

**INVESTMENT OVERVIEW**

The Fund seeks to generate total return through current income and capital appreciation by building a highly diversified portfolio invested in a broad range of fixed income instruments.

**KEY FEATURES**

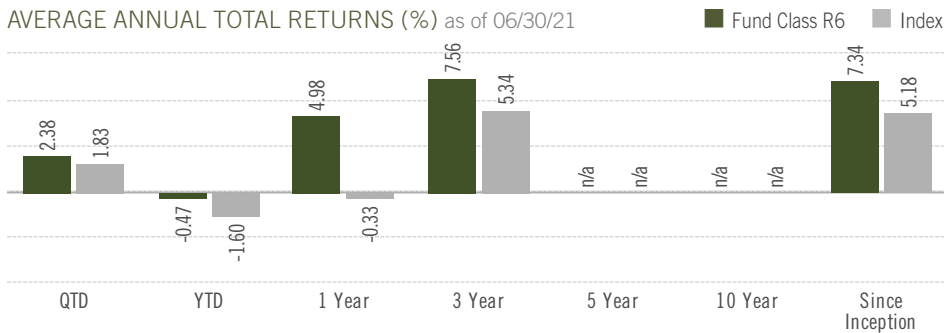
**Flexibility** — Utilizes investment grade and non-investment grade corporate bonds, structured assets, and government securities to help enhance risk-adjusted total returns

**Exploits Market Inefficiencies** — U.S. fixed income markets exhibit significant and repeatable valuation inefficiencies that, once identified through a fundamental, bottom-up research process focused on security selection and sector rotation, could provide an investment advantage

**Integrated, Experienced, and Stable Team** — Averaging more than 20 years of U.S. fixed income experience, the team combines holistic views and fundamental, bottom-up research to achieve consistent results through varying market conditions

**FUND INFORMATION**

	<b>Ticker</b>	<b>CUSIP</b>
Institutional Shares	ACKIX	92838V437
P Shares	ACKPX	92838V452
R6 Shares	ACOSX	92838V445
Inception Date	05/30/18	
AUM (\$ millions)	52.6	
Number of Holdings	208	
Dividends	Monthly	
Morningstar Category	Intermediate Core-Plus Bond	
Lipper Category	Core Plus Bond Funds	
Index	Bloomberg Barclays U.S. Aggregate Bond Index	



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. This share class has no sales charges and is not available to all investors. Other share classes have sales charges. See [virtus.com](http://virtus.com) for details.

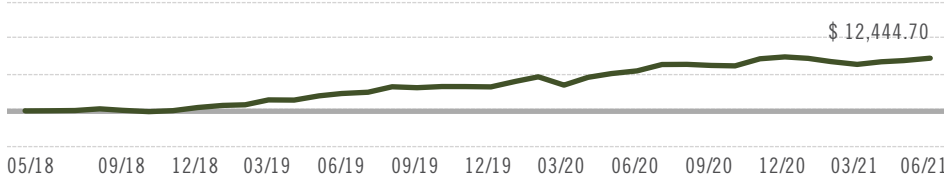
The fund class gross expense ratio is 0.76%. The net expense ratio is 0.25%, which reflects a contractual expense reimbursement in effect through 2/1/2023.

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 (%)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Fund</b>	12.54	9.44	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Index</b>	7.51	8.72	n/a	n/a	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 5/30/2018. As of 6/30/2021 the fund value would have been \$12,444.70. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

**MORNINGSTAR RATINGS**

Time Period	# of Stars	# of Funds
Overall	★★★★★	550
3 Year	★★★★★	550
5 Year	Not Rated	n/a
10 Year	Not Rated	n/a

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

**INVESTMENT ADVISER**

Virtus Investment Advisers, Inc.

**INVESTMENT SUBADVISER**



At Allianz Global Investors, active is the most important word in our vocabulary. Active is how we create and share value with clients. We believe in solving, not selling, and in adding value beyond pure economic gain. We invest for the long term, employing our innovative investment expertise and global resources. Our goal is to ensure a superior experience for our clients, wherever they are based and whatever their investment needs. Active is: Allianz Global Investors

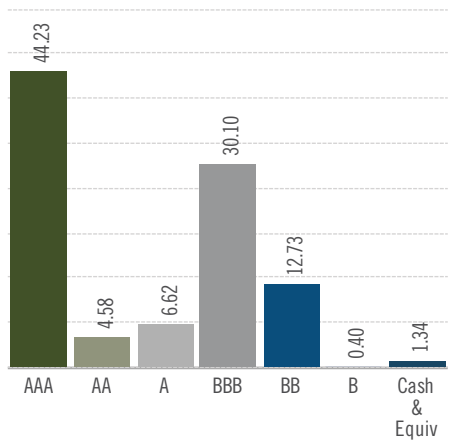
**PORTFOLIO MANAGERS**

**Carl W. Pappo, Jr., CFA**  
 Industry start date: 1993  
 Start date as Fund Portfolio Manager: 2018

**Stephen J. Sheehan, CFA**  
 Industry start date: 2009  
 Start date as Fund Portfolio Manager: 2018

**Michael Zazzarino**  
 Industry start date: 1988  
 Start date as Fund Portfolio Manager: 2018

**RATINGS DISTRIBUTION**



**CHARACTERISTICS**

Characteristic	Fund
30-day SEC Yield <sup>1</sup>	1.80
30-day SEC Yield (unsubsidized) <sup>2</sup>	1.30

<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**

Security	% Fund
Fannie Mae or Freddie Mac, 2.0000%	4.33
Honda Auto Receivables 2021-1 Owner Trust, 0.2700% 04/21/2025	2.85
United States Treasury Note/Bond, 2.0000% 11/15/2021	2.64
Fannie Mae Pool, 2.5000%	2.48
Fannie Mae or Freddie Mac, 1.5000%	2.42
United States Treasury Note/Bond, 2.0000% 08/31/2021	2.10
Fannie Mae Pool, 3.5000%	1.89
Fannie Mae Pool, 2.5000%	1.73
Hyundai Auto Receivables Trust 2019-A, 2.6600% 06/15/2023	1.68
United States Treasury Note/Bond, 1.8750% 02/15/2051	1.53

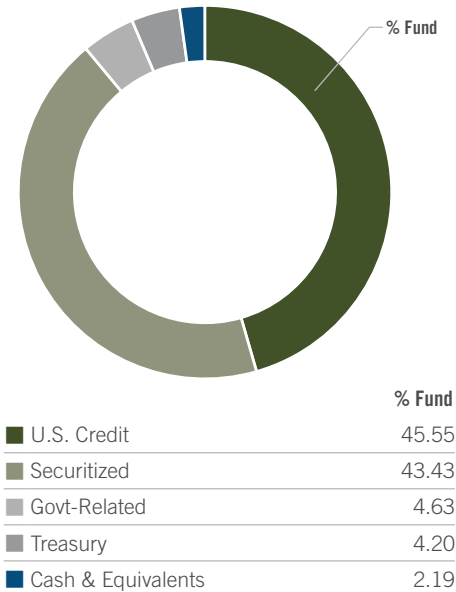
**DISTRIBUTIONS**

Month	NAV at Month-End
April 2021	\$0.031500 15.23
May 2021	\$0.028500 15.27
June 2021	\$0.028500 15.38

**RISK STATISTICS (3 YEAR)**

	Fund	Index
Alpha	1.68	n/a
Beta	1.11	1.00
R <sup>2</sup>	0.74	1.00
Sharpe Ratio	1.40	1.18
Standard Deviation	4.46	3.44

**SECTOR ALLOCATIONS**



Holdings and sector weightings are subject to change.

**IMPORTANT RISK CONSIDERATIONS**

**Market Volatility:** Local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the portfolio and its investments, including hampering the ability of the portfolio manager(s) to invest the portfolio's assets as intended. **Debt Instruments:** Debt instruments are subject to greater levels of credit and liquidity risk, may be speculative and may decline in value due to changes in interest rates or an issuer's or counterparty's deterioration or default. **Interest Rate:** The values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced for securities with longer maturities. **Variable Distribution Risk:** Periodic distributions by investments of variable or floating interest rates vary with fluctuations in market interest rates. **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 non-repayment of underlying collateral, including losses to the portfolio. **High Yield Fixed Income Securities:** There is a greater risk of issuer default, less liquidity, and increased price volatility related to high yield securities than investment grade securities. **Derivatives:** Investments in derivatives such as futures, options, forwards, and swaps may increase volatility or cause a loss greater than the principal investment. **Leverage:** When a portfolio is leveraged, the value of its securities may be more volatile and all other risks may be compounded. **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 Bloomberg Barclays U.S. Aggregate Bond Index measures the U.S. investment grade fixed rate bond market. 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**

Credit ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of the issuers of the underlying securities and not to the Fund or its shares. Ratings are measured using a scale that ranges from AAA (highest) to NR (not rated). Not rated securities do not necessarily indicate low quality. The security's credit rating does not eliminate risk and credit ratings are subject to change. Credit Quality reflects a weighted average composite of the ratings of Standard & Poor's Corporation, Fitch, Moody's Investors Service, Inc and DBRS. Ratings are then adjusted to the Standard & Poor's rating tiers shown. In the case where the composite is in between two ratings the rating will be rounded down. A composite will not be generated if the bond is only rated by one of the four rating agencies. Expected ratings and unsolicited ratings, designated by "e" and "u", are not included in calculating the composite.

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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