

INVESTMENT OVERVIEW

The Fund seeks current income by investing primarily in short duration U.S. government agency asset-backed securities and mortgage-backed securities, U.S. Treasuries, and U.S. government agency debentures. Seix's bottom-up focused, top-down aware investment approach seeks to provide superior risk-adjusted returns over a full market cycle, as well as competitive absolute and relative returns over shorter horizons.

KEY FEATURES

- Lower Duration Risk** — Typically maintains an average effective duration between three months and one year
- High-Quality Focus** — Emphasizes income, quality, diversification, and liquidity with a focus on U.S. government securities
- Extensive Fundamental Research** — Combines macroeconomic and fundamental analysis to identify securities with the strongest risk/reward profiles

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



**Class A 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](http://virtus.com) for performance data current to the most recent month end. Class A 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. For fund performance on other share classes, please visit [virtus.com](http://virtus.com).**

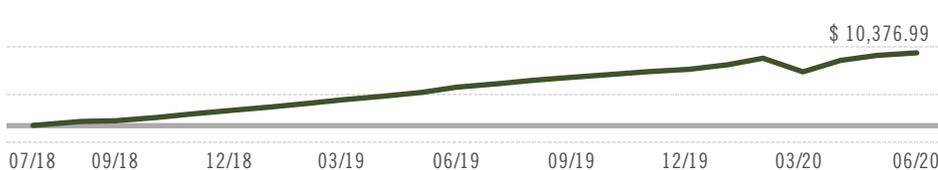
The fund class gross expense ratio is 0.65%.

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	2.11	n/a								
Index	2.41	n/a								

GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 7/24/2018. As of 6/30/2020 the fund value would have been \$10,376.99. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

FUND INFORMATION

	Ticker	CUSIP
A Shares	SSAGX	92837X681
I Shares	SIGVX	92837F821
R6 Shares	SIGZX	92837F813

Inception Date	07/24/18
AUM (\$ millions)	1,046.1
Number of Holdings	171
Dividends	Daily
Morningstar Category	Ultrashort Bond
Lipper Category	Ultra-Short Obligations Funds
Index	Bloomberg Barclays U.S. Treasury Bill 3-6 Month Index

INVESTMENT ADVISER  
Virtus Fund Advisers, LLC

INVESTMENT SUBADVISER



Seix Investment Advisors is an investment management boutique focused exclusively on managing fixed income securities since 1992. Seix seeks to generate competitive absolute and relative risk-adjusted returns over the full market cycle through a bottom-up focused, top-down aware process. Seix employs multi-dimensional approaches based on strict portfolio construction methodology, sell disciplines and trading strategies with prudent risk management as a cornerstone.

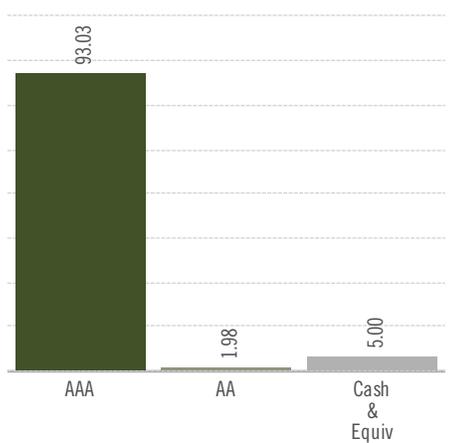
PORTFOLIO MANAGERS

**James F. Keegan**  
Industry start date: 1982  
Start date as Fund Portfolio Manager: 2014

**Michael Rieger**  
Industry start date: 1986  
Start date as Fund Portfolio Manager: 2014

**Perry Troisi**  
Industry start date: 1986  
Start date as Fund Portfolio Manager: 2014

**RATINGS DISTRIBUTION**



**CHARACTERISTICS**

Characteristic	Fund
Effective Duration	0.48
Weighted Average Maturity	3.11
30-day SEC Yield <sup>1</sup>	0.54
30-day SEC Yield (unsubsidized) <sup>2</sup>	0.54

<sup>1</sup> 30-day SEC Yield is a standardized yield calculated according to a formula set by the SEC, and is subject to change.

<sup>2</sup> 30-day SEC Yield (unsubsidized) is the 30 day SEC yield without the effect of applicable expense waivers.

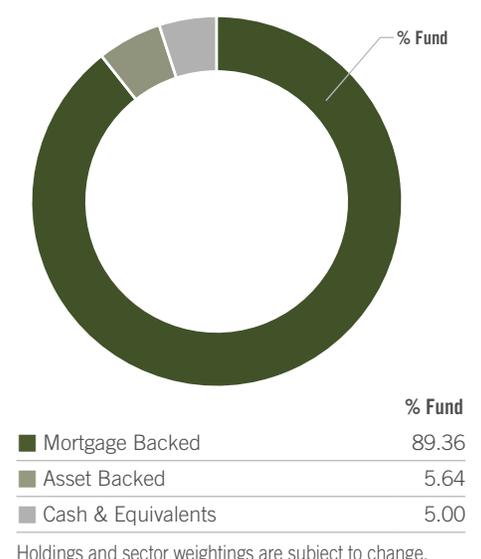
**TOP TEN HOLDINGS**

Top Ten Holdings	% Fund
Government National Mortgage Association, 0.5900%	2.67
Freddie Mac Multifamily Structured Pass Through Certificates, 0.6325%	2.09
Fannie Mae Pool, 0.5030%	2.08
Fannie Mae Pool, 2.8310%	2.05
Fannie Mae Pool, 0.5530%	2.01
Fannie Mae-Aces, 0.4683%	1.92
Fannie Mae Pool, 0.7630%	1.81
NCUA Guaranteed Notes Trust 2010-A1, 0.5301% 12/07/2020	1.79
Government National Mortgage Association, 2.5000%	1.72
Freddie Mac Multifamily Structured Pass Through Certificates, 0.5493%	1.68

**DISTRIBUTIONS**

Month	NAV at Month-End
April 2020	\$0.007429 10.00
May 2020	\$0.005093 10.02
June 2020	\$0.003060 10.03

**SECTOR ALLOCATIONS**



Holdings and sector weightings are subject to change.

**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. **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. **U.S. Government Securities:** U.S. government securities may be subject to price fluctuations. An agency may default on an obligation not backed by the United States. Any guarantee on U.S. government securities does not apply to the value of the fund's shares. **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**

**Effective Duration:** The change in the value of a fixed income security that will result from a 1% change in interest rates while taking into account the way changes in rates will affect the expected cash flows of any bond with an embedded option such as call or prepayment option. This measure assigns a probability to the exercise of a call option, where applicable, based on specified shifts in the yield curve. Duration is expressed as a number of years, and generally, the larger the duration, the greater the interest rate risk or reward for a

portfolio's underlying bond prices. **Weighted Average Maturity:** The length of time until the average security in a fund will mature, be redeemed by its issuer, or paid down over time, which is the case with most securitized assets.

**INDEX DEFINITION**

Index: The Bloomberg Barclays U.S. Treasury Bill 3-6 Month Index measures performance of U.S. Treasury bills with a remaining maturity from one up to (but not including) 12 months. The index excludes zero coupon strips. 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.

**RATINGS DISTRIBUTION METHODOLOGY**

The ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of a corporation's or government's debt issues. The ratings apply to the fund's holdings and not the fund itself. Standard & Poor's, Moody's, and Fitch ratings are used. If all three agencies have rated the security, then the median rating based on numerical equivalents is used. If only two agencies have rated the security, then the lower of the two ratings is used. If only one agency has rated the security, the rating from that agency is used. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C, and D are below-investment grade ratings.

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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](http://virtus.com) for a prospectus or summary prospectus. Read it carefully before investing.

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