

INVESTMENT OVERVIEW

The Fund provides exposure to U.S. equities with the goal of low tracking error relative to the S&P 500® Index. Slight tilts toward those areas demonstrating the strongest relative strength will be systematically incrementally overweighted. This, combined with an innovative options overlay strategy, seeks to provide greater returns than the S&P 500® Index with a similar level of risk.

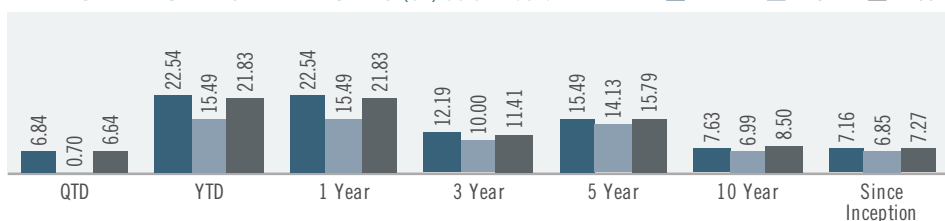
KEY FEATURES

Proprietary Options Trading Strategy – The options strategy seeks to exploit pricing inefficiencies in the S&P 500® Index options market. This type of strategy tends to be less accessible and more difficult to consistently implement outside of professional investment management

Lower Correlation – Excess returns generated from the options strategy tend to be less correlated with equity markets

Risk Mitigation – All options trades are short dated and have defined loss parameters

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

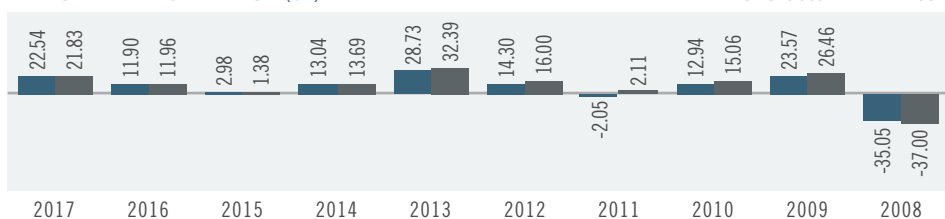


Performance data quoted represents past results. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so your shares, when redeemed, may be worth more or less than their original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

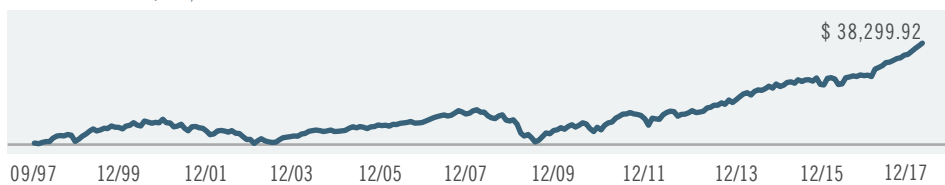
The fund class gross expense ratio is 1.39%. The net expense ratio is 1.21%, which reflects a contractual expense reimbursement in effect through 1/31/2019. This ratio reflects the direct and indirect expenses paid by the Fund. The net expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 1.20%.

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 A shares have a maximum sales charge of 5.75%. A contingent deferred sales charge of 1% may be imposed on certain redemptions within 18 months on purchases on which a finder's fee has been paid. POP (Public Offering Price) performance reflects the deduction of the maximum sales charge.

ANNUAL PERFORMANCE (%)



GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 9/25/1997. As of 12/29/2017 the fund value would have been \$38,299.92. Fund performance assumes reinvestment of dividends and capital gain distributions and reflects a front end sales charge of 5.75%.

The S&P 500® Index is a free-float market capitalization-weighted index of 500 of the largest U.S. companies. The index is calculated on a total return basis with dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

Effective December 8, 2014 this fund changed its strategy and its subadviser to Rampart Investment Management. Prior to October 11, 2016, the fund's name was the Virtus Growth & Income Fund. Effective May 8, 2017 this fund changed its name from the Virtus Enhanced Core Equity Fund.

FUND INFORMATION

	Ticker	CUSIP
A Shares	PDIAX	92828N874
C Shares	PGICX	92828N858
I Shares	PXIIX	92828N841
R6 Shares	VECRX	92828N239

Inception Date	09/25/97
AUM (\$ millions)	193.5
Number of Holdings	522
Dividends	Semi-Annually
Morningstar Category	Large Blend
Lipper Category	Large-Cap Core Funds

MORNINGSTAR RATINGS

Time Period	# of Stars	# of Funds
Overall	★★★★	1,217
3 Year	★★★★★	1,217
5 Year	★★★★	1,079
10 Year	★★★	800

Strong ratings are not indicative of positive fund performance.

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER

Rampart Investment Management Company, LLC



Rampart Investment Management, an investment management affiliate of Virtus Investment Partners, is one of the leading asset managers specializing in option strategies. A registered investment adviser since 1983, Rampart manages client positions and portfolios using domestic and international index and equity options.

PORTFOLIO MANAGERS

Warun Kumar
 Industry start date: 1993
 Start date with Fund: 2016

Michael Davis
 Industry start date: 1999
 Start date with Fund: 2016

Brendan R. Finneran, CMT
 Industry start date: 2003
 Start date with Fund: 2014

Robert F. Hofeman, Jr.
 Industry start date: 2002
 Start date with Fund: 2014

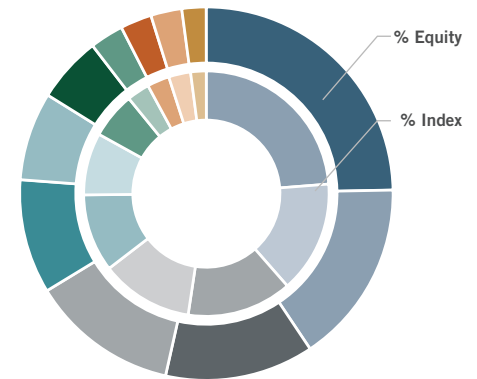
CHARACTERISTICS	Fund	Index
Average Weighted Market Cap (bn)	198.53	197.26
Median Market Cap (bn)	22.18	22.18
Trailing P/E	20.36	20.55
Price-to-Book Value	4.58	4.07
3-Year EPS Growth Rate	6.31	11.29

RISK STATISTICS (3 YEAR)	Fund	Index
R ²	0.86	1.00
Beta	0.91	1.00
Standard Deviation	9.79	9.92
Alpha	1.62	n/a
Sharpe Ratio	1.21	1.11

TOP TEN HOLDINGS	% Fund
Apple Inc.	3.86
Microsoft Corporation	2.91
Amazon.com, Inc.	2.08
Facebook, Inc. Class A	1.85
Berkshire Hathaway Inc. Class B	1.70
JPMorgan Chase & Co.	1.68
PowerShares S&P 500 High Beta Portfolio	1.55
Johnson & Johnson	1.51
Exxon Mobil Corporation	1.43
Alphabet Inc. Class C	1.40

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS



	% Equity	% Index
Information Technology	24.70	23.76
Financials	15.94	14.78
Health Care	12.89	13.84
Consumer Discretionary	12.78	12.20
Industrials	9.90	10.26
Consumer Staples	7.65	8.20
Energy	5.72	6.07
Materials	2.91	3.00
Utilities	2.73	2.93
Real Estate	2.69	2.89
Telecommunication Services	2.10	2.06

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. **Call/Put Spreads:** Buying and selling call and put option spreads on the SPX Index risks the loss of the premium when buying, can limit upside participation and increase downside losses. **Portfolio Turnover:** The fund's principal investments strategies will result in a consistently high portfolio turnover rate. A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. **Fund of Funds:** Because the fund can invest in other funds, it indirectly bears its proportionate share of the operating expenses and management fees of the underlying fund(s). **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-Year EPS Growth Rate: Average of earnings per share growth for latest 3- and 5-year period. **Alpha:** A risk-adjusted measure of an investment's excess return relative to a benchmark. **Market Capitalization (Wtd. Avg.):** The total dollar market value of all of a company's outstanding shares. **Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. **Price-to-Book Ratio (P/B):** A ratio used to compare a stock's market value to its book value. **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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