

Virtus Newfleet Multi-Sector Intermediate Bond Series



Multisector Bond

Overall Morningstar Rating™ Based on risk adjusted returns as of 09/29/2017. Rating out of 246 Funds.

CUSIP A shares 92829L307
 I shares 92829L869

INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

INVESTMENT SUBADVISER

Newfleet Asset Management, LLC

AUM (\$ MILLIONS) 135.3

NUMBER OF HOLDINGS 527

DIVIDENDS Semi-Annually

INVESTMENT MANAGER OF THE SERIES

Newfleet leverages the knowledge and skill of a team of investment professionals with expertise in every sector of the bond market, including evolving, specialized, and out-of-favor sectors. The team employs active sector rotation and disciplined risk management to portfolio construction, avoiding interest rate bets and remaining duration neutral to each strategy's stated benchmark.

INVESTMENT PROFESSIONALS

David L. Albrycht, CFA

Industry start date: 1985

Start date with Series: 1991

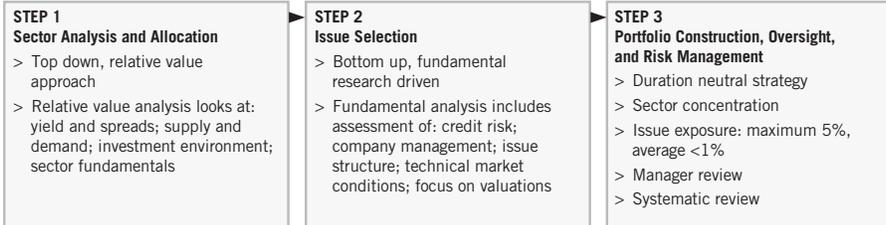
Effective April 28, 2017 this Series changed its name from the Virtus Multi-Sector Fixed Income Series.

INVESTMENT OPPORTUNITY

The portfolio seeks to generate high current income and total return by applying extensive credit research and a time-tested approach to capitalize on opportunities across undervalued sectors of the bond market.

The portfolio seeks diversification among 14 sectors in order to potentially increase return and manage risk.

INVESTMENT PROCESS



AVERAGE ANNUAL TOTAL RETURNS Class A as of 09/29/2017 in percent

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception 12/31/1982
NAV	1.82	6.05	5.16	3.84	4.10	6.41	8.18
Index	0.85	3.14	0.07	2.71	2.07	4.27	7.26

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 1.02%. The net expense ratio is 0.97%, which reflects a contractual expense reimbursement in effect through 4/30/2018. This ratio reflects the direct and indirect expenses paid by the Fund.

The net expense ratio minus the indirect expenses incurred by the underlying funds in which the Fund invests is 0.94%.

Average annual total returns reflect the change in share price and the reinvestment of all dividends and capital gains. Net Asset Value (NAV) returns do not reflect the deduction of any sales charges.

ANNUAL PERFORMANCE Class A in percent

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Series	3.71	-17.93	40.13	14.36	2.99	14.69	2.25	1.90	-1.26	9.29
Index	6.97	5.24	5.93	6.54	7.84	4.22	-2.02	5.97	0.55	2.65

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	% Series
Aaa	10.15
Aa	4.91
A	8.79
Baa	34.42
Ba	16.22
B	15.65
Caa	5.10
Ca	0.13
C	0.00
D	0.32
Not Rated	4.30

RATINGS DISTRIBUTION METHODOLOGY: The ratings issued by Nationally Recognized Statistical Rating Organizations assess the credit worthiness of a corporation's or government debt issues. The ratings apply to the fund's holdings and not the fund itself. The higher of the ratings between Moody's, Standard & Poor's and Fitch is used. If one of the three agencies does not have a rating, the higher of the other two ratings is used. If only one agency has rated the bond, the rating from that agency is used. If none of the three agencies have rated the bond the bond is placed in the Not Rated category. Credit ratings are subject to change. Aaa, Aa, A, and Baa are investment grade ratings; Ba, B, Caa, Ca, C and D are below-investment grade ratings.

Holdings and Sector weightings are subject to change.

Morningstar For the 3-, 5- and 10-year periods, respectively, the Fund was rated 3, 3 and 4 stars among 246, 197 and 111 funds in the Multisector Bond category for the time period ending 09/29/2017.

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.

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The investments for the Series are managed by the same portfolio manager(s) who manage one or more other funds that have similar names, investment objectives and investment styles as the Series. You should be aware that the Series is likely to differ from the other mutual funds in size, cash flow pattern and tax matters. Accordingly, the holdings and performance of the Series can be expected to vary from those of the other mutual funds.

Shares of the separate Series of Virtus Variable Insurance Trust are sold only through the currently effective prospectuses and are not available to the general public. Shares of the VIT Series may be purchased only by life insurance companies to be used with their separate accounts which fund variable annuity and variable life insurance policies or qualified retirement plans and are also available as an underlying investment fund for certain qualified retirement plans. The performance information for the Series does not reflect fees and expenses of the insurance companies. If such fees and expenses were deducted, performance would be lower.

Please carefully consider the investment objectives, risks, charges, and expenses of the Series before investing. For this and other information about any Virtus Variable Insurance Trust Series, call 1-800-367-5877 or visit Virtus.com for a prospectus and/or summary prospectus. Read it carefully before you invest or send money.

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SECTOR ALLOCATIONS	% Series
Corporate - High Quality	25.07
Corporate - High Yield	22.95
Emerging Market - High Yield	9.68
Non-Agency Residential MBS	8.74
Bank Loans	7.44
Yankee - High Quality	5.83
Mortgage Backed Securities	4.87
Asset Backed Securities	4.40
Non-USD	4.05
Equity	2.41
Treasury	2.12
Non-Agency Commercial MBS	1.70
Taxable Municipals	0.58
Cash	0.16
CHARACTERISTICS	Series
Duration	4.52 years
Standard Deviation	3.96

GLOSSARY

Duration: Represents the interest rate sensitivity of a fixed income portfolio. For example, if a portfolio's duration is five years, a 1% increase in interest rates would result in a 5% decline in the portfolio's price. Similarly, a 1% decline in interest rates would result in a 5% gain in the portfolio's price.
Standard Deviation: Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.

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. **Foreign & Emerging Markets:** Investing internationally, especially in emerging markets, involves additional risks such as currency, political, accounting, economic, and market risk. **High Yield-High Risk Fixed Income Securities:** There is a greater level of credit risk and price volatility involved with high yield securities than investment grade securities. **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. **Bank Loans:** Loans may be unsecured or not fully collateralized, may be subject to restrictions on resale and/or trade infrequently on the secondary market. Loans can carry significant credit and call risk, can be difficult to value and have longer settlement times than other investments, which can make loans relatively illiquid at times. **Prospectus:** For additional information on risks, please see the fund's prospectus.