

**INVESTMENT OVERVIEW**

The Fund offers exposure to U.S. equities with an investment objective of long-term capital appreciation. A disciplined, model-driven approach to sub-industry valuation aims to deliver attractive returns with lower volatility, beta, and correlation than the S&P 500® Index over full market cycles.

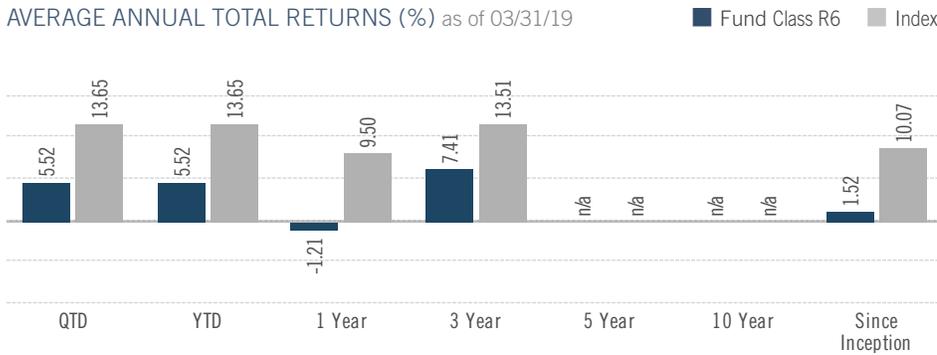
**KEY FEATURES**

**Risk-Managed Portfolio** — Systematically seeks to participate in rising equity markets while preserving capital during market declines

**Prioritizes Stock Momentum** — Ranks the S&P 500®'s 130 sub-industry groups according to relative price momentum, focusing on the top half

**Active Market Trend Positioning** — Equal sub-industry weightings in lower risk markets to those positive trending sub-industries broaden return potential; an increased allocation to cash equivalents, up to 100% of the portfolio in higher risk markets, may reduce downside exposure

AVERAGE ANNUAL TOTAL RETURNS (%) as of 03/31/19



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

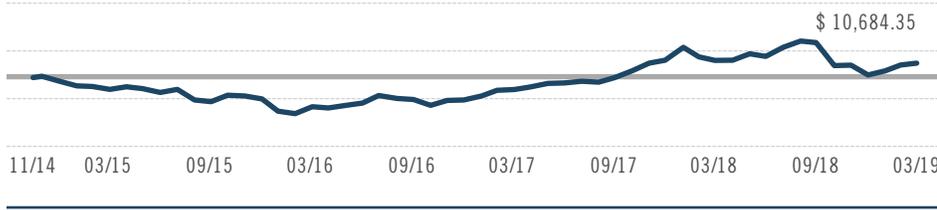
The fund class gross expense ratio is 1.20%.

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 R6 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 R6 shares are offered primarily to investors who do not require the Fund or an affiliate of the Fund to make or pay any type of servicing, administrative or participation payments with respect to the shares. Class R6 shares may not be available to all investors. For fund performance on other share classes, please visit [www.virtus.com](http://www.virtus.com).

**ANNUAL PERFORMANCE (%)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Fund	-6.44	21.04	-0.57	-8.43	n/a	n/a	n/a	n/a	n/a	n/a
Index	-4.38	21.83	11.96	1.38	n/a	n/a	n/a	n/a	n/a	n/a

**GROWTH OF \$10,000**



This chart assumes an initial investment of \$10,000 made on 11/12/2014. As of 3/29/2019 the fund value would have been \$10,684.35. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

**FUND INFORMATION**

	Ticker	CUSIP
A Shares	VAPAX	92828R255
C Shares	VAPCX	92828R248
I Shares	VAPIX	92828R230
R6 Shares	VRPAX	92828W536

Inception Date	11/12/14
AUM (\$ millions)	351.5
Number of Holdings	289
Dividends	Semi-Annually
Morningstar Category	Large Blend
Lipper Category	Multi-Cap Core Funds
Index	S&P 500® Index

**MORNINGSTAR RATINGS**

Time Period	# of Stars	# of Funds
Overall	★	1,218
3 Year	★	1,218
5 Year	Not Rated	n/a
10 Year	Not Rated	n/a

Strong ratings are not indicative of positive fund performance. The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

**RISK STATISTICS (3 YEAR)**

	Fund	Index
Alpha	-3.02	n/a
Beta	0.78	1.00
R <sup>2</sup>	0.75	1.00
Sharpe Ratio	0.65	1.17
Standard Deviation	9.54	10.58

**INVESTMENT ADVISER**

Virtus Investment Advisers, Inc.

**INVESTMENT SUBADVISER**



**PORTFOLIO MANAGERS**

**Warun Kumar**

Industry start date: 1993  
Start date as Fund Portfolio Manager: 2015

**Michael Davis**

Industry start date: 1999  
Start date as Fund Portfolio Manager: 2016

**Brendan R. Finneran, CMT**

Industry start date: 2003  
Start date as Fund Portfolio Manager: 2016

**Robert F. Hofeman, Jr.**

Industry start date: 2002  
Start date as Fund Portfolio Manager: 2016

## 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 non-concentrated fund. **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. **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. **R<sup>2</sup>:** 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 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.

**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.**

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