

INVESTMENT OVERVIEW

The Fund offers investors exposure to emerging market economies through well-established companies that demonstrate durable and sustainable earnings growth. Fundamental, bottom-up research aims to identify well-managed businesses with consistent operating histories and financial performance that have favorable long-term economic prospects, and, in most cases, generate free cash flow.

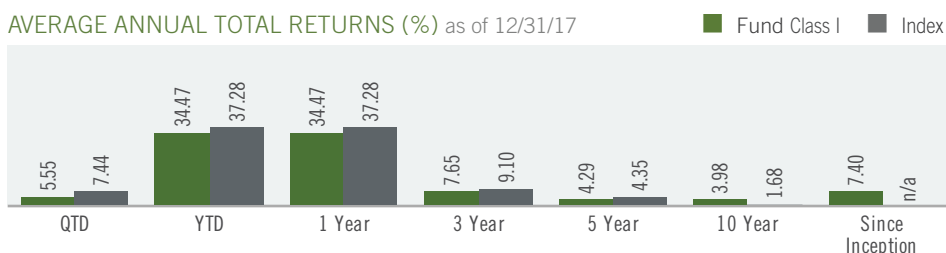
KEY FEATURES

High-Quality Growth – Searches for quality, high-return growth businesses with strong profitability and durable franchises, trading at attractive valuations

Benchmark Unconstrained – A high-conviction, concentrated approach to investing that focuses on minimizing business risk rather than Index risk

Lower Volatility Approach – A long-term-focused investment philosophy and approach which strives to offer market participation with less risk and volatility than the Index

AVERAGE ANNUAL TOTAL RETURNS (%) as of 12/31/17

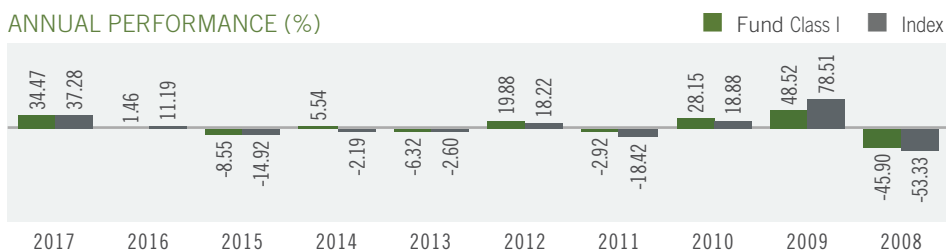


Performance data quoted represents past results. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so your shares, when redeemed, may be worth more or less than their original cost. Please visit Virtus.com for performance data current to the most recent month end.

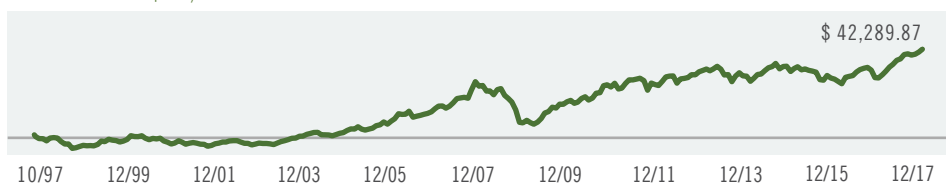
The fund class gross expense ratio is 1.33%.

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. Class I shares have no sales charges or distribution or service fees, therefore their returns do not reflect these expenses. Fees and expenses vary, and other share classes are subject to sales charges and fees. Class I shares are offered primarily to eligible institutional investors who purchase the minimum amounts required as described in the prospectus and may not be available to all investors. For fund performance on other share classes, please visit www.virtus.com.

ANNUAL PERFORMANCE (%)



GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 10/20/1997. As of 12/29/2017 the fund value would have been \$42,289.87. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

The MSCI Emerging Markets Index (net) is a free float-adjusted market capitalization-weighted index designed to measure equity market performance in the global emerging markets. The index is calculated on a total return basis with net dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

Effective May 8, 2017 this fund changed its name from the Virtus Emerging Markets Opportunities Fund.

FUND INFORMATION

	Ticker	CUSIP
A Shares	HEMZX	92828W387
C Shares	PICEX	92828W379
I Shares	HIEMX	92828W361
R6 Shares	VREMX	92828W353

Inception Date	10/20/97
AUM (\$ millions)	8,785.5
Number of Holdings	52
Dividends	Semi-Annually
Morningstar Category	Diversified Emerging Mkts
Lipper Category	Emerging Markets Funds

MORNINGSTAR RATINGS

Time Period	# of Stars	# of Funds
Overall	★★★★★	647
3 Year	★★★	647
5 Year	★★★	467
10 Year	★★★★★	186

Strong ratings are not indicative of positive fund performance.

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER

Vontobel Asset Management

Vontobel

Vontobel Asset Management believes that the best way to achieve capital appreciation and outperform the market over time is by investing in well-managed businesses with consistent operating histories and financial performance that have favorable long-term economic prospects.

PORTFOLIO MANAGERS

Matthew Benkendorf
Industry start date: 1998
Start date with Fund: 2016

Brian Bandsma
Industry start date: 1998
Start date with Fund: 2016

Jin Zhang, CFA
Industry start date: 1995
Start date with Fund: 2016

CHARACTERISTICS	Fund	Index
Average Weighted Market Cap (bn)	50.24	55.61
Median Market Cap (bn)	14.07	2.97
Trailing P/E	21.34	15.13
Price-to-Cash Flow	19.88	14.59
Price-to-Book Value	5.10	3.01
3-Year EPS Growth Rate	13.62	9.77
5-Year EPS Growth Rate	15.81	11.73
Active Share	82.42	n/a

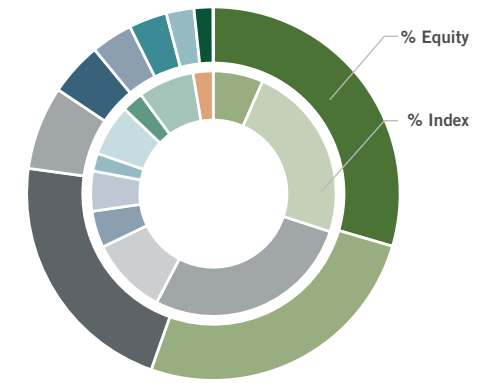
RISK STATISTICS (3 YEAR)	Fund	Index
R ²	0.67	1.00
Beta	0.64	1.00
Standard Deviation	11.98	15.35
Alpha	1.65	n/a
Sharpe Ratio	0.61	0.57

TOP TEN HOLDINGS	% Fund
Alibaba Group Holding Ltd. Sponsored ADR	5.43
HDFC Bank Limited	5.16
Ambev SA Sponsored ADR	4.37
Housing Development Finance Corporation Limited	4.27
Fomento Economico Mexicano SAB de CV Sponsored ADR Class B	3.08
PT Telekomunikasi Indonesia, Tbk Class B	3.05
Heineken NV	3.04
Taiwan Semiconductor Manufacturing Co., Ltd.	3.00
Unilever NV Cert. of shs	2.92
Tencent Holdings Ltd.	2.77

TOP TEN COUNTRIES	% Invested Assets	% Index
India	19.43	8.77
China	12.41	29.67
Brazil	12.36	6.81
Mexico	8.77	2.93
Indonesia	7.50	2.24
Netherlands	6.22	0.00
Korea (South)	5.66	15.39
Taiwan	4.86	11.27
Thailand	4.58	2.28
South Africa	3.71	7.00

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS



Sector	% Equity	% Index
Consumer Staples	29.56	6.58
Financials	25.86	23.45
Information Technology	21.76	27.63
Consumer Discretionary	7.22	10.20
Telecommunication Services	4.64	4.84
Industrials	3.60	5.29
Utilities	3.31	2.36
Energy	2.40	6.77
Real Estate	1.66	2.82
Materials	0.00	7.41
Health Care	0.00	2.66

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. **Foreign & Emerging Markets:** Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk. **Geographic Concentration:** A fund that focuses its investments in a particular geographic location will be highly sensitive to financial, economic, political, and other developments affecting the fiscal stability of that location. **Industry/Sector Concentration:** A fund that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated fund. **Prospectus:** For additional information on risks, please see the fund's prospectus.

GLOSSARY

3- and 5-Year EPS Growth Rates: Average of earnings per share growth for latest 3- and 5-year period. **Active Share:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **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. **Market Capitalization (Wtd. Avg.):** The total dollar market value of all of a company's outstanding shares. **Price-to-Book Ratio (P/B):** A ratio used to compare a stock's market value to its book value. **Price-to-Cash Flow Ratio:** Per-share stock price divided by the per-share operating cash flow. **R²:** 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. **Trailing P/E:** Per share stock price divided by the latest 12-months earnings per share.

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 effects of sales charges and loads.

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Fund classification categories developed by Lipper, a Thomson Reuters Company.

Please carefully consider a Fund's investment objectives, risks, charges, and expenses before investing. For this and other information about any Virtus mutual fund, contact your financial representative, call 1-800-243-4361, or visit virtus.com for a prospectus or summary prospectus. Read it carefully before investing. Not insured by FDIC/NCUSIF or any federal government agency. No bank guarantee. Not a deposit. May lose value.

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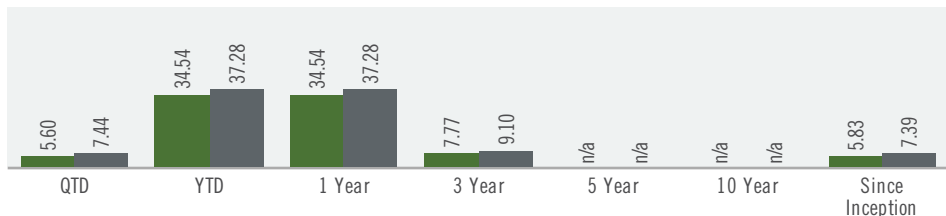
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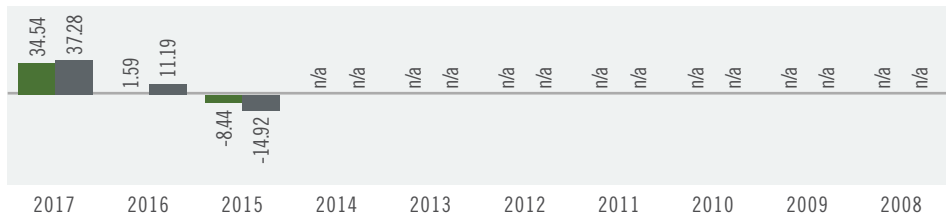


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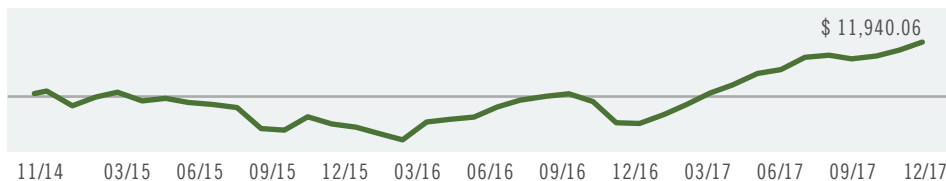
The fund class gross expense ratio is 1.20%.

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ANNUAL PERFORMANCE (%)



GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 11/12/2014. As of 12/29/2017 the fund value would have been \$11,940.06. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

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