth Accumulator Fund received for each share owned approximately 0.87 and 0.87, respectively, of Class A and Class C shares of the same class of the AlphaSector<sup>SM</sup> Rotation Fund.

#### 12. Exemptive Order

On June 5, 2006, the SEC issued an order under Section 12(d) (1) (J) of the Investment Company Act ("1940 Act") granting an exemption from Sections 12(d) (1) (A) and (B) of the 1940 Act and under Sections 6(c) and 17(b) of the 1940 Act granting an exemption from Section 17(a) of the 1940 Act, which permits the Trust to invest in other affiliated and unaffiliated funds, including exchange-traded funds.

**VIRTUS OPPORTUNITIES TRUST**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**March 31, 2010**  
**(Unaudited)**

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

At March 31, 2010, federal tax cost and aggregate gross unrealized appreciation (depreciation) of securities held by the funds were as follows:

Fund	Federal Tax Cost	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation (Depreciation)
AlphaSector <sup>SM</sup> Allocation Fund	\$ 36,218	\$ 2,827	\$ (163)	\$ 2,664
AlphaSector <sup>SM</sup> Rotation Fund	287,451	16,572	(702)	15,870
Alternatives Diversifier Fund	277,871	36,040	(51,714)	(15,674)
Bond Fund	186,980	8,739	(996)	7,743
CA Tax-Exempt Bond Fund	56,675	2,830	(1,716)	1,114
Global Infrastructure Fund	88,236	6,053	(6,285)	(232)
Global Opportunities Fund	48,470	12,302	(60)	12,242
Global Real Estate Securities Fund	1,870	913	(149)	764
Greater Asia ex Japan Opportunities Fund	6,230	1,958	(40)	1,918
Greater European Opportunities Fund	5,595	1,518	(46)	1,471
High Yield Fund	90,112	5,967	(5,434)	533
International Real Estate Securities Fund	31,050	4,518	(7,307)	(2,789)
Market Neutral Fund (Long positions)	79,812	17,519	(3,545)	13,974
Market Neutral Fund (Short positions)	(83,885)	2,135	(10,431)	(8,296)
Multi-Sector Fixed Income Fund	201,673	15,022	(4,660)	10,362
Senior Floating Rate Fund	135,751	6,463	(420)	6,043

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

	Expiration Year								Total
	2010	2011	2012	2013	2014	2015	2016	2017	
AlphaSector <sup>SM</sup> Allocation Fund	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 402	\$ 402
AlphaSector <sup>SM</sup> Rotation Fund	—	—	—	—	—	—	223	687	910
Alternatives Diversifier Fund	—	—	—	—	—	443	1,961	2,258	4,662
Bond Fund	—	6,017	274	6,243	41	4,355	1,080	3,798	21,808
Global Infrastructure Fund	—	—	—	—	—	—	—	1,264	1,264
Global Opportunities Fund	—	—	—	—	—	—	—	8,384	8,384
High Yield Fund	70,135	21,887	—	—	143	—	—	17,034	109,199
International Real Estate Securities Fund	—	—	—	—	—	—	—	231	231
Market Neutral Fund	—	9,854	—	—	7,527	6,744	24	—	24,149
Multi-Sector Fixed Income Fund	13,774	—	—	—	—	—	—	1,960	15,734

The Trust may not realize the benefit of these losses to the extent each Fund does not realize gains on investments prior to the expiration of the capital loss carryovers.

**14. Recent Accounting Pronouncements**

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06 "Improving Disclosures about Fair Value Measurements." ASU 2010-06 amends FASB Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures, to require additional disclosures regarding fair value measurements. Certain disclosures required by ASU No. 2010-06 are effective for interim and annual reporting periods beginning after December 15, 2009, and other required disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. Management is currently evaluating the impact ASU No. 2010-06 will have on its financial statement disclosures.

**15. Subsequent Event Evaluations**

Management has evaluated the impact of all subsequent events on the Funds through the date the financial statements were available for issuance, and has determined that the following subsequent event requires recognition or disclosure in the financial statements.

On April 14, 2010, the Board of Trustees approved an increase in the rate of fees paid to VP Distributors in its role as administrator and transfer agent to the Trust with immediate effect.

# CONSIDERATION OF ADVISORY AND SUB-ADVISORY AGREEMENTS BY THE BOARD OF TRUSTEES

The Board of Trustees of the Trust, along with the Boards of Trustees of the other trusts in the Virtus Mutual Funds family of funds (collectively, the “Board”), are responsible for determining whether to approve the establishment and continuation of each investment advisory and sub-advisory agreement (each, an “Agreement”) applicable to the Virtus Mutual Funds (collectively, the “Funds”). At meetings held on November 17-19, 2009, the Board, including a majority of the independent Trustees, considered and approved the continuation of each Agreement, as further discussed below. In approving each Agreement, the Board determined that the continued retention of the applicable adviser or subadviser was in the best interests of the Funds and their shareholders. The Trustees considered each Fund separately, though they also collectively took into account those interests that all the Funds had in common.

In reaching their decisions, the Board considered information furnished throughout the year at regular Board meetings as well as information prepared specifically in connection with the annual review process. During the review process, the Board received assistance and advice from, and met separately with, independent legal counsel. The Board’s determination contemplated a number of factors that the Trustees believed, in light of the legal advice furnished to them as well as their own business judgment, to be relevant. Some of the factors that the Board considered are described below, although the Trustees did not identify any particular information or factor as controlling but instead considered the Agreements in the totality of the circumstances. Each individual Trustee may have evaluated the information presented differently, giving different weights to different factors.

## **Nature, Extent and Quality of Services**

The majority of the Funds<sup>1</sup> are managed using a “manager of managers” structure that generally involves the use of one or more subadvisers to manage some or all of a Fund’s portfolio. Under this structure, Virtus Investment Advisers, Inc. (“VIA”) is responsible for evaluating and selecting subadvisers on an ongoing basis and making any recommendations to the Board regarding hiring, retaining or replacing subadvisers. In considering the Agreement with VIA, therefore, the Trustees considered VIA’s process for supervising and managing the Funds’ subadvisers, including (a) VIA’s ability to select and monitor the subadvisers; (b) VIA’s ability to provide the services necessary to monitor the subadvisers’ compliance with the Funds’ respective investment objectives, policies and restrictions as well as provide other oversight activities; and (c) VIA’s ability and willingness to identify instances in which a subadviser should be replaced and to carry out the required changes. The Trustees also considered: (d) the experience, capability and integrity of VIA’s management and other personnel; (e) the financial position of VIA; (f) the quality of VIA’s own regulatory and legal compliance policies, procedures and systems; (g) the nature, extent and quality of administrative and other services provided by VIA to the Funds; and (h) VIA’s supervision of the Funds’ other service providers. Finally, the Board also noted the extent of benefits that are provided to Fund shareholders as a result of being part of the family of Virtus Mutual Funds, including the right to exchange investments between Funds within the same class without a sales charge, the ability to reinvest Fund dividends into other Funds and the right to combine holdings in other Funds to obtain a reduced sales charge.

With respect to the sub-advisory Agreements, the Board noted that each full-service subadviser<sup>2</sup> provided portfolio management, compliance with the respective Fund’s investment policies and procedures, compliance with applicable securities laws and assurances thereof. In considering the renewal of the sub-advisory Agreements, therefore, the Board considered each subadviser’s investment management process, including (a) the experience, capability and integrity of the subadviser’s management and other personnel committed by the subadviser to its respective Fund(s); (b) the financial position of the subadviser; (c) the quality and commitment of the subadviser’s regulatory and legal compliance policies, procedures and systems; and (d) the subadviser’s brokerage and trading practices.

After considering all of the information provided to them, the Trustees concluded that the nature, extent and quality of the services provided by VIA and each subadviser were reasonable and beneficial to the Funds and their shareholders.

## **Investment Performance**

The Board placed significant emphasis on its consideration of the investment performance of the Funds, in view of its importance to shareholders, and evaluated Fund performance in the context of the special considerations that a manager-of-managers structure requires. The Board also considered that VIA continued to be proactive in seeking to replace and/or add subadvisers as necessary, with a view toward improving Fund performance over the long term.

While consideration was given to performance reports and discussions at Board meetings throughout the year, particular attention in assessing such performance was given to a report (the “Lipper Report”) for the Funds prepared by Lipper Inc. (“Lipper”) and furnished specifically for the contract renewal process. (Lipper is an independent provider of investment company data retained by the Funds for this purpose.) The Lipper Report presented each Fund’s short-term and long-term performance relative to a peer group of other mutual funds and relevant benchmarks, as selected by Lipper. The Board considered the composition of each peer group, selection criteria and the appropriateness of the benchmark used for each Fund. The Board also assessed each Fund’s performance in the context of its review of the fees and expenses of each Fund as well as VIA’s profitability.

The Board noted that while many of the Funds had generally performed in line with their respective benchmarks and peer groups during the periods measured, some of the Funds had underperformed in comparison with their respective benchmarks and/or peer groups. Where significant, the Board extensively considered the performance of the underperforming Funds and the reasons for the performance issues. The Board discussed the possible reasons for the underperformance with VIA, and spoke with representatives from VIA regarding plans to monitor and address performance issues during the coming year.

The Board ultimately determined, within the context of all of its considerations in connection with the Agreements, that the Funds’ overall investment performance was reasonable, and concluded that VIA’s and each subadviser’s performance record and process in managing the Funds merited approval of the continuation of the Agreements. However, the Board noted that certain Funds’

<sup>1</sup> During the period being reported, the only Funds that did not employ a manager of managers structure were Virtus Growth & Income Fund, which is a series of Virtus Equity Trust; and Virtus Alternatives Diversifier Fund and Virtus CA Tax-Exempt Bond Fund, each of which is a series of Virtus Opportunities Trust. VIA acted as the adviser for these Funds without employing a subadviser, and the Board considered the VIA Agreement with respect to these Funds in that context.

<sup>2</sup> F-Squared Investments, Inc. is the sub-adviser to Virtus AlphaSector<sup>SM</sup> Allocation Fund and Virtus AlphaSector<sup>SM</sup> Rotation Fund but provides limited services in this role. The Board considered both the VIA Agreement and the applicable sub-advisory Agreement in this context.

## CONSIDERATION OF ADVISORY AND SUB-ADVISORY AGREEMENTS BY THE BOARD OF TRUSTEES (Continued)

performance would continue to be closely monitored and it expected that if performance over a longer period of time did not improve the adviser would recommend that the subadviser be replaced in a timely manner.

### **Profitability**

The Board also considered the level of profits realized by VIA and its affiliates in connection with the operation of the Funds. In this regard, the Board reviewed the analysis presented regarding the overall profitability of VIA for its management of the Virtus Mutual Funds, as well as its profits and those of its affiliates for managing and providing other services to each Fund. In addition to the fees paid to VIA and its affiliates, the Trustees considered any other benefits derived by VIA or its affiliates from their relationship with the Funds. Specific attention was paid to the methodology used to allocate costs to each Fund, in recognition of the fact that allocation methodologies are inherently subjective and various allocation methodologies may each be reasonable while producing different results. In this regard, the Board noted that the allocations appeared reasonable, and concluded that the profitability to VIA from each Fund was reasonable in light of the quality of all services rendered to the Funds by VIA and its affiliates.

The Board did not separately review profitability information for each subadviser, noting that the sub-advisory fees are paid by VIA rather than the Funds, so that Fund shareholders are not directly impacted by those fees.

### **Management Fees and Total Expenses**

In evaluating the management fees and total expenses of each Fund, the Board reviewed information provided by VIA and comparisons to other funds in each Fund's peer group as presented in the Lipper Report. The Board noted that certain Funds had higher gross expenses when expressed as a percentage of net assets than those of such Funds' larger peers, which the Trustees considered in the context of these Funds' expectations for future growth. In

addition, the Board noted that as part of the contract renewal process, it had voted for the advisory fees for certain of the Funds to be changed from flat fees to fees containing breakpoints and that such changes would reduce the fees paid by the Funds to VIA.<sup>3</sup> It was noted by the Board that Fund Management had represented that with respect to such fee changes, VIA would not reduce the quality or quantity of its services, and that its obligations would remain the same in all respects. Finally, the Board also noted that several of the Funds had fee waivers and/or expense caps in place to limit the total expenses incurred by the Funds and their shareholders. Based upon the information presented by VIA and Lipper, the Trustees then determined, in the exercise of their business judgment, that the management fees charged by VIA and the total expenses of the Funds were reasonable, both on an absolute basis and in comparison with the fees and expenses of other funds in each Fund's peer group and the industry at large.

The Board did not receive comparative fee information relating specifically to sub-advisory fees, in light of the fact that the sub-advisory fees are paid by VIA and not by the Funds, so that Fund shareholders are not directly impacted by those fees.

### **Economies of Scale**

The Board noted that the management fees for several of the Funds included breakpoints based on assets under management, and that fee waivers and/or expense caps were also in place for several of the Funds. The Board determined that VIA and the Funds likely would achieve certain economies of scale, particularly in relationship to certain fixed costs, and that shareholders of the Funds would have an opportunity to benefit from these economies of scale.

In considering the sub-advisory Agreements, the Board also considered the existence of any economies of scale and whether they would be passed along to the Funds' shareholders, but noted that any such economies would likely be generated at the Fund level rather than at the subadviser level.

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<sup>3</sup> During the period being reported, the only Funds that had such changes were Virtus Mid-Cap Value Fund and Virtus Small-Cap Core Fund, each a series of Virtus Equity Trust; Virtus Balanced Allocation Fund, Virtus Core Equity Fund, Virtus Emerging Markets Opportunities Fund, Virtus Short/Intermediate Bond Fund and Virtus Value Equity Fund, each a series of Virtus Insight Trust; and, Virtus Bond Fund and Virtus Market Neutral Fund, each a series of Virtus Opportunities Trust.

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