

# Virtus LifeSci Biotech Clinical Trials ETF

# BBC

The Virtus LifeSci Biotech Clinical Trials ETF (NYSE Arca: BBC) seeks investment results that correspond, before fees and expenses, to the price and yield performance of the LifeSci Biotechnology Clinical Trials Index.

NYSE Arca  
9.1.2017

## INVESTMENT OPPORTUNITY

Biotechnology investors gain exposure to one of the most exciting, high-growth sectors in the global economy today. These companies are in the business of designing drugs that save lives. Everything ranging from antivirals, antibiotics and cancer-fighting medicines to gene therapies, cell-based therapies and enzyme replacement therapies are developed in the biotech sector.

BBC passively invests in clinical trials stage biotechnology companies. Clinical trials stage companies are typically younger, smaller companies which do not have a drug approved, but instead focus on testing their experimental drug candidates in human clinical trials. Successful companies prudently manage their balance sheets through financings and partnerships in order to develop their potential blockbuster drugs.

In accordance with its index, BBC weights its constituents equally and rebalances semi-annually.

## TOP 10 HOLDINGS *(as of 9.1.17)*

MyoKardia, Inc.	3.4%
Dynavax Technologies Corporation	2.5%
Kite Pharma, Inc.	2.2%
Sangamo Therapeutics, Inc.	2.1%
BeiGene Ltd. Sponsored ADR	2.1%
Juno Therapeutics, Inc.	2.0%
Intra-Cellular Therapies, Inc.	1.9%
ImmunoGen, Inc.	1.9%
Arena Pharmaceuticals, Inc.	1.9%
Portola Pharmaceuticals, Inc.	1.9%

To view the full list of holdings, please visit [virtusetfs.com](http://virtusetfs.com)

## FUND INFORMATION

NAV Symbol	BBC.NV
IOPV Symbol	BBC.IV
CUSIP	26923G301
Inception Date	December 16, 2014
Management Fee	0.79%
No. of Holdings	74
Adviser	Virtus ETF Advisers, LLC
Distributor	ETF Distributors LLC
Index Provider	LifeSci Index Partners, LLC

IOPV, or Indicative Optimized Portfolio Value, is a calculation disseminated by the stock exchange that approximates the Fund's NAV every fifteen seconds throughout the trading day.

The underlying LifeSci Biotechnology Products Index is rebalanced and reconstituted on June 15<sup>th</sup> and December 15<sup>th</sup> of each year.

## FUND MANAGEMENT

BBC is a passively-managed, index-based ETF. Virtus ETF Advisers, LLC is the adviser to the fund, and LifeSci Index Partners, LLC is the index provider to the fund.

### Portfolio Managers

**Matthew B. Brown**  
Executive Managing Director, Portfolio Manager

**Seth J. Kadushin**  
Director, Portfolio Manager



For more information, contact us at 1.888.383.0553 or go to [www.virtusetfs.com](http://www.virtusetfs.com).

## FUND PERFORMANCE

Quarterly Performance (%) (as of 6/30/2017)								
	1 Mo.	3 Mo.	YTD	1YR	3YR	5YR	10YR	Since Inception
<b>NAV</b>	14.48	3.58	30.23	32.73	NA	NA	NA	-1.42
<b>Price</b>	14.44	3.56	30.19	32.86	NA	NA	NA	-1.44
<b>Index</b>	14.89	3.90	30.82	33.89	NA	NA	NA	-0.81

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 [www.virtusetfs.com](http://www.virtusetfs.com) for performance data current to the most recent month-end.

NAV returns are calculated using the Fund's daily 4:00 p.m. NAV, and include the reinvestment of all dividends and other distributions (reinvested at the Fund's NAV on distribution ex-date). Market price returns are calculated using the 4:00 pm midpoint between the bid and offer, and include the reinvestment of all dividends and other distributions (reinvested at the 4:00pm bid/offer midpoint on distribution ex-date). Market price returns do not represent the return you would receive if you traded at other times.

**Expense Ratio:** 0.79%

**Fund Inception:** 12/16/2014

**Index:** LifeSci Biotechnology Clinical Trials Index

*Expenses are based on estimated amounts for the current fiscal year. The management fee is structured as a "unified fee", out of which the Fund's sub-adviser pays all routine expenses for the Fund, except payments under any 12b-1 plan; taxes and other governmental fees; brokerage fees, commissions and other transaction expenses; interest and other costs of borrowing money; litigation or arbitration expenses; acquired fund fees and expenses; and extraordinary expenses of the Fund, each of which is paid by the Fund.*

*The LifeSci Biotechnology Clinical Trials Index is designed to track the performance of U.S. listed biotechnology stocks with a lead drug in the clinical trial stage of development, typically a Phase 1, Phase 2 or Phase 3 trial, but prior to receiving marketing approval. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.*

You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact Virtus ETF Solutions at 1-888-383-0553 or visit [www.virtusetfs.com](http://www.virtusetfs.com) to obtain a prospectus which contains this and other information about the fund. The prospectus should be read carefully before investing.

### Fund Risks

**Exchange Traded Fund:** The value of an ETF may be more volatile than the underlying portfolio of securities the ETF is designed to track. The costs of owning the ETF may exceed the cost of investing directly in the underlying securities.

**Industry/Sector Concentration:** A fund that focuses its investments on a particular industry or sector will be more sensitive to conditions that affect industry or sector than a non-concentrated fund.

**Market Price/NAV:** At the time of purchase and/or sale, an investor's shares may have a market price that is above or below the fund's NAV, which may increase the investor's risk of loss.

**Correlation to Index:** The performance of the fund and its index may vary somewhat due to factors such as fund flows, transaction costs, and timing differences associated with addition to and deletions from its index.

**Non-Diversified:** The fund is non-diversified and may be more susceptible to factors negatively impacting its holdings to the extent that each security represents a larger portion of the fund's assets.

**No Guarantee:** There is no guarantee that the portfolio will meet its objective.

**Prospectus:** For additional information on risks, please see the fund's prospectus.

Virtus ETF Advisers LLC serves as the investment adviser and iSectors, LLC serves as the investment sub-adviser to the Fund. The Fund is distributed by ETF Distributors LLC, an affiliate of Virtus ETF Advisers LLC.

**Not FDIC Insured | Not Bank Guaranteed | May Lose Value**