INVESTMENT OVERVIEW
The Fund seeks to generate current income by applying extensive credit research to capitalize on opportunities across undervalued sectors of the bond market in a short duration portfolio.

KEY FEATURES

Diversification and Flexibility — A multi-sector fixed income allocation offers exposure to U.S. as well as international economies, currencies, sectors, and securities. Newfleet rotates across 14 major bond segments in order to benefit from opportunity and manage risk.

Risk Management — A focus on minimizing credit and interest rate risk through active sector rotation and superior security selection.

Extensive Fundamental Research — Security selection driven by bottom-up analysis of individual bond quality, credit risk, valuation, company management, structure, and technical elements.

AVG AÑAL TOTAL RETURNS (%) as of 09/30/20

<table>
<thead>
<tr>
<th></th>
<th>Fund Class</th>
<th>Index</th>
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</thead>
<tbody>
<tr>
<td>QTD</td>
<td>1.97</td>
<td>0.80</td>
</tr>
<tr>
<td>YTD</td>
<td>2.36</td>
<td>3.40</td>
</tr>
<tr>
<td>1 Year</td>
<td>3.36</td>
<td>2.76</td>
</tr>
<tr>
<td>3 Year</td>
<td>3.51</td>
<td>3.35</td>
</tr>
<tr>
<td>5 Year</td>
<td>3.99</td>
<td>3.49</td>
</tr>
<tr>
<td>10 Year</td>
<td>2.63</td>
<td>3.22</td>
</tr>
<tr>
<td>Since Inception</td>
<td>4.24</td>
<td>3.22</td>
</tr>
</tbody>
</table>

Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit virtus.com for performance data current to the most recent month end. This share class has no sales charges and is not available to all investors. Other share classes have sales charges. See virtus.com for details.

The fund class gross expense ratio is 0.72%.

ANNUAL PERFORMANCE (%)

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</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>6.40</td>
<td>-0.51</td>
<td>3.92</td>
<td>5.22</td>
<td>0.55</td>
<td>1.30</td>
<td>1.77</td>
<td>9.66</td>
<td>3.35</td>
<td>10.52</td>
</tr>
<tr>
<td>Index</td>
<td>5.58</td>
<td>1.60</td>
<td>2.00</td>
<td>2.57</td>
<td>1.00</td>
<td>1.24</td>
<td>1.93</td>
<td>4.90</td>
<td>1.87</td>
<td>5.20</td>
</tr>
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</table>

GROWTH OF $10,000

This chart assumes an initial investment of $10,000 made on 6/6/2008. As of 9/30/2020 the fund value would have been $17,286.15. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.
Investments, including hampering the ability of the portfolio manager(s) to invest the portfolio's assets as
public health issues, recessions, or other events could have a significant impact on the portfolio and its
Local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other
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market as a whole.
securitized assets.
Alpha:
The length of time until the average security
as a number of years, and generally, the larger the duration, the greater the interest rate risk or reward for a
bond with an embedded option such as call or prepayment option. This measure assigns a probability to the
interest rates while taking into account the way changes in rates will affect the expected cash flows of any
associated with the non-repayment of underlying collateral, including losses to the fund.
Market Volatility:
Ratings are provided by Standard & Poor's, Moody's, and Fitch. For certain securities that are not rated by
any of these three agencies, credit ratings from other agencies may be used. Where the rating agencies rate
security differently, Newfleet uses the higher rating. If a rating is not available, the bond is placed in the Not
Rated category. Credit ratings are subject to change. Aaa, Aa, and A are investment grade ratings; Ba,
B, Caa, C, and D are below-investment grade ratings.

Ratings are unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct
investment.

RATING 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.
Ratings are provided by Standard & Poor’s, Moody’s, and Fitch. For certain securities that are not rated by
any of these three agencies, credit ratings from other agencies may be used. Where the rating agencies rate
security differently, Newfleet uses the higher rating. If a rating is not available, the bond is placed in the Not
Rated category. Credit ratings are subject to change. Aaa, Aa, and A are investment grade ratings; Ba,
B, Caa, C, and D are below-investment grade ratings.

Glossary:
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 portfolio.
Weighted Average Maturity: The length of time that 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. R²: A measure that represents the percentage of a fund's 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.

Please consider a Fund’s investment objectives, risks, charges, and expenses carefully before investing. For this and other information about any Virtus Fund, contact your financial professional, call 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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