

A SMOOTHER RIDE OVER FULL MARKET CYCLES



SPOTLIGHT ON: VIRTUS VONTOBEL EMERGING MARKETS OPPORTUNITIES FUND

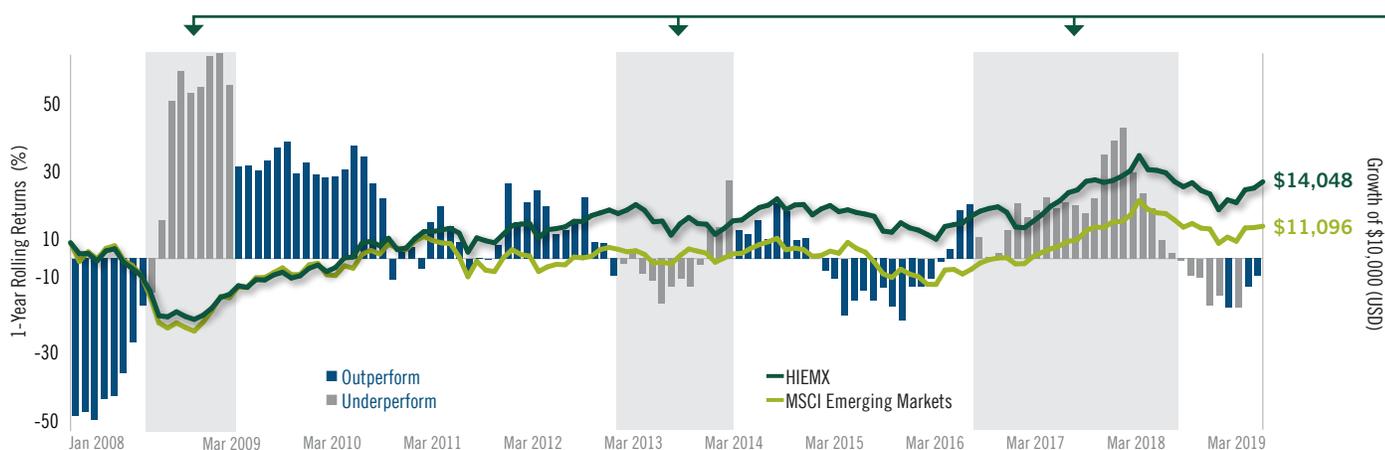
A: HEMZX / C: PICEX / I: HIEMX / R6: VREMX

The low-quality momentum rallies that have dominated emerging markets over the past several years have favored more aggressive strategies. But what happens when conditions change? History shows that a high-quality approach can outperform over full market cycles. The **Virtus Vontobel Emerging Markets Opportunities Fund** drives this point home with a history of strong absolute returns and lower volatility relative to the broad MSCI Emerging Markets (EM) Index, which has resulted in a better experience for long-term investors.

Outperformance with Lower Volatility

Over the past decade, the Fund outperformed the MSCI EM Index in nearly two-thirds of rolling one-year periods.^{1,2} In these periods of outperformance, the average Fund gain was 3.63%, versus an Index loss of 3.45%, translating to an extra \$2,952 based on an initial \$10,000 investment.

More importantly, during periods of relative underperformance, the Fund delivered strong, cumulative returns: 14.03% on average.



Volatility in emerging markets can be sharp and sudden.

For the 10 years ended 3/31/19, the Fund's intense focus on generating returns (10.50% annualized) and managing risk has resulted in strong rankings among its peers:³

Annualized Return	Sharpe Ratio	Downside Capture
Top 14% Ranking	Top 3% Ranking	Top 6% Ranking

A Vehicle for Staying the Course

Investors in emerging markets will encounter occasional bumps in the road as with any asset class. The **Virtus Vontobel Emerging Markets Opportunities Fund**, with its emphasis on minimizing loss during challenging market cycles, offers the growth potential of this asset class with a smoother ride over time.

Fund Features

- High-quality growth strategy searches for high-return growth businesses with strong profitability and durable franchises, trading at attractive valuations.
- High-conviction, concentrated portfolio focuses on minimizing risk.
- Lower volatility, long-term approach strives for less risk and volatility than the MSCI EM Index.

Past performance is not indicative of future results.

¹ HIEMX (after expenses) compared to the MSCI Emerging Markets Index.

² Rolling returns are annualized average returns for a period, ending with the listed year.

³ Source: Virtus Performance & Analytics. Morningstar Peer Ranking (Class I Shares) – 129/836; 15% (1 year), 111/556; 18% (5 year), 24/239; 14% (10 year) in the Diversified Emerging Markets category. Rating based on returns as of 3/31/2019.

Virtus Vontobel Emerging Markets Opportunities Average Annual Total Returns and Morningstar Ratings

Class I as of 3/31/19

RETURNS (%)	QTD	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (10/20/97)
Fund	10.94	10.94	-5.12	8.24	4.18	10.50	6.70
Index	9.91	9.91	-7.41	10.68	3.68	8.94	n/a

TIME PERIOD	DIVERSIFIED EMERGING MARKETS CATEGORY # OF FUNDS ⁴	RATINGS
Overall	707	★★★★
3 Year	707	★★★
5 Year	553	★★★★
10 Year	238	★★★★★

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 for performance data current to the most recent month-end.

The fund class gross expense ratio is 1.23%.

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 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.

Strong ratings are not indicative of positive fund performance.

Vontobel

To learn more,
please contact us
at 1-800-243-4361 or
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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 effects of sales charges and loads.

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Downside Capture Ratio: A measure of a manager’s ability to retain capital as the market declines. A value below 100 indicates that a manager was able to outperform in down markets. **Sharpe Ratio:** A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk.

⁴ The number of funds in a Morningstar peer group category may vary with regard to Ratings and Rankings. The difference in the number of funds is the result of how Morningstar provides data, based on data requested and date provided.

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. **Foreign & Emerging Markets:** Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk. **Geographic Concentration:** A fund that focuses its investments in a particular geographic location will be highly sensitive to financial, economic, political, and other developments affecting the fiscal stability of that location. **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. **Prospectus:** For additional information on risks, please see the fund’s prospectus.

Index: The **MSCI Emerging Markets Index (net)** is a free float-adjusted market capitalization-weighted index designed to measure equity market performance in the global 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.

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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