

MORNINGSTAR			LIPPER		BARRON'S	
Overall Rating ★★★★★ <sup>1</sup>			Recipient of <b>4 Lipper Fund Awards, 17 Lipper Performance Achievement Certificates<sup>2</sup></b> and Share Class I		<b>Best Taxable Bond Fund Family<sup>3</sup></b> <i>Barron's Best Fund Family Ranking</i>	
Time Period	# of Stars	# of Funds	 <b>LIPPER FUND AWARDS FROM REFINITIV</b> 2019 WINNER UNITED STATES		#1 in 2 of the past 8 years	
3 Year	★★★★★	476			#2 in 2016	
5 Year	★★★★★	415				
10 Year	★★★★★	266				
The Fund Class A is rated within the Short-Term Bond category. 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.						

## History of Multi-Sector Investing

As pioneers in full universe multi-sector investing since 1993, we offer portfolios with diversified exposure to 14 fixed income sectors.

## Longevity and Continuity

Key members of our team and essential aspects of our process have been in place for more than 25 years.

## Consistent Long-Term Results

The Fund has been among the top performing short-term bond funds over the past 25 years.



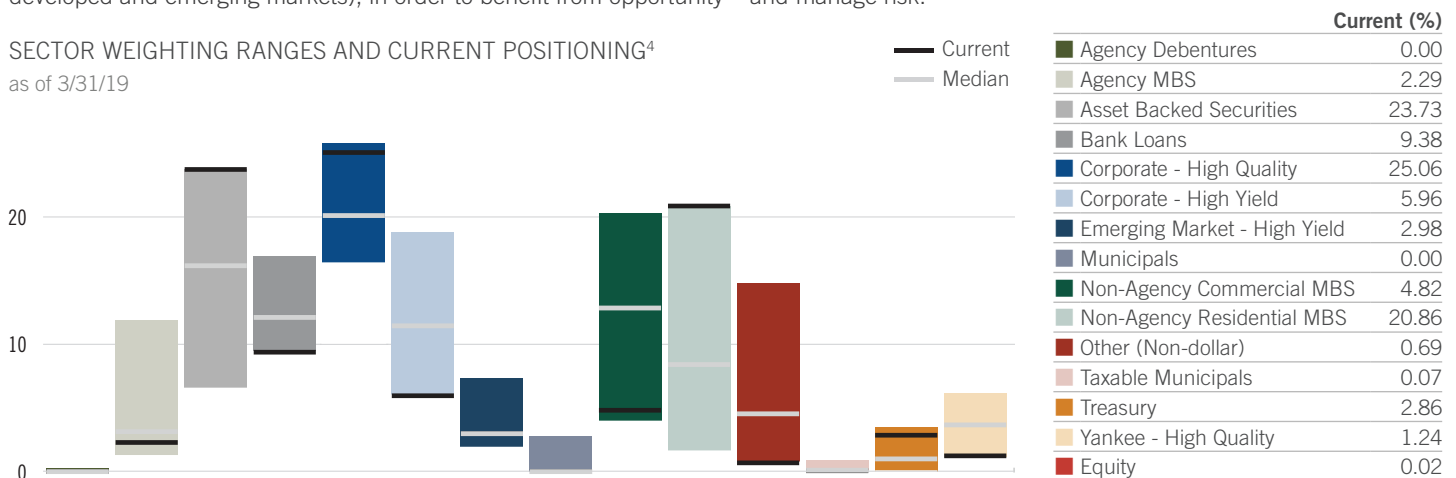
“As opportunistic value investors, Newfleet searches for relative value across the fixed income market. The ability to allocate tactically among sectors and maneuver quickly as conditions change has been a key contributor to the success of our multi-sector approach.”

David L. Albrycht, CFA  
 President and Chief Investment Officer

## Flexible, Multi-Sector Approach

Newfleet rotates across 14 major bond segments, including ex-U.S. (Yankees and corporate bonds, and non-U.S. dollar bonds in both developed and emerging markets), in order to benefit from opportunity—and manage risk.

SECTOR WEIGHTING RANGES AND CURRENT POSITIONING<sup>4</sup>  
 as of 3/31/19



<sup>1</sup> Strong ratings are not indicative of positive fund performance. <sup>2</sup> Awarded to Newfleet Asset Management. <sup>3</sup> Awarded to Virtus Investment Partners. <sup>4</sup> Source: Virtus Performance & Analytics. Bars represent sector weight ranges since 12/31/08 with median and current weights highlighted. Cash and equity positions are not included in the chart as the weightings are not considered meaningful (0.06% combined). Sector weightings are subject to change.

Lipper Fund Awards winner for the ten-year period in the Short-Intermediate Investment-Grade Debt category. The Lipper Fund Awards, granted annually, highlight funds and fund companies that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is a risk-adjusted performance measure calculated over 36, 60 and 120 months. The highest 20% of funds in each category are named Lipper Leaders for Consistent Return and receive a score of 5, the next 20% receive a score of 4, the middle 20% are scored 3, the next 20% are scored 2 and the lowest 20% are scored 1. For Lipper Best Individual Funds, the highest Lipper Leader for Consistent Return (Effective Return) value within each eligible classification determines the fund classification winner for each time period. For a detailed explanation, please review the Lipper Leaders methodology document at [www.lipperfundawards.com](http://www.lipperfundawards.com). Lipper, Inc. is a nationally recognized organization that ranks the performance of mutual funds. Although Lipper makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Lipper. 32 Short-Intermediate Investment Grade Debt Funds were eligible for the 10-year period.

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### Experience throughout Market Cycles

The Fund has been managed with the same investment philosophy and process throughout its 26-year history, with many of the original team members still in place. Over the course of various market cycles and interest rate environments, the Fund experienced negative returns in only three of the past 26 years.

#### FUND CLASS A HISTORICAL NAV<sup>4</sup>

	NAV Range		Returns (%)		Bond Market News
	High	Low	Price	Total	
1993	4.93	4.81	1.66	8.93	High yield resurgence
1994	4.92	4.51	-7.77	-1.94	Worst bond market in 75 years prior to 2008
1995	4.78	4.45	5.99	13.72	Rates rally
1996	4.98	4.74	3.97	11.31	Emerging markets rally
1997	5.17	4.90	0.00	9.46	Asian financial crisis
1998	5.02	4.45	-5.63	1.31	LTCM liquidity crisis
1999	4.71	4.55	-2.56	4.49	NASDAQ reaches all time high/3 rate hikes
2000	4.58	4.42	-0.88	7.09	Curve inverted/tech sell off/3 rate hikes
2001	4.63	4.52	0.44	7.98	Negative GDP
2002	4.64	4.49	1.98	7.40	Record default rates
2003	4.87	4.63	4.31	9.09	Emerging markets/high yield rally
2004	4.89	4.67	0.21	4.81	5 rate hikes
2005	4.84	4.68	-2.89	1.36	8 rate hikes/yield curve flattened
2006	4.77	4.62	0.85	5.52	4 rate hikes/yield curve inverted
2007	4.77	4.63	-2.11	3.15	Fed cuts rates 3 times
2008	4.67	3.71	-19.14	-13.96	Credit crunch
2009	4.61	3.75	22.07	29.80	Credit market recovery
2010	4.89	4.60	4.79	10.25	Fed holds rates near zero
2011	4.91	4.64	-1.66	3.10	EU sovereign debt crisis
2012	4.96	4.73	4.86	9.39	Fiscal cliff
2013	4.99	4.80	-2.02	1.52	Accommodative monetary policy
2014	4.92	4.71	-2.06	1.05	Accommodative monetary policy
2015	4.81	4.63	-2.73	0.09	Global economic uncertainty
2016	4.78	4.59	1.94	4.97	Strong total return but not without pockets of volatility
2017	4.79	4.73	0.64	3.66	Optimism over Trump's growth-oriented policies
2018	4.76	4.57	-3.58	-0.78	Global Central Banks remove liquidity
2019 YTD*	4.67	4.58	1.97	2.74	Central Bank about-face/credit outperforms

A surprise rate hike and events in Mexico and Orange County roil credit markets

Bond markets fell sharply related to Russian debt default implosion of hedge fund Long-Term Capital Management

A year of several rate hikes put bond managers to the test

The Great Recession triggered a liquidity-led collapse of global capital markets, only to be followed by a rapid market recovery

Risk assets sell off late fourth quarter

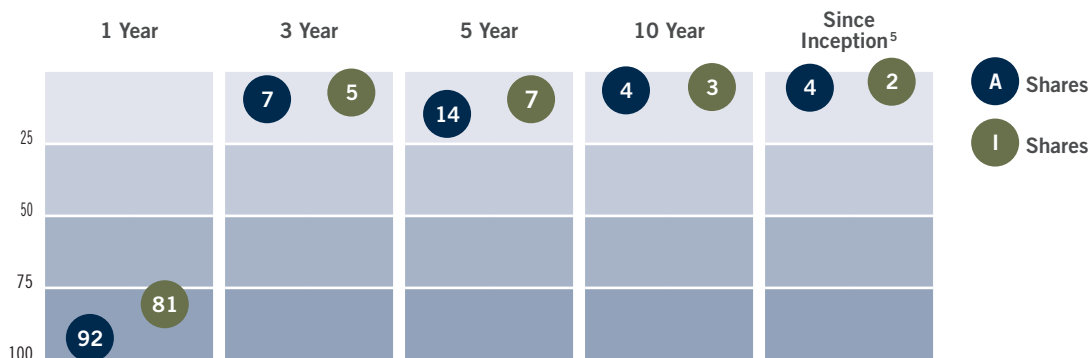
<sup>4</sup> Bond market news sources: Barclays, Bloomberg, Wikipedia, Moody's. \*As of 3/31/19

### Historical Outperformance vs. Morningstar Peers

As a time-tested leader in multi-sector investing, Newfleet has generated top quartile returns for the Fund over 3, 5, and 10 years, and since inception.

#### MORNINGSTAR PERCENTILE RANKING

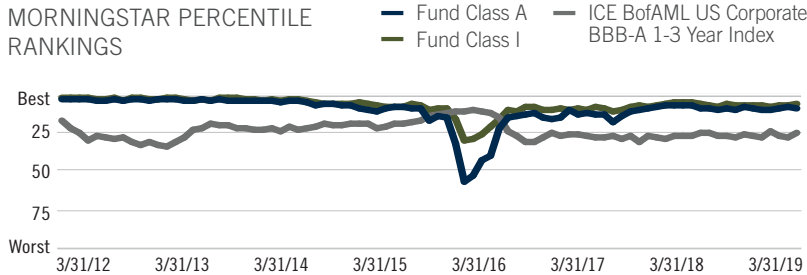
period ending 3/31/19



<sup>5</sup> A shares inception 7/6/92, I shares inception 6/6/08

## Consistent Outperformance vs. Morningstar Peer Group

The Fund has achieved top quartile Morningstar rankings in **98%** and **94%** of rolling 3-year periods over the past 10 years, for Class I and Class A shares, respectively.



## Top Decile Sharpe Ratio

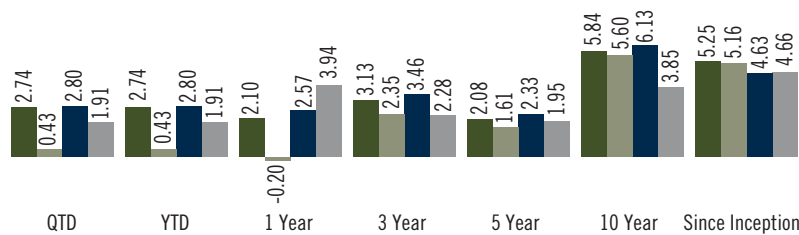


<sup>6</sup> A shares inception 7/6/92, I shares inception 6/6/08

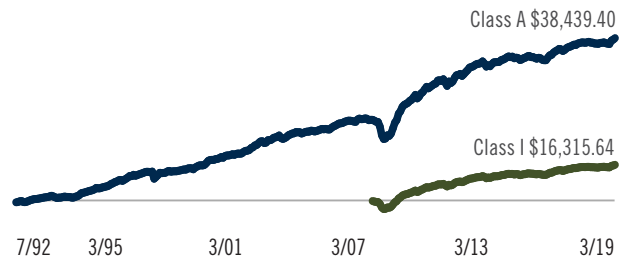
## Solid Long-Term Track Record

AVERAGE ANNUAL TOTAL RETURNS (%) as of 3/31/19

Legend: Fund Class A NAV (dark green), Fund Class A POP (light green), Fund Class I (dark blue), Index (grey)



GROWTH OF \$10,000 as of 3/31/19



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 0.99% (Class A) and 0.72% (Class I) 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 0.98% (Class A) and 0.71% (Class I). Index life performance is reported from 6/30/92.

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 2.25%. A contingent deferred sales charge of 0.50% may be imposed on certain redemptions within 12 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. Class I 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 I shares are offered primarily to eligible institutional investors who purchase the minimum amounts required as described in the prospectus and may not be available to all investors. For fund performance on other share classes, please visit [www.virtus.com](http://www.virtus.com).

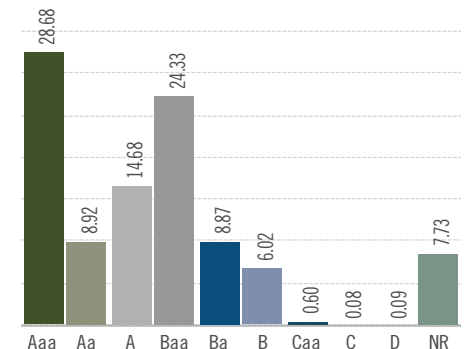
Growth of \$10,000 assumes an initial investment of \$10,000 for A and I Shares made on 7/6/1992 and 6/6/2008, respectively. Fund performance assumes reinvestment of dividends and capital gain distributions. A Shares growth reflects a front end sales charge of 2.25%. I Shares growth reflects no front end sales charges.

### TOP TEN HOLDINGS

Holdings	% Fund
United States Treasury Note/Bond, 1.3750% 04/30/2020	0.93
Virtus Newfleet Credit Opportunities Fund	0.93
United States Treasury Bill, 0.0000% 07/18/2019	0.86
Arroyo Mortgage Trust 2018-1, 3.7630%	0.67
JP Morgan Mortgage Trust 2017-5, 3.1752%	0.51
Mizuho Financial Group Inc, 2.6320% 04/12/2021	0.50
Fannie Mae Pool, 4.0000%	0.48
Petroleos Mexicanos, 4.6250% 09/21/2023	0.48
Hertz Vehicle Financing II LP, 2.7300% 03/25/2021	0.46
Goldman Sachs Group Inc/The, 3.8538% 05/15/2026	0.45

Holdings are subject to change.

### RATINGS DISTRIBUTION



### DISTRIBUTIONS (Class A)

Month	NAV at Month-End
January 2019	\$0.011505
February 2019	\$0.011976
March 2019	\$0.011879

### RISK STATISTICS

(3 Year)	Fund Class A	Fund Class I	Index
Alpha	0.59	0.81	n/a
Beta	1.22	1.32	1.00
R <sup>2</sup>	0.45	0.47	1.00
Sharpe Ratio	1.18	1.30	1.22
Standard Deviation	1.66	1.76	0.91

### CHARACTERISTICS

	Fund Class A	Fund Class I
Effective Duration (years)	2.08	2.08
SEC Yield (%) <sup>4</sup>	3.07	3.36
Weighted Average Maturity	3.18	3.18

<sup>4</sup> SEC Yield represents net investment income earned by a portfolio over a 30-day period, expressed as an annual percentage rate based on the portfolio's public offering price at the end of the 30-day period. All performance figures reflect a partial waiver of fees where applicable. Without the partial waiver of fees, the performance figures would be lower. The SEC Yield would have been 3.35% (Class I).

## Multi-Sector Investment Professionals

<b>High Yield Bank Loans</b> Kyle Jennings, CFA Francesco Ossino	<b>Corporate High Yield</b> Jonathan Stanley, CFA	<b>Corporate Investment Grade</b> Ryan Jungk, CFA
<b>Commercial Mortgage-Backed Securities</b> Nicodemus Rinaldi	<b>Multi-Sector Fixed Income Strategies</b> David L. Albrycht, CFA Chief Investment Officer	<b>Asset-Backed Securities</b> Nicodemus Rinaldi
<b>Emerging Markets</b> Peter Lannigan, CFA Daniel Senecal, CFA	<b>Residential Mortgage-Backed Securities</b> Andrew Szabo, CFA	<b>Agency Mortgage-Backed Securities</b> Andrew Szabo, CFA
<b>Developed ex-U.S.</b> Peter Lannigan, CFA Daniel Senecal, CFA	<b>Municipals/High Yield Municipals</b> Timothy Heaney, CFA	<b>Taxable Municipals</b> Lisa Leonard

<b>AUM (\$ millions)</b>	6,354.2
<b>Number of Holdings</b>	802
<b>Dividends</b>	Daily
<b>Morningstar Category</b>	Short-Term Bond
<b>Lipper Category</b>	Short-Intermediate Investment Grade Debt Funds
<b>Investment Adviser</b>	Virtus Investment Advisers, Inc.

**Barron's:** Best Taxable Bond Fund Family ranked 2 of 61 Fund Families, on a one-year basis, in the 2016 Barron's/Lipper Survey, published in the January 27, 2017 issue of Barron's. Best Taxable Bond Fund Family ranked 1 of 62 Fund Families, on a one-year basis, in the 2012 Barron's/Lipper 2012 Fund Survey, published in the February 11, 2013 issue of Barron's. Ranked 42 of 58 in 2011 and 1 of 57 in 2010.

To qualify for the Barron's/Lipper fund survey, a group must have at least three funds in Lipper's general U.S.-stock category, as well as one in world equity, which combines global and international funds. We also require at least one mixed-asset (or balanced) fund, which holds stocks and bonds. Fund shops also must have at least two taxable-bond funds and one tax-exempt offering. For the first time this year, we've included the performance of emerging-market funds in the world equity category.

Each fund's returns are adjusted for 12b-1 fees, which are used for marketing and distribution expenses. The funds usually add these fees back into returns. Our aim is to measure the manager's skill. Fund loads, or sales charges, aren't included in the calculation of returns, either. Each fund's return is measured against those of all funds in its Lipper category. That leads to a percentile ranking, with 100 the highest and 1 the lowest, which is then weighted by asset size relative to the fund family's other assets in its general classification. If a family's biggest funds do well, that boosts its overall ranking. Poor performance in a big fund can have a big effect on the ranking. Finally, the score is multiplied by the weighting of its general classification, as determined by the entire Lipper universe of funds. The category weightings for the one-year results: general equity, 34.9%; world equity, 16.3%; mixed-asset, 17.3%; taxable bonds, 27.2%; and tax-exempt bonds, 4.3%.

The scoring: Say a company has a fund in the general U.S. equity category that has \$50 million in assets and that it accounts for half of the company's assets in that category. Its ranking is the 75th percentile. The first calculation would be 75 times 0.50, which comes to 37.5. That score is then multiplied by 38.04, general equity's overall weighting in Lipper's universe. So it would be 37.5 times 0.3804, which totals 14.265. Similar calculations are done for each fund in our study. Then, all the numbers are added up for a total score. The fund shop with the highest score wins, both for every category and overall. In 2010, the category weightings for the one-year results: general equity, 40.52%; world equity, 14.32%; mixed equity, 16.46%; taxable bond, 24.52%; tax-exempt bond, 4.18%. Barron's is a registered trademark of Dow Jones & Company; all rights reserved.

**Index:** The ICE BofAML 1-3 Year A-BBB US Corporate Index measures performance of U.S. corporate bond issues rated A1 through BBB3, inclusive (based on an average of Moody's, S&P and Fitch), with a remaining term to final maturity less than 3 years. The index is calculated on a total return basis. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

### IMPORTANT RISK CONSIDERATIONS

**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. **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. **ABS/MBS:** Changes in interest rates can cause both extension and prepayment risks for asset- and mortgage-backed securities. These securities are also subject to risks associated with the repayment of underlying collateral. **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. **Prospectus:** For additional information on risks, please see the fund's prospectus.

**Ratings Distribution Methodology:** The ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of a corporation's or government debt issues. The ratings apply to the fund's holdings and not the fund itself. The higher of the ratings between Moody's, Standard & Poor's and Fitch is used. If one of the three agencies does not have a rating, the higher of the other two ratings is used. If only one agency has rated the bond, the rating from that agency is used. If none of the three agencies have rated the bond the bond is placed in the Not Rated category. Credit ratings are subject to change. Aaa, Aa, A, and Baa are investment grade ratings; Ba, B, Caa, Ca, C and D are below-investment grade ratings.

**Morningstar:** 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.

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