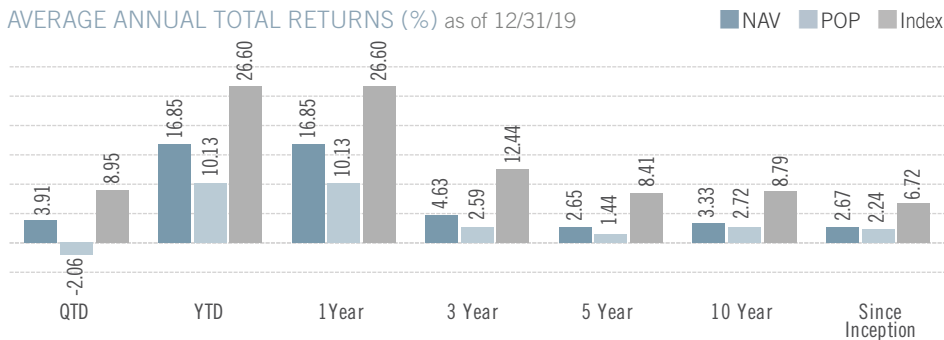


INVESTMENT OVERVIEW

The Fund seeks long-term capital appreciation through a multi-asset, multi-manager portfolio, aiming to protect purchasing power by investing in a broad range of real assets. Managed by real asset specialists Duff & Phelps, the strategy offers thoughtful portfolio construction across active and passive strategies with target allocation ranges and diligent rebalancing.

KEY FEATURES

- Dynamic Real Asset Exposure** — A multi-asset, multi-manager real asset strategy allocated across global real estate, global infrastructure, natural resources, and commodities securities, along with real return exposure to Treasury Inflation-Protected Securities (TIPS).
- Strong Portfolio Hedge** — Real assets have historically protected purchasing power against the eroding effects of inflation and have offered lower correlation to traditional stocks and bonds.
- Specialized Expertise** — Duff & Phelps Investment Management is focused on harnessing the power of quality and reliability, and are specialists in what they do, earning them a reputation as a leader in real asset investing with a legacy dating back to 1932.



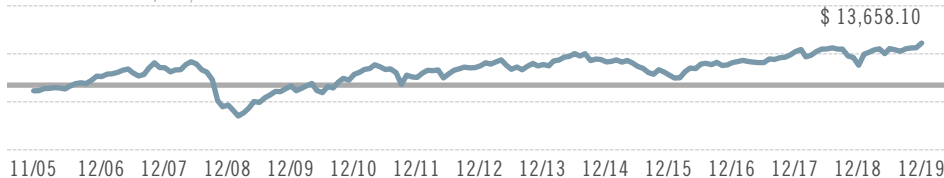
Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit virtus.com for performance data current to the most recent month end. 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.

The fund class gross expense ratio is 1.41% and reflects the direct and indirect expenses paid by the Fund. The gross expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 0.76%. 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 (%)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Fund	16.85	-9.35	8.15	10.32	-9.80	1.95	1.00	9.70	-2.54	10.55
Index	26.60	-9.41	23.97	7.86	-2.36	4.16	22.80	16.13	-7.35	12.67

GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 11/30/2005. As of 12/31/2019 the fund value would have been \$13,658.10. Fund performance assumes reinvestment of dividends and capital gain distributions and reflects a front end sales charge of 5.75%.

Effective 2/28/20, this Fund's name and subadviser changed. Performance prior to that date is that of a different subadviser.

FUND INFORMATION

	Ticker	CUSIP
A Shares	PDPAX	92828R875
C Shares	PDPCX	92828R867
I Shares	VADIX	92828R313

Inception Date	11/30/05
AUM (\$ millions)	42.9
Number of Holdings	10
Dividends	Semi-Annually
Morningstar Category	Multialternative
Lipper Category	Alternative Global Macro Funds
Index	MSCI AC World Index

MORNINGSTAR RATINGS

Time Period	# of Stars	# of Funds
Overall	★★★★	237
3 Year	★★★★★	237
5 Year	★★★★	187
10 Year	★★★	60

Morningstar ratings are based on risk-adjusted returns. Strong ratings are not indicative of positive future performance.

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER



Duff & Phelps Investment Management pursues specialized investment strategies with exceptional depth of resources and expertise. Since its earliest beginnings, providing research and analysis of income producing securities to Depression-era investors, the firm's attention has been set on identifying attractive opportunities through active management and fundamental research, while managing the associated risks. Today, building on a distinguished legacy, Duff & Phelps has earned a reputation as a leader in investing in Global Listed Infrastructure, Global Listed Real Estate, and MLPs & Energy. Quality. Reliability. Specialization. Since 1932.

PORTFOLIO MANAGERS

David D. Grumhaus, Jr.
Industry start date: 1989
Start date as Fund Portfolio Manager: 2020

Daniel J. Petrisko, CFA
Industry start date: 1983
Start date as Fund Portfolio Manager: 2020

Steven Wittwer, CFA
Industry start date: 1997
Start date as Fund Portfolio Manager: 2020

RISK STATISTICS
(3 YEAR)

	Fund	Index
Alpha	-3.73	n/a
Beta	0.65	1.00
R ²	0.72	1.00
Sharpe Ratio	0.35	0.96
Standard Deviation	8.60	11.22

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. **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 nonconcentrated fund. **Real Estate:** The fund may be negatively affected by factors specific to the real estate market, including interest rates, leverage, property, and management. **Infrastructure:** A fund that focuses its investments in infrastructure-related companies will be more sensitive to conditions affecting their business or operations. **Natural Resources:** Investments in natural resources industries may be significantly affected by events relating to International political and economic developments, energy conservation, the success of exploration projects commodity prices, taxes, and other governmental regulations. **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 Investing:** Investing internationally 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. **Derivatives:** Investments in derivatives such as futures, options, forwards, and swaps may increase volatility or cause a loss greater than the principal investment. **Bank Loans:** Loans may be unsecured or not fully collateralized, may be subject to restrictions on resale and/or trade infrequently on the secondary market. Loans can carry significant credit and call risk, can be difficult to value, and have longer settlement times than other investments, which can make loans relatively illiquid at times. **Inflation-Linked Securities:** Inflation-linked securities will react differently from other fixed income securities to changes in interest rates. Generally, the value of an inflation-linked security will fall when real interest rates rise and will rise when real interest rates fall. **MLPs:** Investments in Master Limited Partnerships may be adversely impacted by tax law changes, regulation, or factors affecting underlying assets. **Market Volatility:** The securities in the fund may go up or down in response to the prospects of individual companies and general economic conditions. Price changes may be short or long term. **Exchange-Traded Funds (ETF):** The value of an ETF may be more volatile than the underlying portfolio of securities it is designed to track. The costs of owning the ETF may exceed the cost of investing directly in the underlying securities. **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). **Affiliated Funds:** The fund's adviser can select affiliated and/or unaffiliated funds, which may create a conflict of interest. **Prospectus:** For additional information on risks, please see the fund's prospectus.

GLOSSARY

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 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 MSCI AC World Index (net) is a free float-adjusted market capitalization-weighted index that measures equity performance of developed and 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.

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.

© 2020 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Lipper Category Classifications © 2020 Lipper. All rights reserved.

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 representative, 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.

Mutual funds distributed by VP Distributors, LLC, member FINRA and subsidiary of Virtus Investment Partners, Inc.