

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 03/31/2024

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Class I	1.47	1.47	5.76	1.92	1.72	1.35	2.06
Class A NAV	1.41	1.41	5.50	1.66	1.47	n/a	1.53
Class A POP	1.41	1.41	5.50	1.66	1.47	n/a	1.53
Class R6	1.51	1.51	5.92	2.04	1.87	n/a	1.79
Index	1.26	1.26	5.29	2.57	2.07	1.44	1.61

ANNUAL PERFORMANCE (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Class I	5.44	-1.05	-0.13	1.25	2.36	1.73	1.30	0.64	-0.03	0.91
Index	5.15	1.31	0.06	0.87	2.41	1.92	0.85	0.48	0.12	0.08

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.

Class I Shares have no sales charges and are not available to all investors. The fund class gross expense ratio is 0.55%. The net expense ratio is 0.40%, which reflects a contractual expense reimbursement in effect through 4/30/2025.

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. The fund class gross expense ratio is 0.65%.

Class R6 Shares have no sales charges and are not available to all investors. The fund class gross expense ratio is 0.38%. The net expense ratio is 0.26%, which reflects a contractual expense reimbursement in effect through 4/30/2025.

Other share classes may have sales charges. See virtus.com for details.

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.

Index: The Bloomberg 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.

Since inception performance for the index reflects a start date of 4/11/2002, the same date as the inception of the Fund's Class I Shares. Class A inception date: 7/24/2018. Class R6 inception date: 8/1/2016.

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

FUND INFORMATION

Inception Date (Class I)	04/11/02
AUM (\$ millions)	277.5
Number of Holdings	90
Dividends	Daily
Morningstar Category	Ultrashort Bond
Index	Bloomberg U.S. Treasury Bill 3-6 Month Index

The Index shown represents the Fund's performance index, which may differ from the Fund's regulatory index included in the Fund's Prospectus.

MORNINGSTAR RATINGS

Time Period	# of Stars	# of Funds
Overall	★★	203
3 Year	★★	203
5 Year	★★	183
10 Year	★★	110

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

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.

Seix Investment Advisors is a division of Virtus Fixed Income Advisers, LLC ("VFIA"), an SEC registered investment adviser.

PORTFOLIO MANAGERS

Perry Troisi

Industry start date: 1986

Start date as Fund Portfolio Manager: 2014

Michael Rieger

Industry start date: 1986

Start date as Fund Portfolio Manager: 2014

RATINGS DISTRIBUTION	% Fund
AA	95.70
NR	0.04
Cash & Equivalents	4.26

FIXED CHARACTERISTICS	Fund
Effective Duration	0.34
Weighted Average Maturity	3.18
30-day SEC Yield	5.30
30-day SEC Yield (unsubsidized)	5.15

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

30-day SEC Yield (unsubsidized) is the 30 day SEC yield without the effect of applicable expense waivers.

TOP TEN HOLDINGS	% Fund
Freddie Mac Multifamily Structured Pass Through Certificates, 5.9045%	4.57
Fannie Mae-Aces, 5.7344%	4.39
United States Treasury Bill, 0.0000% 05/02/2024	4.02
Fannie Mae-Aces, 6.0544%	3.79
Fannie Mae Pool, 6.1940%	3.60
Freddie Mac Non Gold Pool, 3.4210%	2.85
FRESB 2018-SB49 Mortgage Trust, 6.1345%	2.71
Fannie Mae Pool, 2.5820%	2.70
Fannie Mae Pool, 5.7050%	2.64
Fannie Mae Pool, 3.8980%	2.64

SECTOR ALLOCATIONS	% Fund
Residential MBS	53.23
Commercial MBS	28.64
U.S. Treasury	7.76
Asset Backed	6.10
Cash & Equivalents	4.26

Holdings and sector weightings are subject to change.

INCOME DISTRIBUTIONS

Month	NAV at Month-End	
January 2024	\$0.039038	9.85
February 2024	\$0.040829	9.85
March 2024	\$0.044056	9.86

RISK STATISTICS (3 YEAR)	Fund	Index
Alpha	-0.59	n/a
Beta	1.31	1.00
R ²	0.69	1.00
Sharpe Ratio	-0.72	-0.20
Standard Deviation	1.09	0.69

IMPORTANT RISK CONSIDERATIONS

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. **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.

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 portfolio's shares. **Market Volatility:** The value of the securities in the portfolio may go up or down in response to the prospects of individual companies and/or general economic conditions. Local, regional, or global events such as war or military conflict, terrorism, pandemic, or recession could impact the portfolio, including hampering the ability of the portfolio's manager(s) to invest its 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. **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. **R²:** 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.

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. Standard & Poor's, Moody's, and Fitch ratings are used for all ratings-eligible securities. 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. If a rating is not available for a ratings-eligible security, the security is placed in the Not Rated Category. 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.

MORNINGSTAR

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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