

INVESTMENT OPPORTUNITY

The Fund seeks current income and gains, with long-term capital appreciation as a secondary objective.

The Fund will generally invest approximately 75% of its total assets in equity securities and approximately 25% in convertible securities.

The Fund will employ an option strategy of writing (selling) covered call options on equity securities held in the Fund.

The equity portion of the Fund generally invests in U.S. equities and American depositary receipts (ADRs) with attractive quality characteristics, shareholder yield, and consistent financial output.

The convertible portion of the Fund generally invests in income-producing convertible securities, including synthetic convertible securities, and may include convertible securities that are of below-investment grade quality.

The option portion of the Fund is designed to generate gains from option premiums in an attempt to enhance amounts available for distributions payable to the Fund's shareholders.

NYSE Ticker	NFJ
Inception Date	2/28/2005
Number of Investments	267
Market Price (\$)	15.07
Net Asset Value (\$)	16.55
Discount to NAV (%)	-8.94
Shares Outstanding (m)	94.80
Average Daily Volume	227,444
Total Net Assets (\$m)	1,569.27
Preferred Assets (\$m)	0.00
Borrowed Debt (\$m)	0.00
Total Managed Assets (\$m)	1,569.27
Distribution Frequency	Quarterly
Investment Adviser	Virtus Investment Advisers, Inc.
	NFJ Investment Group, LLC
Investment Subadvisers	Allianz Global Investors US LLC

AVERAGE ANNUAL TOTAL RETURNS (%) as of 6/30/2021 ■ NAV ■ Market Price



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.

The fund class gross expense ratio is 1.05%. The net expense ratio is 0.96%, which reflects a contractual expense reimbursement in effect through 2/1/2023.

Performance reflects the deduction of Fund operating expenses. Performance does not reflect the incurrence of brokerage expenses, which typically apply to exchange traded products. Total return net of brokerage expenses would be lower than the total returns on market value shown in the table.

Average annual total return is the annual compound return for the indicated period. It 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
NAV	14.39	21.26	-8.63	9.16	10.95	-9.20	3.59	18.74	8.66	2.60
Market Price	11.97	30.77	-12.06	12.62	11.93	-13.05	-0.17	25.76	8.10	1.51

52-Week Ranges	High	Low
NAV (\$)	16.58	12.98
Market Price (\$)	15.20	11.23

FUND MANAGEMENT



NFJ Investment Group (NFJ) is a global value equity manager with a rich heritage and deep roots in Dallas, Texas, dating to 1989. NFJ is unwavering in its commitment to investing at the intersection of value, quality, and shareholder yield, seeking to identify companies with low market expectations and the strongest prospects for returning capital to shareholders.

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

INVESTMENT PROFESSIONALS

Justin M. Kass, CFA
Industry start date: 1998
Start date Fund Portfolio Manager: 2021

R. Burns McKinney, CFA
Industry start date: 1996
Start date Fund Portfolio Manager: 2017

John R. Mowrey, CFA
Industry start date: 2007
Start date Fund Portfolio Manager: 2017

Thomas Oliver, CFA, CPA
Industry start date: 1995
Start date Fund Portfolio Manager: 2017

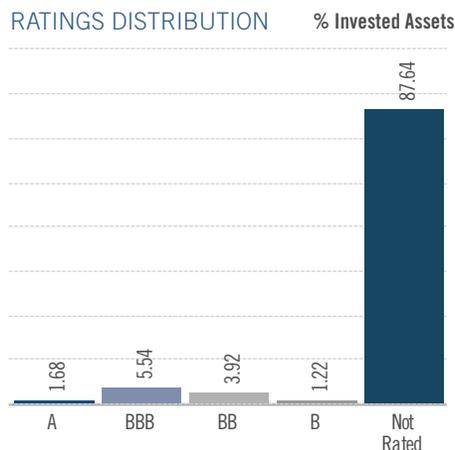
Kris P. Marca, CFA
Industry start date: 2003
Start date Fund Portfolio Manager: 2021

Douglas G. Forsyth, CFA
Industry start date: 1991
Start date Fund Portfolio Manager: 2005

Effective February 1, 2021, this fund's name and investment adviser have changed.

SECTOR BREAKDOWN	% Equity
Information Technology	24.09
Consumer Discretionary	13.18
Health Care	12.59
Financials	11.93
Industrials	9.90
Real Estate	8.50
Communication Services	5.91
Utilities	5.67
Consumer Staples	4.74
Materials	1.90
Energy	1.58

SECTOR BREAKDOWN	% Fixed Income
Information Technology	30.65
Consumer Discretionary	21.04
Health Care	16.83
Communication Services	13.42
Industrials	4.91
Financials	4.30
Energy	3.54
Utilities	3.02
Materials	1.19
Real Estate	1.11



DISTRIBUTION HISTORY

Ex-Date	Distributions
6/11/2021	\$0.2250
3/12/2021	\$0.2250
12/18/2020	\$0.2250
9/11/2020	\$0.2250
6/12/2020	\$0.2250
3/13/2020	\$0.2250

TOP TEN HOLDINGS	% Fund
Microsoft Corporation	3.08
American Tower Corporation	2.93
Lockheed Martin Corporation	2.49
Apple Inc.	2.29
Amazon.com Inc.	2.23
The Home Depot Inc.	2.08
NextEra Energy Inc.	1.69
NVIDIA Corporation	1.60
Alphabet, Inc.- Cl A	1.56
Thermo Fisher Scientific Inc.	1.52

Holdings and sector weightings are subject to change.

FIXED INCOME CHARACTERISTICS	Fund
Weighted Average Maturity	4.44
Weighted Average Current Yield	1.65

FOR MORE INFORMATION

Contact your financial representative for more information, or call Virtus Closed-End Funds for service at 1-800-254-5197. Information on the Fund is available at www.virtus.com.

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. **Convertible Securities:** A convertible security may be called for redemption at a time and price unfavorable to the portfolio. **Credit & Interest:** Debt instruments are subject to various risks, including credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities. **Options:** Selling call options may limit the opportunity to profit from the increase in price of the underlying asset. Selling put options risks loss if the option is exercised while the price of the underlying asset is rising. Buying options risks loss of the premium paid for those options. **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. **Preferred Stocks:** Preferred stocks may decline in price, fail to pay dividends, or be illiquid. **Closed-End Funds:** Closed-end funds may trade at a discount or premium from their net asset values, which may affect whether an investor will realize gains or losses. They may also employ leverage, which may increase volatility.

GLOSSARY

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. **Weighted Average Current Yield:** The current yield on a bond portfolio divided by the number of bonds contained in it, weighted for the size of each bond so that the yield of large holdings does not drown out the calculation of yields on small holdings.

NET ASSET VALUE VS. MARKET PRICE

Net Asset Value (NAV) represents the total value of all assets held by the Fund (minus its total liabilities), divided by the total number of common shares outstanding. The net asset value returns reflect the performance of the manager. Market Price is the price at which investors may purchase or sell shares of the Fund. Market Price is determined in the open market by buyers and sellers, based on supply and demand. The Fund's Market Price fluctuates throughout the day and may differ from its underlying NAV. Shares of the Fund may trade at a premium (higher than) or a discount (lower than) to NAV. This characteristic is a risk separate and distinct from the risk that the Fund's net asset value could decline. The Fund has no control over the market price. The difference between the market price and the NAV (Premium/Discount) is expressed as a percentage of NAV.

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 the higher of the ratings of Standard & Poor's Corporation and Moody's Investors Service, Inc. Only one rating will be utilized if only one is available. Ratings are then adjusted to the Standard & Poor's rating tiers shown.