

INVESTMENT OVERVIEW

The Fund offers multi-asset class exposure with an investment objective of long-term capital appreciation. A disciplined, model-driven valuation approach aims to deliver attractive returns with lower volatility, beta, and correlation over full market cycles.

KEY FEATURES

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

Prioritizes Momentum — Ranks U.S. equity, international equity, fixed income, and alternatives segments according to relative price momentum, focusing on the top half of each

Active Market Trend Positioning — Weightings systematically adjusted to broaden return potential in lower risk markets and reduce downside exposure in higher risk markets

AVERAGE ANNUAL TOTAL RETURNS (%) as of 06/30/20



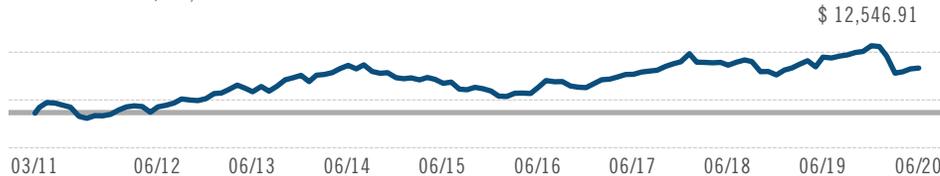
Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance 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 1.65%. The net expense ratio is 1.56%, which reflects a contractual expense reimbursement in effect through 1/31/2021. 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 1.35%. 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	13.56	-5.75	12.75	1.72	-6.29	-1.08	12.12	8.97	n/a	n/a
Index	18.60	-5.21	15.15	7.67	-1.21	5.35	14.46	11.24	n/a	n/a

GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 3/15/2011. As of 6/30/2020 the fund value would have been \$12,546.91. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

The fund may also invest in stocks (without restriction as to market capitalization), bonds (without restriction as to credit quality) and short term securities. The fund may invest in a basket of securities to represent a sector if it determines that investment in the ETF for that sector is not feasible or otherwise not in the best interest of the fund.

This fund is subject to a proposed reorganization with and into the Virtus Tactical Allocation Fund, subject to shareholder approval. If approved, this fund will no longer managed in the current style. For more information, please refer to the prospectus supplement dated June 18, 2020.

FUND INFORMATION

	Ticker	CUSIP
A Shares	VAAAX	92828R180
C Shares	VAACX	92828R172
I Shares	VAISX	92828R164

Inception Date	03/15/11
AUM (\$ millions)	38.5
Number of Holdings	309
Dividends	Semi-Annually
Morningstar Category	Tactical Allocation
Lipper Category	Flexible Portfolio Funds
Index	Dow Jones Global Moderate Portfolio Index

MORNINGSTAR RATINGS

Time Period	# of Stars	# of Funds
Overall	★★★	215
3 Year	★★★	215
5 Year	★★★	171
10 Year	Not Rated	n/a

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

RISK STATISTICS (3 YEAR)

	Fund	Index
Alpha	-2.87	n/a
Beta	0.61	1.00
R ²	0.77	1.00
Sharpe Ratio	-0.10	0.32
Standard Deviation	7.62	10.87

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. **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 & Emerging Markets:** Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk. **Commodity-Linked Instruments:** Commodity-linked instruments may experience a return different than the commodity they attempt to track and may also be exposed to counterparty risk. **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. **High Yield-High Risk Fixed Income Securities:** There is a greater level of credit risk and price volatility involved with high yield securities than investment grade securities. **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. **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. **Market Volatility:** Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the fund and its investments, including hampering the ability of the fund's portfolio manager(s) to invest the fund's assets as intended. **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 Dow Jones Global Moderate Portfolio Index is a benchmark that takes 60% of the risk of the global securities market. It is a total returns index that is a time-varying weighted average of stocks, bonds, and cash. The index is the efficient allocation of stocks, bonds, and cash in a portfolio with 60% of the risk of the Dow Jones Aggressive Portfolio Index. 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.

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 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.

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

1112 07-20 © 2020 Virtus Mutual Funds

