

VIRTUS CONVERTIBLE FUND
SCHEDULE OF INVESTMENTS (Unaudited)
JUNE 30, 2023

(\$ reported in thousands)

| | Par Value | Value | | Par Value | Value | | Par Value | Value |
|--|-----------|----------------|--|-----------|-------|--|-----------|-------|
| CONVERTIBLE BONDS AND NOTES—88.9% | | | | | | | | |
| Auto Manufacturers—1.7% | | | | | | | | |
| Ford Motor Co. | | | | | | | | |
| 0.000%, 3/15/26 | \$ 11,015 | \$ 12,067 | | | | | | |
| Lucid Group, Inc. 144A | | | | | | | | |
| 1.250%, 12/15/26 ⁽¹⁾ | 8,275 | 5,288 | | | | | | |
| Rivian Automotive, Inc. 144A | | | | | | | | |
| 4.625%, 3/15/29 ⁽¹⁾ | 8,005 | 8,755 | | | | | | |
| | | <u>26,110</u> | | | | | | |
| Automotive Parts & Equipment—1.0% | | | | | | | | |
| indie Semiconductor, Inc. 144A | | | | | | | | |
| 4.500%, 11/15/27 ⁽¹⁾ | 6,100 | 8,095 | | | | | | |
| Luminar Technologies, Inc. 144A | | | | | | | | |
| 1.250%, 12/15/26 ⁽¹⁾ | 11,810 | 7,865 | | | | | | |
| | | <u>15,960</u> | | | | | | |
| Banks—1.7% | | | | | | | | |
| Barclays Bank plc | | | | | | | | |
| 0.000%, 2/18/25 | 15,165 | 15,500 | | | | | | |
| BofA Finance LLC | | | | | | | | |
| 0.600%, 5/25/27 | 10,080 | 11,642 | | | | | | |
| | | <u>27,142</u> | | | | | | |
| Biotechnology—4.0% | | | | | | | | |
| Alnylam Pharmaceuticals, Inc. 144A | | | | | | | | |
| 1.000%, 9/15/27 ⁽¹⁾ | 11,860 | 11,313 | | | | | | |
| Apellis Pharmaceuticals, Inc. | | | | | | | | |
| 3.500%, 9/15/26 | 2,720 | 6,501 | | | | | | |
| Bridgebio Pharma, Inc. | | | | | | | | |
| 2.250%, 2/1/29 | 10,865 | 6,670 | | | | | | |
| Insmad, Inc. | | | | | | | | |
| 1.750%, 1/15/25 | 9,940 | 9,354 | | | | | | |
| 0.750%, 6/1/28 | 5,525 | 4,634 | | | | | | |
| Ionis Pharmaceuticals, Inc. 144A | | | | | | | | |
| 1.750%, 6/15/28 ⁽¹⁾ | 9,140 | 9,149 | | | | | | |
| Sarepta Therapeutics, Inc. 144A | | | | | | | | |
| 1.250%, 9/15/27 ⁽¹⁾ | 14,885 | 16,101 | | | | | | |
| | | <u>63,722</u> | | | | | | |
| Chemicals—0.6% | | | | | | | | |
| Livent Corp. | | | | | | | | |
| 4.125%, 7/15/25 | 3,150 | 10,083 | | | | | | |
| Commercial Services—3.4% | | | | | | | | |
| Affirm Holdings, Inc. | | | | | | | | |
| 0.000%, 11/15/26 | 19,555 | 14,434 | | | | | | |
| Repay Holdings Corp. 144A | | | | | | | | |
| 0.000%, 2/1/26 ⁽¹⁾ | 11,745 | 9,550 | | | | | | |
| Shift4 Payments, Inc. | | | | | | | | |
| 0.000%, 12/15/25 | 4,330 | 4,702 | | | | | | |
| Commercial Services—continued | | | | | | | | |
| 0.500%, 8/1/27 | \$ 17,435 | \$ 15,378 | | | | | | |
| Stride, Inc. | | | | | | | | |
| 1.125%, 9/1/27 | 9,950 | 9,514 | | | | | | |
| | | <u>53,578</u> | | | | | | |
| Computers—4.1% | | | | | | | | |
| CyberArk Software Ltd. | | | | | | | | |
| 0.000%, 11/15/24 | 6,905 | 7,820 | | | | | | |
| KBR, Inc. | | | | | | | | |
| 2.500%, 11/1/23 | 1,835 | 4,694 | | | | | | |
| Lumentum Holdings, Inc. 144A | | | | | | | | |
| 1.500%, 12/15/29 ⁽¹⁾ | 19,840 | 20,514 | | | | | | |
| Parsons Corp. | | | | | | | | |
| 0.250%, 8/15/25 | 13,105 | 14,999 | | | | | | |
| Rapid7, Inc. | | | | | | | | |
| 0.250%, 3/15/27 | 8,720 | 7,570 | | | | | | |
| Zscaler, Inc. | | | | | | | | |
| 0.125%, 7/1/25 | 7,765 | 9,050 | | | | | | |
| | | <u>64,647</u> | | | | | | |
| Diversified Financial Services—3.8% | | | | | | | | |
| Encore Capital Group, Inc. 144A | | | | | | | | |
| 4.000%, 3/15/29 ⁽¹⁾ | 21,365 | 20,745 | | | | | | |
| Goldman Sachs Finance Corp. | | | | | | | | |
| 0.500%, 12/29/27 | 24,255 | 22,736 | | | | | | |
| JPMorgan Chase Financial Co., LLC | | | | | | | | |
| 0.500%, 6/15/27 | 14,020 | 16,936 | | | | | | |
| | | <u>60,417</u> | | | | | | |
| Electric Utilities—3.1% | | | | | | | | |
| FirstEnergy Corp. 144A | | | | | | | | |
| 4.000%, 5/1/26 ⁽¹⁾ | 19,035 | 18,940 | | | | | | |
| Southern Co. (The) 144A | | | | | | | | |
| 3.875%, 12/15/25 ⁽¹⁾ | 30,620 | 30,543 | | | | | | |
| | | <u>49,483</u> | | | | | | |
| Energy-Alternate Sources—1.8% | | | | | | | | |
| Array Technologies, Inc. | | | | | | | | |
| 1.000%, 12/1/28 | 3,855 | 4,410 | | | | | | |
| Sunnova Energy International, Inc. 144A | | | | | | | | |
| 2.625%, 2/15/28 ⁽¹⁾ | 28,785 | 23,421 | | | | | | |
| | | <u>27,831</u> | | | | | | |
| Engineering & Construction—0.8% | | | | | | | | |
| Granite Construction, Inc. 144A | | | | | | | | |
| 3.750%, 5/15/28 ⁽¹⁾ | 11,540 | 12,382 | | | | | | |
| Entertainment—4.6% | | | | | | | | |
| DraftKings Holdings, Inc. | | | | | | | | |
| 0.000%, 3/15/28 | 15,795 | 11,783 | | | | | | |
| Entertainment—continued | | | | | | | | |
| IMAX Corp. | | | | | | | | |
| 0.500%, 4/1/26 | \$ 18,520 | \$ 16,924 | | | | | | |
| Live Nation Entertainment, Inc. | | | | | | | | |
| 2.000%, 2/15/25 | 20,395 | 21,649 | | | | | | |
| 144A 3.125%, 1/15/29 ⁽¹⁾ | 7,010 | 7,725 | | | | | | |
| Vail Resorts, Inc. | | | | | | | | |
| 0.000%, 1/1/26 | 15,245 | 13,616 | | | | | | |
| | | <u>71,697</u> | | | | | | |
| Food & Beverage—0.4% | | | | | | | | |
| Post Holdings, Inc. 144A | | | | | | | | |
| 2.500%, 8/15/27 ⁽¹⁾ | 5,460 | 5,505 | | | | | | |
| Health Care REITs—1.5% | | | | | | | | |
| Welltower OP LLC 144A | | | | | | | | |
| 2.750%, 5/15/28 ⁽¹⁾ | 23,040 | 23,213 | | | | | | |
| Healthcare-Products—8.0% | | | | | | | | |
| Alphatec Holdings, Inc. | | | | | | | | |
| 0.750%, 8/1/26 | 14,280 | 16,561 | | | | | | |
| CONMED Corp. | | | | | | | | |
| 2.250%, 6/15/27 | 17,025 | 19,000 | | | | | | |
| Exact Sciences Corp. | | | | | | | | |
| 0.375%, 3/15/27 | 33,410 | 35,895 | | | | | | |
| 0.375%, 3/1/28 | 4,235 | 4,333 | | | | | | |
| Insulet Corp. | | | | | | | | |
| 0.375%, 9/1/26 | 5,855 | 8,042 | | | | | | |
| Integer Holdings Corp. 144A | | | | | | | | |
| 2.125%, 2/15/28 ⁽¹⁾ | 5,935 | 6,991 | | | | | | |
| Lantheus Holdings, Inc. 144A | | | | | | | | |
| 2.625%, 12/15/27 ⁽¹⁾ | 5,390 | 6,983 | | | | | | |
| Natera, Inc. | | | | | | | | |
| 2.250%, 5/1/27 | 9,040 | 13,045 | | | | | | |
| TransMedics Group, Inc. 144A | | | | | | | | |
| 1.500%, 6/1/28 ⁽¹⁾ | 12,800 | 14,567 | | | | | | |
| | | <u>125,417</u> | | | | | | |
| Internet—8.8% | | | | | | | | |
| Booking Holdings, Inc. | | | | | | | | |
| 0.750%, 5/1/25 | 5,090 | 7,629 | | | | | | |
| Palo Alto Networks, Inc. | | | | | | | | |
| 0.375%, 6/1/25 | 16,260 | 41,845 | | | | | | |
| Snap, Inc. | | | | | | | | |
| 0.750%, 8/1/26 | 8,305 | 7,661 | | | | | | |
| Uber Technologies, Inc. | | | | | | | | |
| 0.000%, 12/15/25 | 10,635 | 9,699 | | | | | | |
| Wayfair, Inc. | | | | | | | | |
| 1.125%, 11/1/24 | 10,500 | 10,434 | | | | | | |
| 1.000%, 8/15/26 | 11,100 | 9,131 | | | | | | |
| 144A 3.250%, 9/15/27 ⁽¹⁾ | 8,840 | 10,948 | | | | | | |
| Zillow Group, Inc. | | | | | | | | |
| 2.750%, 5/15/25 | 31,585 | 33,133 | | | | | | |

See Notes to Schedule of Investments

VIRTUS CONVERTIBLE FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
JUNE 30, 2023

(\$ reported in thousands)

| | <u>Par Value</u> | <u>Value</u> | | <u>Par Value</u> | <u>Value</u> | | <u>Par Value</u> | <u>Value</u> |
|--|------------------|----------------|--|------------------|--------------|--|------------------|--------------|
| Internet—continued | | | | | | | | |
| 1.375%, 9/1/26 | \$ 6,625 | \$ 8,331 | | | | | | |
| | | <u>138,811</u> | | | | | | |
| Leisure Time—4.9% | | | | | | | | |
| Carnival Corp. | | | | | | | | |
| 5.750%, 10/1/24 | 10,244 | 20,227 | | | | | | |
| NCL Corp., Ltd. | | | | | | | | |
| 5.375%, 8/1/25 | 3,190 | 4,370 | | | | | | |
| 1.125%, 2/15/27 | 26,380 | 24,311 | | | | | | |
| Royal Caribbean Cruises Ltd. | | | | | | | | |
| 2.875%, 11/15/23 | 7,470 | 9,565 | | | | | | |
| 144A 6.000%, 8/15/25 ⁽¹⁾ | 5,570 | 12,243 | | | | | | |
| Topgolf Callaway Brands Corp. | | | | | | | | |
| 2.750%, 5/1/26 | 5,160 | 6,662 | | | | | | |
| | | <u>77,378</u> | | | | | | |
| Machinery-Diversified—0.7% | | | | | | | | |
| Middleby Corp. (The) | | | | | | | | |
| 1.000%, 9/1/25 | 8,310 | 10,317 | | | | | | |
| Media—3.3% | | | | | | | | |
| DISH Network Corp. | | | | | | | | |
| 0.000%, 12/15/25 | 7,710 | 4,077 | | | | | | |
| Liberty Broadband Corp. 144A | | | | | | | | |
| 3.125%, 3/31/53 ⁽¹⁾ | 29,595 | 28,870 | | | | | | |
| Liberty Media Corp.-Liberty Formula One 144A | | | | | | | | |
| 2.250%, 8/15/27 ⁽¹⁾ | 17,240 | 18,516 | | | | | | |
| | | <u>51,463</u> | | | | | | |
| Mining—0.9% | | | | | | | | |
| Lithium Americas Corp. | | | | | | | | |
| 1.750%, 1/15/27 | 11,050 | 8,581 | | | | | | |
| SSR Mining, Inc. | | | | | | | | |
| 2.500%, 4/1/39 | 5,615 | 6,001 | | | | | | |
| | | <u>14,582</u> | | | | | | |
| Miscellaneous Manufacturing—1.3% | | | | | | | | |
| Axon Enterprise, Inc. 144A | | | | | | | | |
| 0.500%, 12/15/27 ⁽¹⁾ | 19,490 | 20,747 | | | | | | |
| Oil, Gas & Consumable Fuels—2.6% | | | | | | | | |
| EQT Corp. | | | | | | | | |
| 1.750%, 5/1/26 | 5,010 | 14,095 | | | | | | |
| Northern Oil & Gas, Inc. 144A | | | | | | | | |
| 3.625%, 4/15/29 ⁽¹⁾ | 12,725 | 14,191 | | | | | | |
| Pioneer Natural Resources Co. | | | | | | | | |
| 0.250%, 5/15/25 | 5,515 | 12,126 | | | | | | |
| | | <u>40,412</u> | | | | | | |
| Passenger Airlines—0.6% | | | | | | | | |
| American Airlines Group, Inc. | | | | | | | | |
| 6.500%, 7/1/25 | \$ 6,745 | \$ 8,640 | | | | | | |
| Pharmaceuticals—5.2% | | | | | | | | |
| Dexcom, Inc. | | | | | | | | |
| 0.750%, 12/1/23 | 2,595 | 8,093 | | | | | | |
| 0.250%, 11/15/25 | 40,475 | 43,206 | | | | | | |
| 144A 0.375%, 5/15/28 ⁽¹⁾ | 15,040 | 15,333 | | | | | | |
| Miram Pharmaceuticals, Inc. 144A | | | | | | | | |
| 4.000%, 5/1/29 ⁽¹⁾ | 4,855 | 5,445 | | | | | | |
| Revance Therapeutics, Inc. | | | | | | | | |
| 1.750%, 2/15/27 | 9,515 | 10,029 | | | | | | |
| | | <u>82,106</u> | | | | | | |
| Retail—2.0% | | | | | | | | |
| Freshpet, Inc. 144A | | | | | | | | |
| 3.000%, 4/1/28 ⁽¹⁾ | 11,935 | 14,077 | | | | | | |
| Shake Shack, Inc. | | | | | | | | |
| 0.000%, 3/1/28 | 22,370 | 18,124 | | | | | | |
| | | <u>32,201</u> | | | | | | |
| Semiconductors—4.3% | | | | | | | | |
| Impinj, Inc. | | | | | | | | |
| 1.125%, 5/15/27 | 4,855 | 5,249 | | | | | | |
| MACOM Technology Solutions Holdings, Inc. | | | | | | | | |
| 0.250%, 3/15/26 | 7,730 | 7,807 | | | | | | |
| Microchip Technology, Inc. | | | | | | | | |
| 0.125%, 11/15/24 | 6,915 | 7,823 | | | | | | |
| ON Semiconductor Corp. 144A | | | | | | | | |
| 0.500%, 3/1/29 ⁽¹⁾ | 21,065 | 23,790 | | | | | | |
| SMART Global Holdings, Inc. | | | | | | | | |
| 2.000%, 2/1/29 | 2,005 | 3,008 | | | | | | |
| Veeco Instruments, Inc. 144A | | | | | | | | |
| 2.875%, 6/1/29 ⁽¹⁾ | 5,175 | 5,747 | | | | | | |
| Wolfspeed, Inc. | | | | | | | | |
| 0.250%, 2/15/28 | 19,500 | 14,937 | | | | | | |
| | | <u>68,361</u> | | | | | | |
| Software—13.2% | | | | | | | | |
| Akamai Technologies, Inc. | | | | | | | | |
| 0.125%, 5/1/25 | 13,925 | 14,856 | | | | | | |
| Bentley Systems, Inc. | | | | | | | | |
| 0.125%, 1/15/26 | 22,540 | 23,183 | | | | | | |
| BILL Holdings, Inc. | | | | | | | | |
| 0.000%, 12/1/25 | 13,730 | 14,355 | | | | | | |
| Cerence, Inc. 144A | | | | | | | | |
| 1.500%, 7/1/28 ⁽¹⁾ | 13,205 | 13,232 | | | | | | |
| Cloudflare, Inc. | | | | | | | | |
| 0.000%, 8/15/26 | 9,745 | 8,269 | | | | | | |
| Software—continued | | | | | | | | |
| Confluent, Inc. | | | | | | | | |
| 0.000%, 1/15/27 | \$ 7,185 | \$ 5,966 | | | | | | |
| Datadog, Inc. | | | | | | | | |
| 0.125%, 6/15/25 | 13,560 | 16,828 | | | | | | |
| Envestnet, Inc. 144A | | | | | | | | |
| 2.625%, 12/1/27 ⁽¹⁾ | 16,455 | 17,261 | | | | | | |
| HubSpot, Inc. | | | | | | | | |
| 0.375%, 6/1/25 | 7,080 | 13,530 | | | | | | |
| MicroStrategy, Inc. | | | | | | | | |
| 0.750%, 12/15/25 | 10,805 | 11,683 | | | | | | |
| MongoDB, Inc. | | | | | | | | |
| 0.250%, 6/15/26 | 7,525 | 14,967 | | | | | | |
| Splunk, Inc. | | | | | | | | |
| 1.125%, 9/15/25 | 10,430 | 10,430 | | | | | | |
| 1.125%, 6/15/27 | 13,940 | 12,023 | | | | | | |
| Tyler Technologies, Inc. | | | | | | | | |
| 0.250%, 3/15/26 | 21,885 | 22,542 | | | | | | |
| Workiva, Inc. | | | | | | | | |
| 1.125%, 8/15/26 | 6,065 | 8,520 | | | | | | |
| | | <u>207,645</u> | | | | | | |
| Telecommunications—0.6% | | | | | | | | |
| Viavi Solutions, Inc. 144A | | | | | | | | |
| 1.625%, 3/15/26 ⁽¹⁾ | 9,215 | 9,543 | | | | | | |
| TOTAL CONVERTIBLE BONDS AND NOTES | | | | | | | | |
| (Identified Cost \$1,327,447) | | | | | | | 1,399,393 | |
| | | | | | | | <u>Shares</u> | |
| CONVERTIBLE PREFERRED STOCKS—6.1% | | | | | | | | |
| Banks—2.3% | | | | | | | | |
| Wells Fargo & Co. Series L, 7.500% | 31,730 | 36,553 | | | | | | |
| Capital Markets—0.7% | | | | | | | | |
| KKR & Co., Inc. Series C, 6.000% | 163,200 | 10,788 | | | | | | |
| Electric Utilities—1.6% | | | | | | | | |
| NextEra Energy, Inc., 6.926% | 330,590 | 14,972 | | | | | | |
| PG&E Corp., 5.500% | 63,725 | 9,528 | | | | | | |
| | | <u>24,500</u> | | | | | | |
| Machinery—1.5% | | | | | | | | |
| Chart Industries, Inc. Series B, 6.750% | 198,655 | 12,940 | | | | | | |

See Notes to Schedule of Investments

VIRTUS CONVERTIBLE FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
JUNE 30, 2023

(\$ reported in thousands)

| | Shares | Value |
|--|---------|------------------|
| Machinery—continued | | |
| RBC Bearings, Inc. Series A, 5.000% | 107,575 | \$ 11,403 |
| | | 24,343 |
| TOTAL CONVERTIBLE PREFERRED STOCKS (Identified Cost \$94,420) | | 96,184 |
| COMMON STOCKS—1.0% | | |
| Healthcare Equipment & Supplies—1.0% | | |
| Boston Scientific Corp. ⁽²⁾ | 291,251 | 15,754 |
| TOTAL COMMON STOCKS (Identified Cost \$13,262) | | 15,754 |
| TOTAL LONG-TERM INVESTMENTS—96.0% (Identified Cost \$1,435,129) | | 1,511,331 |

| | Shares | Value |
|---|-----------|--------------------|
| SHORT-TERM INVESTMENT—0.3% | | |
| Money Market Mutual Fund—0.3% | | |
| BlackRock Liquidity FedFund - Institutional Shares (seven-day effective yield 4.988%) ⁽³⁾ | 4,838,907 | \$ 4,839 |
| TOTAL SHORT-TERM INVESTMENT (Identified Cost \$4,839) | | 4,839 |
| TOTAL INVESTMENTS—96.3% (Identified Cost \$1,439,968) | | \$1,516,170 |
| Other assets and liabilities, net—3.7% | | 58,061 |
| NET ASSETS—100.0% | | \$1,574,231 |

Abbreviation:
 LLC Limited Liability Company

Footnote Legend:

⁽¹⁾ Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At June 30, 2023, these securities amounted to a value of \$477,588 or 30.3% of net assets.

⁽²⁾ Non-income producing.

⁽³⁾ Shares of this fund are publicly offered, and its prospectus and annual report are publicly available.

| Country Weightings[†] | |
|---------------------------------------|-------------|
| United States | 92% |
| Canada | 2 |
| Bermuda | 2 |
| Liberia | 1 |
| Panama | 1 |
| United Kingdom | 1 |
| Israel | 1 |
| Total | 100% |

[†] % of total investments as of June 30, 2023.

The following table summarizes the value of the Fund's investments as of June 30, 2023, based on the inputs used to value them (See Security Valuation Note 1 in the Notes to Schedule of Investments):

| | Total Value at June 30, 2023 | Level 1 Quoted Prices | Level 2 Significant Observable Inputs |
|------------------------------|------------------------------------|--------------------------|--|
| Assets: | | | |
| Debt Instruments: | | | |
| Convertible Bonds and Notes | \$1,399,393 | \$ — | \$1,399,393 |
| Equity Securities: | | | |
| Common Stocks | 15,754 | 15,754 | — |
| Convertible Preferred Stocks | 96,184 | 96,184 | — |
| Money Market Mutual Fund | 4,839 | 4,839 | — |
| Total Investments | \$1,516,170 | \$116,777 | \$1,399,393 |

There were no securities valued using significant unobservable inputs (Level 3) at June 30, 2023.

Securities held by the Fund with an end of period value of \$22,736 were transferred from Level 3 to Level 2 due to an increase in trading activities at period end.

See Notes to Schedule of Investments

VIRTUS CONVERTIBLE FUND
NOTES TO SCHEDULE OF INVESTMENTS (Unaudited)
JUNE 30, 2023

Note 1. Security Valuation

The Trustees have designated the Investment Adviser as the valuation designee to perform fair valuations pursuant to Rule 2a-5 under the Investment Company Act of 1940. The Fund utilizes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The Fund's policy is to recognize transfers into or out of Level 3 at the end of the reporting period.

- Level 1 – quoted prices in active markets for identical securities (security types generally include listed equities).
- Level 2 – prices determined using other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).
- Level 3 – prices determined using significant unobservable inputs (including the Investment Adviser's Valuation Committee's own assumptions in determining the fair value of investments).

A description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis is as follows:

Equity securities are valued at the official closing price (typically last sale) on the exchange on which the securities are primarily traded or, if no closing price is available, at the last bid price and are categorized as Level 1 in the hierarchy. Illiquid, restricted equity securities and illiquid private placements are internally fair valued by the Investment Adviser's Valuation Committee, and are generally categorized as Level 3 in the hierarchy.

Certain non-U.S. securities may be fair valued in cases where closing prices are not readily available or are deemed not reflective of readily available market prices. For example, significant events (such as movement in the U.S. securities market, or other regional and local developments) may occur between the time that non-U.S. markets close (where the security is principally traded) and the time that the Fund calculates its net asset value ("NAV") at the close of regular trading on the New York Stock Exchange ("NYSE") (generally 4 p.m. Eastern time) that may impact the value of securities traded in these non-U.S. markets. In such cases, the Fund fair values non-U.S. securities using an independent pricing service which considers the correlation of the trading patterns of the non-U.S. security to the intraday trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, Exchange-Traded Funds ("ETFs"), and certain indexes, as well as prices for similar securities. Such fair valuations are categorized as Level 2 in the hierarchy. Because the frequency of significant events is not predictable, fair valuation of certain non-U.S. common stocks may occur on a frequent basis.

Debt instruments, including convertible bonds, and restricted securities, are valued based on evaluated quotations received from independent pricing services or from dealers who make markets in such securities. For most bond types, the pricing service utilizes matrix pricing that considers one or more of the following factors: yield or price of bonds of comparable quality, coupon, maturity, current cash flows, type, activity of the underlying equities, and current day trade information, as well as dealer supplied prices. These valuations are generally categorized as Level 2 in the hierarchy. Structured debt instruments, such as mortgage-backed and asset-backed securities may also incorporate collateral analysis and utilize cash flow models for valuation and are generally categorized as Level 2 in the hierarchy. Pricing services do not provide pricing for all securities and therefore indicative bids from dealers are utilized which are based on pricing models used by market makers in the security and are generally categorized as Level 2 in the hierarchy. Debt instruments that are internally fair valued by the Investment Adviser's Valuation Committee are generally categorized as Level 3 in the hierarchy.

Listed derivatives, such as options and futures, that are actively traded are valued at the last posted settlement price from the exchange where they are principally traded and are categorized as Level 1 in the hierarchy. Over-the-counter ("OTC") derivative contracts, which include forward currency contracts, swaps, swaptions, options and equity linked instruments, are valued based on model prices provided by independent pricing services or from dealer quotes. Depending on the derivative type and the specific terms of the transaction, these models vary and include observable inputs in actively quoted markets including but not limited to: underlying reference entity details, indices, spreads, interest rates, yield curves, dividend and exchange rates. These instruments are generally categorized as Level 2 in the hierarchy. Centrally cleared swaps listed or traded on a bilateral or trade facility platform, such as a registered exchange, are valued at the last posted settlement price determined by the respective exchange. These securities are generally categorized as Level 2 within the hierarchy.

Investments in open-end mutual funds are valued at NAV. Investments in closed-end funds and ETFs are valued as of the close of regular trading on the NYSE each business day. Each is categorized as Level 1 in the hierarchy.

A summary of the inputs used to value the Fund's net assets by each major security type is disclosed at the end of the Schedule of Investments for the Fund. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

For additional information about significant accounting policies, refer to the Fund's most recent semi or annual report.