

**INVESTMENT OVERVIEW**

The Series seeks to achieve both long-term capital growth and income through a balanced portfolio of global stocks and bonds. Disciplined fundamental analysis is utilized to construct a diversified portfolio allocated to approximately 60% equity (15% non-U.S.) and 40% fixed income.

**KEY FEATURES**

**Balances Risk and Reward** — Leverages diverse investment expertise from across Virtus to deliver a professionally managed 60/40 equity/fixed income allocation in a single portfolio

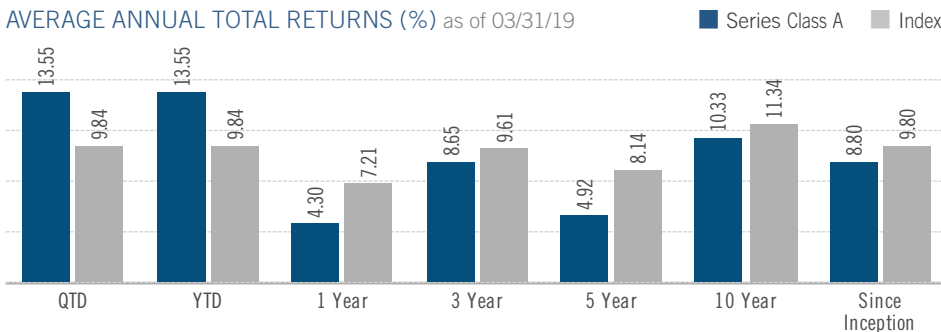
**Global Equity Exposure** — Extensive fundamental research guides discrete, actively managed investment styles in the U.S. equity and international equity allocations

**Multi-Sector Fixed Income Exposure** — Employs a time-tested approach of active sector rotation, extensive credit research, and disciplined risk management

**SERIES INFORMATION**

CUSIP	
A Shares	92829L406
Inception Date	09/17/84
AUM (\$ millions)	87.2
Number of Holdings	420
Dividends	Semi-Annually
Morningstar Category	Allocation--50% to 70% Equity
Lipper Category	Mixed-Asset Target Alloc Moderate Funds
Index	Virtus Strategic Allocation Series Linked Benchmark

AVERAGE ANNUAL TOTAL RETURNS (%) as of 03/31/19



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. Investment return and principal value will fluctuate, so your shares, when redeemed, may be worth more or less than their original cost. Please visit Virtus.com for performance data current to the most recent month-end.

Benchmark life performance is reported from 09/28/84.

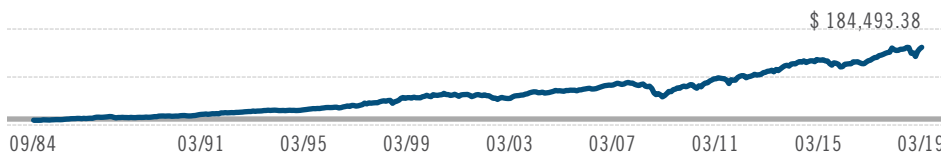
The fund class gross expense ratio is 1.02%. The net expense ratio is 0.98%, which reflects a contractual expense reimbursement in effect through 4/30/2020.

Average annual total return is the annual compound return for the indicated period and reflects the change in share price and the reinvestment of all dividends and capital gains. Returns for periods of one year or less are cumulative returns.

**ANNUAL PERFORMANCE (%)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Series	-5.89	18.97	0.82	-5.38	7.51	17.99	13.42	1.91	13.20	24.51
Index	-2.49	18.18	6.23	1.28	10.62	17.56	11.31	4.69	12.13	18.40

**GROWTH OF \$10,000**



This chart assumes an initial investment of \$10,000 made on 9/17/1984. As of 3/29/2019 the fund value would have been \$184,493.38. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

**MORNINGSTAR RATINGS**

Time Period	# of Stars	# of Funds
Overall	★★★★	690
3 Year	★★★★★	690
5 Year	★★★★	601
10 Year	★★★	439

Strong ratings are not indicative of positive fund performance.

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

**INVESTMENT ADVISER**

Virtus Investment Advisers, Inc.

**INVESTMENT SUBADVISER**



Kayne Anderson Rudnick  
A VIRTUS INVESTMENT PARTNER



**PORTFOLIO MANAGERS**

**Douglas S. Foreman, CFA**  
Industry start date: 1986  
Start date as Series Portfolio Manager: 2016

**Craig Thrasher, CFA**  
Industry start date: 2003  
Start date as Series Portfolio Manager: 2019

**Hyung Kim**  
Industry start date: 2004  
Start date as Series Portfolio Manager: 2019

**David L. Albrycht, CFA**  
Industry start date: 1985  
Start date as Series Portfolio Manager: 2007

**Stephen H. Hooker, CFA**  
Industry start date: 1993  
Start date as Series Portfolio Manager: 2017

Effective June 4, 2019, the international equity portion of the portfolio is managed by KAR. Performance generated prior to June 4 for the international equity portion is that of a prior subadviser.

CHARACTERISTICS	Series	Index
Avg. Weighted Market Cap (bn)	172.57	233.69
Median Market Cap (bn)	40.50	10.73
Trailing P/E Ex-Negative Earnings	22.34	20.63
Price-to-Cash Flow	21.42	19.19
Price-to-Book Value	6.26	6.25
3-Year EPS Growth Rate	24.08	17.16
5-Year EPS Growth Rate	20.08	13.97
Active Share	84.72	n/a

FIXED CHARACTERISTICS	Series
Effective Duration	5.29
Weighted Average Maturity	7.26

RISK STATISTICS (3 YEAR)	Series	Index
Alpha	-2.82	n/a
Beta	1.25	1.00
R <sup>2</sup>	0.92	1.00
Sharpe Ratio	0.85	1.26
Standard Deviation	8.75	6.71

ASSET ALLOCATIONS	% Invested Assets
Domestic Equity	48.63
Domestic Fixed Income	36.01
International Equity	13.02
International Fixed Income	2.34

EQUITY ALLOCATIONS	% Equity	% Index
Information Technology	23.35	26.32
Consumer Discretionary	23.02	14.07
Communication Services	12.39	10.39
Financials	10.84	7.92
Industrials	10.51	12.41
Health Care	8.56	12.71
Consumer Staples	4.39	7.27
Materials	3.30	3.22
Energy	2.44	2.02
Real Estate	0.67	2.76
Utilities	0.52	0.93

FIXED ALLOCATIONS	% Fixed
Corporate - High Quality	39.87
Non-Agency Residential MBS	18.87
Treasury	10.55
Asset Backed Securities	10.14
Non-Agency Commercial MBS	6.71
Taxable Municipals	4.31
Bank Loans	3.21
Corporate - High Yield	2.87
Municipals	1.11
Yankee - High Quality	0.76
Mortgage Backed Securities	0.62
Emerging Market - High Yield	0.46
Cash	0.36
Non-USD	0.14
Equity	0.03

RATINGS DISTRIBUTION	% Series
Aaa	33.58
Aa	9.62
A	15.83
Baa	31.81
Ba	2.97
B	1.77
Caa	0.21
C	0.06
NR	4.14

TOP TEN HOLDINGS	% Series
Amazon.com Inc	3.88
United States Treasury Note/Bond, 2.5000% 02/15/2046	2.82
Alibaba Group Holding Ltd	2.76
Facebook Inc	2.61
Visa Inc	2.30
Netflix Inc	2.11
Paycom Software Inc	1.75
Workday Inc	1.62
Tencent Holdings Ltd	1.55
Bank of America Corp	1.41

Holdings and asset allocations are subject to change.

## IMPORTANT RISK CONSIDERATIONS

**Equity Securities:** The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk. **Credit & Interest:** Debt securities are subject to various risks, the most prominent of which are credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt securities may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities. **Foreign & Emerging Markets:** Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk. **Allocation:** The fund's exposure to different asset classes may not be optimal for market conditions at a given time. Asset allocation does not guarantee a profit or protect against a loss in declining markets. **High Yield-High Risk Fixed Income Securities:** There is a greater level of credit risk and price volatility involved with high yield securities than investment grade securities. **Prospectus:** For additional information on risks, please see the fund's prospectus.

## GLOSSARY

**Avg. Weighted Market Cap (bn):** The total dollar market value of all of a company's outstanding shares. **Trailing P/E Ex-Negative Earnings:** Per share stock price divided by the latest 12-months earnings per share. **Price-to-Cash Flow:** Per-share stock price divided by the per-share operating cash flow. **Price-to-Book Value:** A ratio used to compare a stock's market value to its book value. **3-Year EPS Growth Rate:** Average of earnings per share growth for latest 3-year period. **5-Year EPS Growth Rate:** Average of earnings per share growth for latest 5-year period. **Active Share:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **Effective Duration:** The change in the value of a fixed income security that will result from a 1% change in interest rates while taking into account the way changes in rates will affect the expected cash flows of any bond with an embedded option such as call or prepayment option. This measure assigns a probability to the exercise of a call option, where applicable, based on specified shifts in the yield curve. Duration is expressed as a number of years, and generally, the larger the duration, the greater the interest rate risk or reward for a portfolio's underlying bond prices. **Weighted Average Maturity:** The length of time until the average security in a fund will mature, be redeemed by its issuer, or paid down over time, which is the case with most securitized assets. **Alpha:** A risk-adjusted measure of an investment's excess return relative to a benchmark. **Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. **R<sup>2</sup>:** A measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. **Sharpe Ratio:** A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. **Standard Deviation:** Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.

## INDEX DEFINITION

Index: The Virtus Strategic Allocation Series Linked Benchmark consists of 45% Russell 1000® Growth Index (a market capitalization-weighted index of growth-oriented stocks of the 1,000 largest companies in the Russell Universe, which comprises the 3,000 largest U.S. companies, calculated on a total return

The investments for the Series are managed by the same portfolio manager(s) who manage one or more other funds that have similar names, investment objectives and investment styles as the Series. You should be aware that the Series is likely to differ from the other mutual funds in size, cash flow pattern and tax matters. Accordingly, the holdings and performance of the Series can be expected to vary from those of the other mutual funds.

Shares of the separate Series of Virtus Variable Insurance Trust are sold only through the currently effective prospectuses and are not available to the general public. Shares of the VIT Series may be purchased only by life insurance companies to be used with their separate accounts which fund variable annuity and variable life insurance policies or qualified retirement plans and are also available as an underlying investment fund for certain qualified retirement plans. The performance information for the Series does not reflect fees and expenses of the insurance companies. If such fees and expenses were deducted, performance would be lower.

**Please carefully consider the investment objectives, risks, charges, and expenses of the Series before investing. For this and other information about any Virtus Variable Insurance Trust Series, call 1-800-367-5877 or visit virtus.com for a prospectus and/or summary prospectus. Read it carefully before you invest or send money.**

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basis with dividends reinvested), 15% MSCI EAFE® Index (a free float-adjusted market capitalization-weighted index that measures developed foreign market equity performance, excluding the U.S. and Canada, calculated on a total return basis with net dividends reinvested) and 40% Bloomberg Barclays U.S. Aggregate Bond Index (an index that measures the U.S. investment grade fixed rate bond market, calculated on a total return basis). The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment. Performance of the Virtus Strategic Allocation Series Linked Benchmark prior to 9/7/2016 represents an allocation consisting of 60% S&P 500® Index and 40% Bloomberg Barclays U.S. Aggregate Bond Index.

## RATINGS DISTRIBUTION METHODOLOGY

The ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of a corporation's or government's debt issues. The ratings apply to the fund's holdings and not the fund itself. The higher of the ratings between Moody's, Standard & Poor's, and Fitch is used. If one of the three agencies does not have a rating, the higher of the other two ratings is used. If only one agency has rated the bond, the rating from that agency is used. If none of the three agencies have rated the bond, the bond is placed in the Not Rated category. Credit ratings are subject to change. Aaa, Aa, A, and Baa are investment grade ratings; Ba, B, Caa, Ca, C, and D are below-investment grade ratings.

Morningstar Rating™ for funds, or 'star rating,' is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effect of sales charges and loads.

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