



SEMIANNUAL REPORT

Virtus Newfleet Multi-Sector Short Term Bond Fund
(f/k/a: Virtus Multi-Sector Short Term Bond Fund)

March 31, 2017

TRUST NAME: VIRTUS OPPORTUNITIES TRUST

Not FDIC Insured
No Bank Guarantee
May Lose Value



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Virtus Newfleet Multi-Sector Short Term Bond Fund

(“Newfleet Multi-Sector Short Term Bond Fund”)

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PROXY VOTING PROCEDURES AND VOTING RECORD (FORM N-PX)

The subadviser votes proxies relating to portfolio securities in accordance with procedures that have been approved by the Board of Trustees of the Trust (“Trustees,” or the “Board”). You may obtain a description of these procedures, along with information regarding how the Fund voted proxies during the most recent 12-month period ended June 30, free of charge, by calling toll-free 1-800-243-1574. This information is also available through the Securities and Exchange Commission’s (the “SEC”) website at <http://www.sec.gov>.

FORM N-Q INFORMATION

The Trust files a complete schedule of portfolio holdings for the Fund with the SEC for the first and third quarters of each fiscal year on Form N-Q. Form N-Q is available on the SEC’s website at <http://www.sec.gov>. Form N-Q may be reviewed and copied at the SEC’s Public Reference Room. Information on the operation of the SEC’s Public Reference Room can be obtained by calling toll-free 1-800-SEC-0330.

This report is not authorized for distribution to prospective investors in the Newfleet Multi-Sector Short Term Bond Fund unless preceded or accompanied by an effective prospectus which includes information concerning the sales charge, the Fund’s record and other pertinent information.

MESSAGE TO SHAREHOLDERS

To My Fellow Shareholders of Virtus Mutual Funds:

I am pleased to present this report that reviews the performance of your fund for the six-month fiscal period ended March 31, 2017.

Despite short-lived selloffs that occurred following the U.K.'s "Brexit" decision last June and the U.S. presidential election in November, the six-month period was strong for global markets. As the fiscal period drew to a close, equity markets continued to benefit from the post-election "Trump bump." The Federal Reserve ("the Fed") raised interest rates twice in the period – once in December, and again in March – a clear signal that it believes the U.S. economy is on a growth path. At the same time, other major central banks remained committed to monetary stimulus, adding reassurance to global markets. U.S. growth, as evidenced by strong jobs, housing, and consumer spending data, gives investors reason for optimism. Corporate earnings got off to a strong start for the first quarter of 2017. The pro-growth policies of the new administration, if implemented, could have continued positive impact on earnings and the markets.

Global equity markets turned in positive performance over the six-month period. U.S. large- and small-cap stocks returned 10.12% and 11.52%, as measured by the returns of the S&P 500® Index and Russell 2000® Index, respectively. Within international equities, emerging markets slightly outperformed their developed peers, with the MSCI Emerging Markets Index (net) up 6.80%, compared with the MSCI EAFE® Index (net), which returned 6.48%.

Demand for U.S. Treasuries remained strong, driven by foreign investors seeking safe havens and yield in light of the negative interest rate environment in many international economies. On March 31, 2017, the benchmark 10-year U.S. Treasury yielded 2.40% compared with 1.60% six months earlier. The broader U.S. fixed income market, as represented by the Bloomberg Barclays U.S. Aggregate Bond Index, which tracks Treasuries and other investment-grade debt securities, was down 2.18% for the six months, while non-investment grade bonds gained 4.50%, as measured by the Bloomberg Barclays U.S. Corporate High Yield Bond Index.

Market uncertainty is an ever-present reminder of the importance of portfolio diversification, including exposure to traditional and alternative asset classes. While diversification cannot guarantee a profit or prevent a loss, owning a variety of asset classes may cushion your portfolio against inevitable market fluctuations. Your financial advisor can help you ensure that your portfolio is adequately diversified across asset classes and investment strategies.

On behalf of our investment affiliates, thank you for entrusting Virtus with your assets. Should you have questions about your account or require assistance, please visit our website at Virtus.com, or call our customer service team at 1-800-243-1574. We appreciate your business and remain committed to your long-term financial success.

Sincerely,



George R. Aylward
President, Virtus Mutual Funds

May 2017

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 above.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
DISCLOSURE OF FUND EXPENSES (Unaudited)
FOR THE SIX-MONTH PERIOD OF OCTOBER 1, 2016 TO MARCH 31, 2017

We believe it is important for you to understand the impact of costs on your investment. All mutual funds have operating expenses. As a shareholder of the Newfleet Multi-Sector Short Term Bond Fund (the "Fund") you may incur two types of costs: (1) transaction costs, including sales charges on purchases of Class A shares and contingent deferred sales charges on Class T shares; and (2) ongoing costs, including investment advisory fees, distribution and service fees, and other expenses. Class C shares are sold without a sales charge. Class I shares and Class R6 shares are sold without a sales charge and do not incur distribution and service fees. For further information regarding applicable sales charges, see Note 1 in the Notes to Financial Statements. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. These examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire six-month period. The following Expense Table illustrates your Fund's costs in two ways.

Actual Expenses

The first section of the accompanying table provides information about actual account values and actual expenses. You may use the information in this section, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first section under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes

The second section of the accompanying table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not your Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in your Fund and other funds. To do so, compare these 5% hypothetical examples with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the accompanying table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges or contingent deferred sales charges. Therefore, the second section of the accompanying table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher. The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

**VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
DISCLOSURE OF FUND EXPENSES (Unaudited) (Continued)
FOR THE SIX-MONTH PERIOD OF OCTOBER 1, 2016 TO MARCH 31, 2017**

Expense Table

	Beginning Account Value October 1, 2016	Ending Account Value March 31, 2017	Annualized Expense Ratio	Expenses Paid During Period*
Actual				
Class A	\$1,000.00	\$1,011.20	1.00%	\$5.01
Class C	1,000.00	1,009.80	1.25	6.26
Class R6**	1,000.00	1,014.10	0.69	2.76
Class T	1,000.00	1,005.20	1.75	8.79
Class I	1,000.00	1,012.40	0.75	3.76
Hypothetical (5% return before expenses)				
Class A	1,000.00	1,019.95	1.00	5.04
Class C	1,000.00	1,018.70	1.25	6.29
Class R6**	1,000.00	1,021.49	0.69	3.48
Class T	1,000.00	1,016.21	1.75	8.80
Class I	1,000.00	1,021.19	0.75	3.78

* Expenses are equal to the Fund's annualized expense ratio, which is net of waived fees and reimbursed expenses, if applicable, multiplied by the average account value over the period, multiplied by the number of days (182) expenses were accrued in the most recent fiscal half-year, then divided by 365 to reflect the one-half year period.

** November 7, 2016 is the date the class started accruing expenses. Expenses are equal to the Class' annualized expense ratio, which is net of waived fees and reimbursed expenses, if applicable, multiplied by the average account value over the period, multiplied by the number of days (145 for actual and 182 for hypothetical) expenses were accrued in the most recent fiscal half-year, then divided by 365 to reflect the one-half year period.

The Fund may invest in other funds, and the annualized expense ratios noted above do not reflect fees and expenses associated with the underlying funds. If such fees and expenses were included, the expenses would have been higher.

You can find more information about the Fund's expenses in the Financial Statements section that follows. For additional information on operating expenses and other shareholder costs, refer to the prospectus.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
KEY INVESTMENT TERMS (Unaudited)
MARCH 31, 2017

Bloomberg Barclays U.S. Aggregate Bond 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 it is not available for direct investment.

Bloomberg Barclays U.S. Corporate High Yield Bond Index

The Bloomberg Barclays U.S. Corporate High Yield Bond Index measures the U.S. dollar-denominated, high yield, fixed-rate corporate 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 it is not available for direct investment.

Brexit

A combination of the words "Britain" and "exit" which refers to Britain's withdrawal from the European Union.

Exchange-Traded Funds (ETF)

An open-end fund that is traded on a stock exchange. Most ETFs have a portfolio of stocks or bonds that track a specific market index.

Federal Reserve (the "Fed")

The Central Bank of the United States, responsible for controlling the money supply, interest rates and credit with the goal of keeping the U.S. economy and currency stable. Governed by a seven-member board, the system includes 12 regional Federal Reserve Banks, 25 branches and all national and state banks that are part of the system.

MSCI EAFE® Index (net)

The MSCI EAFE® Index (net) is a free float-adjusted market capitalization-weighted index that measures developed foreign market equity performance, excluding the U.S. and Canada. The index is calculated on a total return basis with net dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and it is not available for direct investment.

MSCI Emerging Markets Index (net)

The MSCI Emerging Markets Index (net) is a free float-adjusted market capitalization-weighted index designed to measure equity market performance in the global emerging markets. The index is calculated on a total return basis with net dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and it is not available for direct investment.

Real Estate Investment Trust (REIT)

A publicly traded company that owns, develops, and operates income-producing real estate such as apartments, office buildings, hotels, shopping centers, and other commercial properties.

Russell 2000® Index

The Russell 2000® Index is a market capitalization-weighted index of the 2,000 smallest companies in the Russell Universe, which comprises the 3,000 largest U.S. companies. The index is calculated on a total return basis with dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and it is not available for direct investment.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
KEY INVESTMENT TERMS (Unaudited) (Continued)
MARCH 31, 2017

S&P 500® Index

The S&P 500® Index is a free-float market capitalization-weighted index of 500 of the largest U.S. companies. The index is calculated on a total return basis with dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and it is not available for direct investment.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2017

(\$ reported in thousands)

<u>Asset Allocations</u>	
The following table presents the portfolio holdings within certain sectors as a percentage of total investments attributable to each sector at March 31, 2017.	
Corporate Bonds and Notes	36%
Financials	13%
Energy	7
Industrials	3
All other Corporate Bonds and Notes	13
Mortgage-Backed Securities	23
Asset-Backed Securities	19
Loan Agreements	10
Foreign Government Securities	8
Other (includes short-term investment)	<u>4</u>
Total	<u>100%</u>

	<u>PAR VALUE</u>		<u>VALUE</u>
U.S. GOVERNMENT SECURITIES—1.4%			
U.S. Treasury Note			
1.125%, 2/28/19	\$ 25,000	\$	24,941
1.375%, 1/15/20	17,700		17,657
1.375%, 4/30/20	55,700		55,395

TOTAL U.S. GOVERNMENT SECURITIES (Identified Cost \$97,986)	97,993
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MUNICIPAL BONDS—0.1%			
Virginia—0.1%			
Tobacco Settlement Financing Corp. Series A-1, Taxable			
6.706%, 6/1/46	4,635		3,884

TOTAL MUNICIPAL BONDS (Identified Cost \$4,314)	3,884
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FOREIGN GOVERNMENT SECURITIES—7.7%			
Argentine Republic			
144A			
6.875%, 4/22/21 ⁽³⁾	19,945	21,441	

	<u>PAR VALUE</u>		<u>VALUE</u>
FOREIGN GOVERNMENT SECURITIES (continued)			
144A			
5.625%, 1/26/22 ⁽³⁾	\$ 17,805	\$	18,255
144A			
7.500%, 4/22/26 ⁽³⁾	12,545		13,342
Series NY			
8.280%, 12/31/33	24,360		26,151
Bolivarian Republic of Venezuela			
7.000%, 12/1/18	20,999		14,594
RegS			
7.750%, 10/13/19 ⁽⁴⁾	19,501		11,018
Dominican Republic			
144A			
6.600%, 1/28/24 ⁽³⁾	7,115		7,746
144A			
6.875%, 1/29/26 ⁽³⁾	3,300		3,630
Federative Republic of Brazil			
12.500%, 1/5/22	50,565 ^{BRL}		17,848
2.625%, 1/5/23	19,200		17,856
8.500%, 1/5/24	37,050 ^{BRL}		11,243
6.000%, 4/7/26	10,400		11,331

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
FOREIGN GOVERNMENT SECURITIES (continued)			FOREIGN GOVERNMENT SECURITIES (continued)		
10.250%, 1/10/28	13,095 ^{BRL}	\$ 4,246	5.875%, 5/30/22	\$ 9,500	\$ 10,363
Federative Republic of Brazil Treasury Note Series F,			Republic of Turkey 5.625%, 3/30/21	44,330	46,377
10.000%, 1/1/23	47,335 ^{BRL}	15,562	6.250%, 9/26/22	25,545	27,337
10.000%, 1/1/25	37,510 ^{BRL}	12,294	4.875%, 10/9/26	6,820	6,583
Kingdom of Qatar 144A			Russian Federation 144A		
3.250%, 6/2/26 ⁽³⁾	\$ 11,745	11,672	7.850%, 3/10/18 ⁽³⁾	410,000 ^{RUB}	7,202
Mongolia RegS			6.700%, 5/15/19	1,682,000 ^{RUB}	28,983
5.125%, 12/5/22 ⁽⁴⁾	4,455	4,209	144A		
144A			4.875%, 9/16/23 ⁽³⁾	16,600	17,821
5.125%, 12/5/22 ⁽³⁾	4,855	4,587	Sultanate of Oman 144A		
Provincia de Buenos Aires 144A			3.625%, 6/15/21 ⁽³⁾	9,610	9,723
7.875%, 6/15/27 ⁽³⁾	5,000	5,076	144A		
Provincia de Buenos Aires Argentina 144A			4.750%, 6/15/26 ⁽³⁾	5,295	5,335
5.750%, 6/15/19 ⁽³⁾	5,795	5,995	United Mexican States Series M, 6.500%, 6/9/22	250,769 ^{MXN}	13,146
6.500%, 2/15/23 ⁽³⁾	18,460	18,547			
Republic of Chile 5.500%, 8/5/20	11,647,000 ^{CLP}	18,596	TOTAL FOREIGN GOVERNMENT SECURITIES (Identified Cost \$558,032)		557,809
Republic of Colombia Treasury Note, Series B, 11.250%, 10/24/18	21,072,000 ^{QOP}	7,924	MORTGAGE-BACKED SECURITIES—22.5%		
4.375%, 3/21/23	33,056,000 ^{QOP}	10,477	Agency—3.9%		
9.850%, 6/28/27	24,145,000 ^{QOP}	10,648	FHLMC		
Republic of Costa Rica 144A			3.500%, 4/1/46	22,097	22,617
4.375%, 4/30/25 ⁽³⁾	18,640	17,615	FNMA		
Republic of Indonesia Series FR70, 8.375%, 3/15/24	177,598,000 ^{IDR}	14,179	6.000%, 5/1/17	— ⁽¹⁴⁾	— ⁽¹⁴⁾
Series FR56, 8.375%, 9/15/26	258,591,000 ^{IDR}	21,123	4.500%, 4/1/18	32	32
Republic of Kazakhstan 144A			5.000%, 10/1/19	123	126
5.125%, 7/21/25 ⁽³⁾	6,495	7,055	5.500%, 2/1/20	29	30
Republic of Panama 3.875%, 3/17/28	10,455	10,625	5.500%, 3/1/20	48	50
Republic of South Africa Series R203, 8.250%, 9/15/17	134,520 ^{ZAR}	10,054	5.500%, 3/1/20	15	15
			5.500%, 3/1/20	9	9
			5.500%, 3/1/20	20	21
			5.500%, 4/1/20	116	120
			5.000%, 6/1/20	201	208
			4.000%, 8/1/25	7,083	7,456
			3.000%, 6/1/27	749	769
			3.000%, 10/1/30	22,575	23,164
			3.000%, 10/1/30	31,620	32,445
			2.500%, 2/1/31	35,835	35,870
			3.000%, 2/1/31	13,815	14,176
			6.000%, 12/1/32	32	37
			5.500%, 2/1/33	38	42
			5.500%, 5/1/34	245	274
			6.000%, 8/1/34	176	201

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Agency (continued)			AMSR Trust		
5.500%, 11/1/34	\$ 135	\$ 150	16-SFR1, A 144A		
5.500%, 11/1/34	145	161	2.343%, 11/17/33 ⁽²⁾⁽³⁾	\$ 3,340	\$ 3,371
6.000%, 11/1/34	139	157	16-SFR1, C 144A		
5.500%, 12/1/34	68	75	3.193%, 11/17/33 ⁽²⁾⁽³⁾	3,495	3,519
5.500%, 1/1/35	223	250	16-SFR1, D 144A		
5.500%, 7/1/37	1	1	3.343%, 11/17/33 ⁽²⁾⁽³⁾	425	428
6.000%, 7/1/37	26	29	Asset Backed Funding		
6.000%, 4/1/38	129	146	Certificates		
5.000%, 12/1/39	3,909	4,278	05-AQ1, A6		
4.500%, 4/1/40	5,785	6,211	4.780%, 6/25/35 ⁽²⁾	1,432	1,477
5.000%, 8/1/40	8,285	9,056	Aventura Mall Trust		
4.000%, 10/1/40	123	129	13-AVM, A 144A		
4.000%, 3/1/41	4,436	4,671	3.743%, 12/5/32 ⁽²⁾⁽³⁾	10,350	10,886
4.500%, 5/1/41	4,219	4,542	Banc of America		
3.500%, 4/1/42	9,348	9,609	Funding Trust		
3.000%, 5/1/43	14,537	14,497	04-4, 3A1		
4.000%, 10/1/44	21,576	22,639	4.750%, 10/25/19	1,277	1,248
3.500%, 12/1/45	21,413	21,917	04-B, 2A1		
3.500%, 1/1/46	10,176	10,416	3.439%, 11/20/34 ⁽²⁾	669	659
4.000%, 1/1/46	13,491	14,156	04-D, 5A1		
3.500%, 6/1/46	20,562	21,046	3.496%, 1/25/35 ⁽²⁾	3,777	3,548
GNMA			05-1, 1A1		
6.500%, 11/15/31	19	21	5.500%, 2/25/35	429	429
6.500%, 2/15/32	12	13	06-2, 3A1		
		281,832	6.000%, 3/25/36	1,878	1,924
			16- R1, A1 144A		
			2.500%, 3/25/40 ⁽²⁾⁽³⁾	6,518	6,429
Non-Agency—18.6%			Banc of America		
ABN AMRO Mortgage			Mortgage Trust		
Corp. 02-9, M			04-7, 6A3		
5.750%, 12/25/32	502	509	4.500%, 8/25/19	384	383
Access Point			04-11, 5A1		
Financial, Inc.			6.500%, 8/25/32	679	684
15-A, A 144A			04-11, 2A1		
2.610%, 4/15/20 ⁽³⁾	1,149	1,150	5.750%, 1/25/35	3,429	3,487
Agate Bay Mortgage			05-3, 1A15		
Trust 13-1, A1			5.500%, 4/25/35	1,266	1,279
144A			Bank of America		
3.500%, 7/25/43 ⁽²⁾⁽³⁾	9,412	9,475	(Countrywide) Asset-		
American Homes 4			Backed Certificates		
Rent Trust			05-1, AF5A		
15-SFR1, A 144A			5.102%, 7/25/35 ⁽²⁾	10,383	10,763
3.467%, 4/17/52 ⁽³⁾	11,771	11,933			
Ameriquest Mortgage					
Securities, Inc.					
03-10, AF6					
5.210%, 11/25/33 ⁽²⁾	542	557			

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			Non-Agency (continued)		
Bank of America (Merrill Lynch – Countrywide) Alternative Loan Trust 04-22CB, 1A1 6.000%, 10/25/34	\$ 19,653	\$ 20,222	Bayview Commercial Asset Trust 08-1, A3 144A 2.482%, 1/25/38 ⁽²⁾⁽³⁾	\$ 16,142	\$ 15,850
Bank of America (Merrill Lynch – Countrywide) Asset- Backed Certificates Trust 04-10, AF6 4.485%, 12/25/34 ⁽²⁾	292	300	Bayview Financial Acquisition Trust 07-A, 1A2 6.205%, 5/28/37 ⁽²⁾	5,191	5,353
Bank of America (Merrill Lynch – Countrywide) Home Loan Mortgage Pass-Through-Trust 04-6, 1A2 3.051%, 5/25/34 ⁽²⁾	1,170	1,161	06-A, 1A4 6.087%, 2/28/41 ⁽²⁾	12,521	12,668
Bank of America (Merrill Lynch – Countrywide) Home Loan Mortgage Pass-Through-Trust 04-4, A6 5.500%, 5/25/34	709	714	Bayview Opportunity Master Fund Trust 04-B Trust, 16-SPL2, B1 144A 4.250%, 6/28/53 ⁽²⁾⁽³⁾	5,532	5,691
Bank of America (Merrill Lynch) Mortgage Investors Trust, Inc. 98-C1, B 6.750%, 11/15/26 ⁽²⁾	4,175	4,197	04-A Trust, 16-SPL1, B1 144A 4.250%, 4/28/55 ⁽³⁾	7,758	7,981
Bank of America (Merrill Lynch) Commercial Mortgage Securities Trust 15-200P, A 144A 3.218%, 4/14/33 ⁽³⁾	12,120	12,186	04-A Trust, 17-SPL1, B1 144A 4.250%, 10/28/64 ⁽²⁾⁽³⁾	7,957	8,198
Bank of America (Merrill Lynch) Investors Trust 04-A4, A1 2.855%, 8/25/34 ⁽²⁾	1,419	1,437	BCRR Trust 09-1, 2A1 144A 5.858%, 7/17/40 ⁽²⁾⁽³⁾	770	769
Barclays (Lehman Brothers) – UBS Commercial Mortgage Trust 07-C6, A4 5.858%, 7/15/40 ⁽²⁾	7,196	7,213	Citigroup Commercial Mortgage Trust 16-SMPL, A 144A 2.228%, 9/10/31 ⁽³⁾	3,655	3,587
5.866%, 9/15/45 ⁽²⁾	9,760	9,907	07-C6, A1A 5.779%, 12/10/49 ⁽²⁾	21,180	21,213
			07-C6, A4 5.779%, 12/10/49 ⁽²⁾	227	227
			08-C7, AM 6.127%, 12/10/49 ⁽²⁾	12,335	12,582
			10-RR3, MLSR 144A 5.790%, 6/14/50 ⁽²⁾⁽³⁾	571	571
			Citigroup Mortgage Loan Trust, Inc. 04-UST1, A3 2.953%, 8/25/34 ⁽²⁾	1,239	1,242
			04-NCM2, 2CB2 6.750%, 8/25/34	10,003	10,715
			14-A, A 144A 4.000%, 1/25/35 ⁽²⁾⁽³⁾	9,457	9,813
			05-5, 2A3 5.000%, 8/25/35	362	357
			15-PS1, A1 144A 3.750%, 9/25/42 ⁽²⁾⁽³⁾	8,447	8,636

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			Non-Agency (continued)		
15-A, A1 144A			Credit Suisse First		
3.500%, 6/25/58 ⁽²⁾⁽³⁾	\$ 3,834	\$ 3,873	Boston Mortgage		
Colony American			Securities Corp.		
Finance Ltd. 15-1, A			03-27, 5A3	\$ 1,241	\$ 1,257
144A			5.250%, 11/25/33		
2.896%, 10/15/47 ⁽³⁾	10,630	10,570	03-AR30, 5A1		
Colony Multi-Family			3.185%, 1/25/34 ⁽²⁾	5,886	5,963
Mortgage Trust			04-8, 7A1		
14-1, A 144A			6.000%, 12/25/34	5,003	5,232
2.543%, 4/20/50 ⁽³⁾	8,730	8,688	Credit Suisse		
Colony Starwood			Mortgage Capital		
Homes Trust			Trust		
16-2A, C 144A			16-BDWN, A 144A		
3.093%, 12/17/33 ⁽²⁾⁽³⁾	18,880	18,947	3.812%, 2/15/29 ⁽²⁾⁽³⁾	2,975	2,997
COLT Mortgage Loan			13-HYB1, A16, 144A		
Trust Funding LLC			3.005%, 4/25/43 ⁽²⁾⁽³⁾	4,965	4,987
16-1 A1, 144A			Credit Suisse		
3.000%, 5/25/46 ⁽³⁾	4,131	4,162	Mortgage Loan Trust		
16-2, A1 144A			15-1, B4 144A		
2.750%, 9/25/46 ⁽²⁾⁽³⁾	11,473	11,556	3.893%, 5/25/45 ⁽²⁾⁽³⁾	3,097	2,859
16-3 A1, 144A			Freddie Mac		
2.800%, 12/26/46 ⁽²⁾⁽³⁾	5,076	5,079	Structured Agency		
Commercial Mortgage			Credit Risk Debt		
Lease-Backed			Notes 16-DNA2, M2		
Certificates			3.182%, 10/25/28 ⁽²⁾	5,005	5,097
01-CMLB, A3 144A			GAHR Commercial		
7.471%, 6/20/31 ⁽²⁾⁽³⁾	4,080	4,566	Mortgage Trust		
Commercial Mortgage			15-NRF, CFX 144A		
Trust			3.382%, 12/15/34 ⁽²⁾⁽³⁾	16,875	17,145
10-C1, D 144A			Galton Funding		
6.141%, 7/10/46 ⁽²⁾⁽³⁾	6,669	7,094	Mortgage Trust		
14-277P, A 144A			17-1, A21 144A		
3.611%, 8/10/49 ⁽²⁾⁽³⁾	8,705	9,020	3.500%, 7/25/56 ⁽³⁾	17,078	17,257
07-GG11, AM			GMAC Mortgage Corp.		
5.867%, 12/10/49 ⁽²⁾	19,989	20,226	Loan Trust		
Credit Suisse			04-AR1, 12A		
Commercial			3.676%, 6/25/34 ⁽²⁾	5,056	5,099
Mortgage Trust			05-AR1, 5A		
14-LVR2, A2 144A			3.584%, 3/18/35 ⁽²⁾	1,390	1,307
3.847%, 4/25/44 ⁽²⁾⁽³⁾	9,742	9,975	Goldman Sachs		
Credit Suisse			Mortgage Securities		
Commercial			Trust		
Mortgage-Backed			07-GG10, A1A		
Trust 07-C5, A1AM			5.949%, 8/10/45 ⁽²⁾	2,154	2,160
5.870%, 9/15/40 ⁽²⁾	20,139	19,129	07-GG10, A4		
			5.949%, 8/10/45 ⁽²⁾	6,943	6,936

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE	
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)			
Non-Agency (continued)			JPMorgan Chase			
GSAA Home Equity Trust			(Washington Mutual)			
05-1, AF4			Mortgage Pass-Through Certificates			
5.619%, 11/25/34 ⁽²⁾	\$ 362	\$ 371	Trust			
05-12, AF3W			04-CB1, 5A			
4.999%, 9/25/35 ⁽²⁾	3,886	3,930	5.000%, 6/25/19	\$ 543	\$ 548	
GSR Mortgage Loan Trust 06-1F, 2A4			03-AR6, A1			
6.000%, 2/25/36	777	672	2.902%, 6/25/33 ⁽²⁾	751	748	
Hilton USA Trust			03-AR4, 2A1			
16-SFP, B 144A			2.925%, 8/25/33 ⁽²⁾			
3.323%, 11/5/35 ⁽³⁾	22,020	21,792	04-CB1, 2A			
Home Equity Loan Trust			5.000%, 6/25/34			
06-H11, M1			2,187			2,221
6.010%, 2/25/36 ⁽²⁾			JPMorgan Chase			
07-HSA3, A14			Commercial			
6.110%, 6/25/37 ⁽²⁾	9,637	9,703	Mortgage Securities			
IMC Home Equity Loan Trust 97-5, A9			Trust			
7.310%, 11/20/28	2,206	2,213	10-CNTR, A2 144A			
Jefferies			4.311%, 8/5/32 ⁽³⁾			
Resecuritization Trust			15-SGP, B 144A			
14-R1, 1A1 144A			3.662%, 7/15/36 ⁽²⁾⁽³⁾			
4.000%, 12/27/37 ⁽³⁾	3,845	3,841	11-C4, A3 144A	13,925	14,012	
14-R1, 2A1 144A			4.106%, 7/15/46 ⁽³⁾			
4.000%, 12/27/37 ⁽³⁾	2,381	2,354	06-LDP9, AM			
JPMorgan Chase (Bear Stearns)			5.372%, 5/15/47			
Adjustable Rate Mortgage Trust			14-C22, A4			
04-10, 14A1			3.801%, 9/15/47			
3.460%, 1/25/35 ⁽²⁾	1,283	1,251	07-LDPX, AM			
04-10, 21A1			5.464%, 1/15/49 ⁽²⁾			
3.487%, 1/25/35 ⁽²⁾	7,946	8,006	07-LD12, A4			
JPMorgan Chase (Bear Stearns)			5.882%, 2/15/51 ⁽²⁾			
Commercial Mortgage Securities Trust			14,600			14,674
07- PW17, A4			JPMorgan Chase			
5.694%, 6/11/50 ⁽²⁾	17,117	17,238	Mortgage Trust			
07-PW18, AM,			14-2, 2A2 144A			
6.084%, 6/11/50 ⁽²⁾	12,400	12,655	3.500%, 6/25/29 ⁽²⁾⁽³⁾			
			06-A2, 4A1			
			3.178%, 8/25/34 ⁽²⁾			
			04-A4, 2A1			
			3.197%, 9/25/34 ⁽²⁾			
			05-A1, 4A1			
			3.325%, 2/25/35 ⁽²⁾			
			05-A2, 4A1			
			3.094%, 4/25/35 ⁽²⁾			
			05-A4, 3A1			
			3.060%, 7/25/35 ⁽²⁾			
			06-A6, 3A3L			
			3.100%, 10/25/36 ⁽²⁾			
			1,321			1,131

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			MASTR Asset		
14-1, 1A1 144A			Securitization Trust		
4.000%, 1/25/44 ⁽²⁾⁽³⁾	\$ 17,785	\$ 18,316	05-1, 1A1		
16-1, M2 144A			5.000%, 5/25/20	\$ 371	\$ 374
3.750%, 4/25/45 ⁽²⁾⁽³⁾	15,397	15,381	Mill City Mortgage		
15-4, 1A4 144A			Trust		
3.500%, 6/25/45 ⁽²⁾⁽³⁾	10,136	10,223	15-1, A3 144A		
16-2, M2 144A			3.000%, 6/25/56 ⁽²⁾⁽³⁾	11,900	11,871
3.750%, 12/25/45 ⁽²⁾⁽³⁾	15,707	15,689	16-1, A1 144A		
16-1, A3 144A			2.500%, 4/25/57 ⁽²⁾⁽³⁾	3,745	3,720
3.500%, 5/25/46 ⁽³⁾	12,096	12,200	17-1, A1 144A		
11-C4, A4, 144A			2.750%, 11/25/58 ⁽²⁾⁽³⁾	10,067	10,019
4.388%, 7/15/46 ⁽³⁾	5,175	5,532	Morgan Stanley –		
16-5, A1 144A			Bank of America		
2.602%, 12/25/46 ⁽²⁾⁽³⁾	46,449	46,295	(Merrill Lynch) Trust		
JPMorgan Chase Trust			13-C13, AS		
15-1, AM1 144A			4.266%, 11/15/46	1,735	1,834
2.630%, 12/25/44 ⁽²⁾⁽³⁾	16,366	16,363	Morgan Stanley		
15-5, A2 144A			Capital Barclays		
2.874%, 5/25/45 ⁽²⁾⁽³⁾	15,764	15,760	Bank Trust		
Key Commercial			16-MART, A 144A		
Mortgage Securities			2.200%, 9/13/31 ⁽³⁾	14,805	14,533
Trust 07 -SL1, B			Morgan Stanley		
144A			Capital I Trust		
5.642%, 12/15/40 ⁽²⁾⁽³⁾	1,611	1,608	08-T29, AM		
MASTR Adjustable			6.301%, 1/11/43 ⁽²⁾	1,610	1,648
Rate Mortgages			07-IQ14, AM		
Trust 04-12, 3A1			5.778%, 4/15/49 ⁽²⁾	17,289	17,264
3.249%, 11/25/34 ⁽²⁾	866	858	07-IQ16, A4		
MASTR Alternative			5.809%, 12/12/49	13,543	13,624
Loan Trust			Morgan Stanley		
04-7, 4A1			Mortgage Loan Trust		
4.500%, 7/25/19	1,364	1,373	04-2AR, 3A		
03-8, 2A1			2.893%, 2/25/34 ⁽²⁾	991	991
5.750%, 11/25/33	4,512	4,652	04-2AR, 4A		
04-4, 6A1			2.911%, 2/25/34 ⁽²⁾	930	937
5.500%, 4/25/34	2,531	2,616	Morgan Stanley		
04-6, 7A1			Residential Mortgage		
6.000%, 7/25/34	4,540	4,494	Loan Trust		
04-7, 9A1			14-1A, A1 144A		
6.000%, 8/25/34	12,255	12,638	2.971%, 6/25/44 ⁽²⁾⁽³⁾	5,746	5,798
05-2, 2A1			Motel 6 Trust		
6.000%, 1/25/35	3,054	3,151	15-MTL6, B 144A		
05-2, 1A1			3.298%, 2/5/30 ⁽³⁾	7,775	7,772
6.500%, 3/25/35	9,012	9,264	15-MTL6, D 144A		
			4.532%, 2/5/30 ⁽³⁾	1,500	1,510

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			04-SL4, A3		
National City Mortgage			6.500%, 7/25/32	\$ 784	\$ 792
Capital Trust			03-RS8, A17		
08-1, 2A1			5.015%, 9/25/33 ⁽²⁾	207	209
6.000%, 3/25/38	\$ 1,369	\$ 1,419	Residential Asset		
New Residential			Securitization Trust		
Mortgage Loan Trust			03-A11, A9		
16-2A, A1 144A			5.750%, 11/25/33	2,285	2,324
3.750%, 11/26/35 ⁽²⁾⁽³⁾	17,326	17,506	04-A1, A5		
14-1A, A 144A			5.500%, 4/25/34	10,653	10,717
3.750%, 1/25/54 ⁽²⁾⁽³⁾	13,543	13,840	Residential Funding		
14-2A, A3 144A			Mortgage Securities		
3.750%, 5/25/54 ⁽²⁾⁽³⁾	1,538	1,573	I, Inc. 06-S12, 1A1		
14-3A, AFX3 144A			5.500%, 12/25/21	616	622
3.750%, 11/25/54 ⁽²⁾⁽³⁾	12,725	12,838	Seasoned Credit Risk		
15-2A, A1 144A			Transfer Trust Series		
3.750%, 8/25/55 ⁽²⁾⁽³⁾	9,617	9,822	16-1, M1 144A		
16-1A, A1 144A			3.000%, 9/25/55 ⁽²⁾⁽³⁾	6,500	6,149
3.750%, 3/25/56 ⁽²⁾⁽³⁾	8,301	8,375	Sequoia Mortgage		
16-3A, A1 144A			Trust		
3.750%, 9/25/56 ⁽²⁾⁽³⁾	8,692	8,818	13-1, 1A1		
16-4A, A1 144A			1.450%, 2/25/43 ⁽²⁾	1,968	1,918
3.750%, 11/25/56 ⁽²⁾⁽³⁾	6,367	6,500	13-8, B1		
NovaStar Mortgage			3.535%, 6/25/43 ⁽²⁾	6,582	6,607
Funding Trust			14-2, A1 144A		
Series 04-4, M5			4.000%, 7/25/44 ⁽²⁾⁽³⁾	6,324	6,419
2.707%, 3/25/35 ⁽²⁾	3,556	3,476	14-3, A9 144A		
One Market Plaza			3.750%, 10/25/44 ⁽²⁾⁽³⁾	13,871	14,052
Trust 17-1MKT, A			Station Place		
144A			Securitization Trust		
3.614%, 2/10/32 ⁽³⁾	10,700	11,071	17-1, B 144A		
Residential Accredit			2.107%, 2/25/49 ⁽²⁾⁽³⁾	12,415	12,415
Loans, Inc.			Structured Adjustable		
05-QS1, A5			Rate Mortgage Loan		
5.500%, 1/25/35	541	540	Trust		
Residential Asset			04-4, 3A1		
Mortgage Products			3.309%, 4/25/34 ⁽²⁾	588	579
Trust			04-4, 3A2		
04-SL1, A8			3.309%, 4/25/34 ⁽²⁾	2,600	2,583
6.500%, 11/25/31	2,009	2,036	04-4, 3A4		
05-SL2, A4			3.309%, 4/25/34 ⁽²⁾	2,006	1,980
7.500%, 2/25/32	1,698	1,693	04-5, 3A2		
Residential Asset			3.214%, 5/25/34 ⁽²⁾	1,107	1,118
Mortgage Products,			04-14, 7A		
Inc.			3.226%, 10/25/34 ⁽²⁾	9,392	9,380
04-SL2, A3			Structured Asset		
7.000%, 10/25/31	1,582	1,643	Securities Corp.		
			03-AL1, A 144A		
			3.357%, 4/25/31 ⁽³⁾	6,382	6,289

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			Non-Agency (continued)		
Structured Asset Securities Corp. Mortgage-Pass-Through Certificates			Vericrest Opportunity Loan Trust XLVIII LLC 16-NPL8, A1 144A		
03-30, 2A1			3.500%, 7/25/46 ⁽²⁾⁽³⁾	\$ 1,136	\$ 1,142
5.060%, 10/25/33 ⁽²⁾	\$ 2,443	\$ 2,483	Vericrest Opportunity Loan Trust XXII LLC 15-NPL4, A1 144A		
03-33H, 1A1			3.500%, 2/25/55 ⁽²⁾⁽³⁾	2,323	2,336
5.500%, 10/25/33	3,304	3,364	Vericrest Opportunity Loan Trust XXXIII LLC 15-NPL5, A1 144A		
03-34A, 6A			3.500%, 3/25/55 ⁽²⁾⁽³⁾	3,894	3,908
3.506%, 11/25/33 ⁽²⁾	2,397	2,367	Vericrest Opportunity Loan Trust XXXV LLC 16-NPL9, A1 144A		
04-15, 3A3			3.500%, 9/25/46 ⁽²⁾⁽³⁾	7,369	7,368
5.500%, 9/25/34	1,598	1,606	Vericrest Opportunity Loan Trust XXXVII LLC 15-NP11, A1 144A		
Towd Point Mortgage Trust			3.625%, 7/25/45 ⁽²⁾⁽³⁾	4,370	4,390
15-1, A2 144A			Verus Securitization Trust 17-1A, A1 144A		
3.250%, 10/25/53 ⁽²⁾⁽³⁾	10,356	10,094	2.853%, 1/25/47 ⁽²⁾⁽³⁾	8,705	8,705
15-3, A1B 144A			VSD 17-PLT1, A		
3.000%, 3/25/54 ⁽²⁾⁽³⁾	4,506	4,536	3.600%, 12/25/43	8,145	8,124
16-1, A1B, 144A			Wells Fargo (Wachovia Bank) Commercial Mortgage Trust		
2.750%, 2/25/55 ⁽²⁾⁽³⁾	7,391	7,396	07-31, AM		
15-6, M1 144A			5.591%, 4/15/47 ⁽²⁾	29,523	29,681
3.750%, 4/25/55 ⁽²⁾⁽³⁾	10,910	10,637	07-C32, A3		
15-5, A1B 144A			5.760%, 6/15/49 ⁽²⁾	1,956	1,954
2.750%, 5/25/55 ⁽²⁾⁽³⁾	6,508	6,512	07-C33, A5		
15-5, A2 144A			6.053%, 2/15/51 ⁽²⁾	1,265	1,272
3.500%, 5/25/55 ⁽²⁾⁽³⁾	3,901	3,931	Wells Fargo Mortgage Backed Securities Trust		
16-2, A1 144A			03-G, A1		
3.000%, 8/25/55 ⁽²⁾⁽³⁾	7,594	7,618	2.895%, 6/25/33 ⁽²⁾	988	990
16-3, A1 144A			03-J, 5A1		
2.250%, 4/25/56 ⁽²⁾⁽³⁾	6,194	6,133	2.957%, 10/25/33 ⁽²⁾	308	311
16-4, A1 144A					
2.250%, 7/25/56 ⁽²⁾⁽³⁾	9,616	9,500			
15-2, 1M1 144A					
3.250%, 11/25/60 ⁽²⁾⁽³⁾	7,523	7,465			
Tricon American Homes Trust					
16-SFR1, C 144A					
3.487%, 11/17/33 ⁽³⁾	4,640	4,539			
Vericrest Opportunity Loan Trust LI LLC					
16-NP11, A1 144A					
3.500%, 10/25/46 ⁽²⁾⁽³⁾	6,993	7,043			
Vericrest Opportunity Loan Trust LLC					
15-NPL3, A1 144A					
3.375%, 10/25/58 ⁽²⁾⁽³⁾	7,793	7,762			

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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(\$ reported in thousands)

		PAR VALUE	VALUE			PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)				ASSET-BACKED SECURITIES (continued)			
Non-Agency (continued)							
04-4, A9				Arbys Funding LLC			
5.500%, 5/25/34	\$	1,441	\$ 1,469	15-1A, A2 144A			
04-U, A1				4.969%, 10/30/45 ⁽³⁾	\$	5,925	\$ 5,904
3.189%, 10/25/34 ⁽²⁾		898	894	Ascentium Equipment			
04-Z, 2A1				Receivables LLC			
3.001%, 12/25/34 ⁽²⁾		4,319	4,363	15-A1, B 144A			
04-CC, A1				2.260%, 6/10/21 ⁽³⁾	5,400	5,426	
3.094%, 1/25/35 ⁽²⁾		2,047	2,062	Associates			
05-12, 1A1				Manufactured			
5.500%, 11/25/35		2,868	2,888	Housing Pass-			
05-14, 2A1				Through Certificates			
5.500%, 12/25/35		2,037	2,087	96-1, B1			
07-16, 1A1				8.000%, 3/15/27 ⁽²⁾	757	777	
6.000%, 12/28/37		2,308	2,404	Avis Budget Rental			
07-AR10, 2A1				Car Funding LLC			
6.156%, 1/25/38 ⁽²⁾		2,742	2,628	(AESOP) 12-3A, A			
			1,336,261	144A			
				2.100%, 3/20/19 ⁽³⁾	23,085	23,144	
TOTAL MORTGAGE-BACKED SECURITIES				(AESOP) 13-2A, A			
(Identified Cost \$1,616,846)			1,618,093	144A			
				2.970%, 2/20/20 ⁽³⁾	6,350	6,449	
ASSET-BACKED SECURITIES—18.7%				(AESOP) 16-1A, A			
American Credit				144A			
Acceptance				2.990%, 6/20/22 ⁽³⁾	18,500	18,730	
Receivables Trust				BankAmerica			
14-3, C 144A				Manufactured			
3.430%, 6/10/20 ⁽³⁾	18,470	18,573		Housing Contract			
16-1A, B 144A				Trust 98-1, B1			
4.240%, 6/13/22 ⁽³⁾	7,500	7,619		7.810%, 8/10/25 ⁽²⁾	432	435	
17-1, C 144A				BCC Funding VIII LLC			
2.880%, 3/13/23 ⁽³⁾	9,000	9,015		14-A, B 144A			
AmeriCredit				3.123%, 8/20/20 ⁽³⁾	2,799	2,802	
Automobile				14-1A, C 144A			
Receivables Trust				4.216%, 8/20/20 ⁽³⁾	5,519	5,533	
12-4, D				BCC Funding XIII LLC			
2.680%, 10/9/18	6,136	6,137		16-1, D 144A			
14-2, C				4.780%, 8/20/22 ⁽³⁾	5,392	5,298	
2.180%, 6/8/20	19,450	19,545		BXG Receivables Note			
14-1, D				Trust			
2.540%, 6/8/20	18,320	18,443		10-A, A 144A			
15-3, C				5.100%, 3/2/26 ⁽³⁾	704	704	
2.730%, 3/8/21	9,730	9,791		12-A, A 144A			
16-4, C				2.660%, 12/2/27 ⁽³⁾	2,642	2,614	
2.410%, 7/8/22	7,080	7,015		13-A, A 144A			
17-1, C				3.010%, 12/4/28 ⁽³⁾	5,525	5,555	
2.710%, 8/18/22	10,360	10,400		15-A, A 144A			
				2.880%, 5/2/30 ⁽³⁾	2,282	2,290	

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
ASSET-BACKED SECURITIES (continued)			ASSET-BACKED SECURITIES (continued)		
California Republic			CCG Receivables Trust		
Auto Receivables			14-1, B 144A		
Trust			2.150%, 11/15/21 ⁽³⁾	\$ 5,080	\$ 5,082
13-1, B 144A			Centre Point Funding		
2.240%, 1/15/19 ⁽³⁾	\$ 11,600	\$ 11,620	LLC 12-2A,1 144A		
14-2, B			2.610%, 8/20/21 ⁽³⁾	9,750	9,600
2.340%, 4/15/20	7,090	7,138	Cheesecake		
15-3, B			Restaurant Holdings,		
2.700%, 9/15/21	3,705	3,702	Inc. 13-1A, A2 144A		
16-1, B			4.474%, 3/20/43 ⁽³⁾	20,519	20,350
3.430%, 2/15/22	4,615	4,699	Citi Held For Asset		
17-1, B			Issuance		
2.910%, 12/15/22	7,000	6,969	15-PM3, B 144A		
Capital Auto			4.310%, 5/16/22 ⁽³⁾	23,110	23,350
Receivables Asset			Conn's Receivables		
Trust			Funding LLC		
15-2, C			16-B, A 144A		
2.670%, 8/20/20	7,250	7,283	3.730%, 10/15/18 ⁽³⁾	4,228	4,240
16-3, C			Consumer Installment		
2.350%, 9/20/21	8,935	8,829	Loan Trust		
CarFinance Capital			16-LD1, A 144A		
Auto Trust			3.960%, 7/15/22 ⁽³⁾	3,166	3,194
13-1A, B 144A			CPS Auto Receivables		
2.750%, 11/15/18 ⁽³⁾	422	423	Trust		
13-A1, C 144A			16-C, B 144A		
3.450%, 3/15/19 ⁽³⁾	2,210	2,223	2.480%, 9/15/20 ⁽³⁾	3,000	2,999
13-2A, B 144A			16-B, 144A		
3.150%, 8/15/19 ⁽³⁾	2,275	2,280	3.180%, 9/15/20 ⁽³⁾	4,500	4,545
14-1A, B 144A			16-A, C 144A		
2.720%, 4/15/20 ⁽³⁾	3,880	3,899	3.800%, 12/15/21 ⁽³⁾	6,500	6,613
14-2A, B 144A			DB Master Finance		
2.640%, 11/16/20 ⁽³⁾	3,455	3,464	LLC		
14-2A, C 144A			15-1A, A2I 144A		
3.240%, 11/16/20 ⁽³⁾	2,765	2,770	3.262%, 2/20/45 ⁽³⁾	7,840	7,881
15-A1, B 144A			15-A1, A2II 144A		
2.910%, 6/15/21 ⁽³⁾	6,000	6,027	3.980%, 2/20/45 ⁽³⁾	14,482	14,719
CarMax Auto Owner			Diamond Resorts		
Trust			Owner Trust		
14-2, B			14-1, A 144A		
1.880%, 11/15/19	1,000	1,002	2.540%, 5/20/27 ⁽³⁾	6,790	6,790
15-2, C			DRB Prime Student		
2.390%, 3/15/21	2,275	2,282	Loan Trust		
17-1, B			15-D, A3 144A		
2.540%, 9/15/22	5,025	5,025	2.500%, 1/25/36 ⁽³⁾	4,330	4,337
Carnow Auto			Drive Auto		
Receivables Trust			Receivables Trust		
16-1A, D 144A			15-DA, B 144A		
7.340%, 11/15/21 ⁽³⁾	4,460	4,470	2.590%, 12/16/19 ⁽³⁾	2,135	2,139

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	PAR VALUE	VALUE		PAR VALUE	VALUE
ASSET-BACKED SECURITIES (continued)			ASSET-BACKED SECURITIES (continued)		
16-AA, B 144A			15-A1, C 144A		
3.170%, 5/15/20 ⁽³⁾	\$ 7,310	\$ 7,354	4.100%, 12/15/20 ⁽³⁾	\$ 19,850	\$ 20,342
15-AA, C 144A			15-2A, C 144A		
3.060%, 5/17/21 ⁽³⁾	23,685	23,841	3.900%, 3/15/21 ⁽³⁾	24,230	24,630
17-BA, C 144A			14-3A, D 144A		
2.610%, 8/16/21 ⁽³⁾	8,750	8,749	5.690%, 4/15/21 ⁽³⁾	22,980	23,802
16-CA, C 144A			16-3A, B 144A		
3.020%, 11/15/21 ⁽³⁾	6,280	6,356	2.840%, 8/16/21 ⁽³⁾	8,475	8,465
17-AA, C 144A			17-1A, B 144A		
2.980%, 1/18/22 ⁽³⁾	15,410	15,511	3.000%, 12/15/21 ⁽³⁾	13,250	13,296
15-AA, D 144A			15-3A, D 144A		
4.120%, 7/15/22 ⁽³⁾	13,120	13,337	6.550%, 10/17/22 ⁽³⁾	3,375	3,430
Drug Royalty II LP 2			Fairway Outdoor		
14-1, A2 144A			Funding LLC		
3.484%, 7/15/23 ⁽³⁾	13,544	13,430	12-1A, A2 144A		
Drug Royalty III LP 1			4.212%, 10/15/42 ⁽³⁾	19,926	19,945
16-1A, A 144A			First Investors Auto		
3.979%, 4/15/27 ⁽³⁾	3,824	3,825	Owner Trust		
DT Auto Owner Trust			15-1A, C 144A		
14-2A, C 144A			2.710%, 6/15/21 ⁽³⁾	5,000	5,015
2.460%, 1/15/20 ⁽³⁾	744	744	Flagship Credit Auto		
16-1A, B 144A			Trust		
2.790%, 5/15/20 ⁽³⁾	5,200	5,220	16-1, A 144A		
14-3A, C 144A			2.770%, 12/15/20 ⁽³⁾	3,732	3,760
3.040%, 9/15/20 ⁽³⁾	6,986	7,022	14-2, D 144A		
15-1A, C 144A			5.210%, 2/15/21 ⁽³⁾	9,560	9,806
2.870%, 11/16/20 ⁽³⁾	5,155	5,184	15-1, D 144A		
15-3A, C 144A			5.260%, 7/15/21 ⁽³⁾	3,565	3,663
3.250%, 7/15/21 ⁽³⁾	2,285	2,309	15-2, C 144A		
16-2A, C 144A			4.080%, 12/15/21 ⁽³⁾	6,495	6,579
3.670%, 1/18/22 ⁽³⁾	8,555	8,674	16-2, B 144A		
16-3A, C 144A			3.840%, 9/15/22 ⁽³⁾	4,175	4,289
3.150%, 3/15/22 ⁽³⁾	8,485	8,551	16-3, D 144A		
16-4A, C 144A			3.890%, 11/15/22 ⁽³⁾	4,990	4,997
2.740%, 10/17/22 ⁽³⁾	21,875	21,937	17-1, C 144A		
17-1, D 144A			3.220%, 5/15/23 ⁽³⁾	7,500	7,529
3.550%, 11/15/22 ⁽³⁾	10,000	10,027	Foundation Finance		
Exeter Automobile			Trust 16-1A, A 144A		
Receivables Trust			3.960%, 6/15/35 ⁽³⁾	2,843	2,839
14-1A, B 144A			Foursight Capital		
2.420%, 1/15/19 ⁽³⁾	233	233	Automobile		
13-1A, C 144A			Receivables Trust		
3.520%, 2/15/19 ⁽³⁾	9,729	9,772	16-1, A2, 144A		
14-1A, C 144A			2.870%, 10/15/21 ⁽³⁾	6,851	6,871
3.570%, 7/15/19 ⁽³⁾	15,830	15,915	GLS Auto Receivables		
14-2A, C 144A			Trust 16-1A, B 144A		
3.260%, 12/16/19 ⁽³⁾	13,715	13,833	4.390%, 1/15/21 ⁽³⁾	10,500	10,525

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
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(\$ reported in thousands)

	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
ASSET-BACKED SECURITIES (continued)			ASSET-BACKED SECURITIES (continued)		
Gold Key Resorts LLC			Mariner Finance		
14-A, A 144A			Issuance Trust		
3.220%, 3/17/31 ⁽³⁾	\$ 6,550	\$ 6,567	17-AA, A 144A		
GreatAmerica Leasing			3.620%, 2/20/29 ⁽³⁾	\$ 7,335	\$ 7,372
Receivables Funding			Marriott Vacation Club		
LLC 17-1, A4 144A			Owner Trust		
2.360%, 1/20/23 ⁽³⁾	18,010	17,953	12-1A, A 144A		
Hertz Vehicle			2.510%, 5/20/30 ⁽³⁾	10,537	10,551
Financing LLC			10-1A, A 144A		
15-2A, A 144A			3.540%, 10/20/32 ⁽³⁾	306	308
2.020%, 9/25/19 ⁽³⁾	4,845	4,822	10-1A, B 144A		
16 -1A, A144A			4.520%, 10/20/32 ⁽³⁾	596	603
2.320%, 3/25/20 ⁽³⁾	8,800	8,765	Murray Hill		
Hilton Grand			Marketplace Trust		
Vacations Trust			16-LC1, A 144A		
13-A, A 144A			4.190%, 11/25/22 ⁽³⁾	2,445	2,464
2.280%, 1/25/26 ⁽³⁾	5,850	5,831	MVW Owner Trust		
14-AA, A 144A			15-1A, B 144A		
1.770%, 11/25/26 ⁽³⁾	8,152	8,052	2.960%, 12/20/32 ⁽³⁾	1,344	1,340
17-AA, A 144A			16-1A, A 144A		
2.660%, 12/27/28 ⁽³⁾	7,440	7,434	2.250%, 12/20/33 ⁽³⁾	6,167	6,076
Hyundai Auto			NCF Dealer Floorplan		
Receivables Trust			Master Trust 16-1A,		
14-B, D			A 144A		
2.510%, 12/15/20	9,675	9,689	4.029%, 3/21/22 ⁽²⁾⁽³⁾	9,000	8,942
15-A, D			OneMain Direct Auto		
2.730%, 6/15/21	8,950	8,990	Receivables Trust		
Leaf Receivables			16-1A, B 144A		
Funding 10 LLC			2.760%, 5/15/21 ⁽³⁾	5,000	5,011
15-1, D 144A			OneMain Financial		
3.740%, 5/17/21 ⁽³⁾	800	788	Issuance Trust		
15-1, E1 144A			14-1A, A 144A		
5.210%, 7/15/21 ⁽³⁾	4,500	4,466	2.430%, 6/18/24 ⁽³⁾	4,173	4,174
15-1, E2 144A			15-2A, A 144A		
6.000%, 6/15/23 ⁽³⁾	2,455	2,408	2.570%, 7/18/25 ⁽³⁾	19,675	19,715
Leaf Receivables			15-1A, A 144A		
Funding 11 LLC			3.190%, 3/18/26 ⁽³⁾	26,301	26,580
16-1, E1 144A			Orange Lake		
5.500%, 4/15/23 ⁽³⁾	5,000	4,884	Timeshare Trust		
16-1, E2 144A			12-AA, A 144A		
6.000%, 6/15/24 ⁽³⁾	4,170	3,856	3.450%, 3/10/27 ⁽³⁾	2,721	2,744
Leaf Receivables			15-AA, A 144A		
Funding 9 LLC			2.880%, 9/8/27 ⁽³⁾	5,679	5,675
13-1,E2 C 144A			14-AA, A 144A		
3.460%, 9/15/21 ⁽³⁾	6,473	6,470	2.290%, 7/9/29 ⁽³⁾	2,507	2,480
13-1, D 144A			Prestige Auto		
5.110%, 9/15/21 ⁽³⁾	1,186	1,200	Receivables Trust		
			14-1A, C 144A		
			2.390%, 5/15/20 ⁽³⁾	7,000	6,998

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(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
ASSET-BACKED SECURITIES (continued)			ASSET-BACKED SECURITIES (continued)		
Santander Drive Auto Receivables Trust			SLM Private Education Loan Trust		
13-3, C			13-B, A2A 144A		
1.810%, 4/15/19	\$ 2,423	\$ 2,425	1.850%, 6/17/30 ⁽³⁾	\$ 4,500	\$ 4,480
14-3, C			13-C, A2A 144A		
2.130%, 8/17/20	13,781	13,816	2.940%, 10/15/31 ⁽³⁾	4,781	4,836
16-2, B			SoFi Consumer Loan Program LLC		
2.080%, 2/16/21	8,250	8,258	16-3, A 144A		
17-1, C			3.050%, 12/26/25 ⁽³⁾	16,981	16,989
2.580%, 5/16/22	9,435	9,433	17-1, A 144A		
Security National Automotive Acceptance Company			3.280%, 1/26/26 ⁽³⁾	13,113	13,175
Receivables Trust			SoFi Professional Loan Program LLC		
14-1A, C 144A			14-B, A2 144A		
2.210%, 1/15/20 ⁽³⁾	227	227	2.550%, 8/27/29 ⁽³⁾	824	826
Sierra Receivables Funding Co., LLC			15-A, A2 144A		
17-1A, A 144A			2.420%, 3/25/30 ⁽³⁾	3,376	3,373
2.910%, 3/20/34 ⁽³⁾	10,000	10,060	16-A, A2 144A		
Sierra Timeshare Receivables Funding LLC			2.760%, 12/26/36 ⁽³⁾	1,838	1,852
12-3A, A 144A			17-A, A2B 144A		
1.870%, 8/20/29 ⁽³⁾	5,324	5,319	2.400%, 3/26/40 ⁽³⁾	10,000	9,837
13-1A, A 144A			17-B, A1FX 144A		
1.590%, 11/20/29 ⁽³⁾	1,928	1,923	1.830%, 5/25/40 ⁽³⁾	10,440	10,439
14-1A, A 144A			Springleaf Funding Trust 16-AA, A 144A		
2.070%, 3/20/30 ⁽³⁾	1,824	1,823	2.900%, 11/15/29 ⁽³⁾	9,485	9,538
14-2A, A 144A			Structured Asset Securities Corp. Mortgage Pass-Through Certificates		
2.050%, 6/20/31 ⁽³⁾	2,598	2,594	01-SB1, A2		
16-1A, A 144A			3.375%, 8/25/31	1,326	1,311
3.080%, 3/21/33 ⁽³⁾	6,074	6,139	SVO VOI Mortgage Corp. 12-AA, A 144A		
16-2A, A 144A			2.000%, 9/20/29 ⁽³⁾	6,871	6,801
2.330%, 7/20/33 ⁽³⁾	5,954	5,953	Taco Bell Funding LLC		
Silverleaf Finance LLC			16-1A, A21 144A		
XVII 13-A, A 144A			3.832%, 5/25/46 ⁽³⁾	14,323	14,519
2.680%, 3/16/26 ⁽³⁾	2,059	2,055	TCF Auto Receivables Owner Trust		
XVIII 14-A, A 144A			14-1A, B 144A		
2.810%, 1/15/27 ⁽³⁾	1,480	1,477	2.330%, 5/15/20 ⁽³⁾	1,733	1,728
Silverleaf Finance XV LLC 12-D, A 144A			14-1A, C 144A		
3.000%, 3/17/25 ⁽³⁾	2,020	2,021	3.120%, 4/15/21 ⁽³⁾	2,035	2,035
Skopos Auto Receivables Trust			16-PT1A, C 144A		
15-2A, A 144A			3.210%, 1/17/23 ⁽³⁾	10,900	10,840
3.550%, 2/15/20 ⁽³⁾	1,870	1,872			

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
ASSET-BACKED SECURITIES (continued)			ASSET-BACKED SECURITIES (continued)		
TGIF Funding LLC			Westgate Resorts LLC		
17-1A, A2 144A			16-1A, A 144A		
6.202%, 4/30/47 ⁽³⁾	\$ 17,655	\$ 17,331	3.500%, 12/20/28 ⁽³⁾	\$ 8,163	\$ 8,203
Tidewater Auto			Westlake Automobile		
Receivables Trust			Receivables Trust		
14-AA, C 144A			15-1A, C 144A		
2.560%, 8/15/19 ⁽³⁾	2,890	2,898	2.290%, 11/16/20 ⁽³⁾	8,500	8,517
16-AA, B 144A			16-2A C, 144A		
3.130%, 3/15/20 ⁽³⁾	7,393	7,429	2.830%, 5/17/21 ⁽³⁾	3,190	3,210
Trip Rail Master			15-3A, D, 144A		
Funding LLC			4.400%, 5/17/21 ⁽³⁾	10,000	10,169
11-1A, A1A 144A			17-1A, B 144A		
4.370%, 7/15/41 ⁽³⁾	10,797	10,868	2.300%, 10/17/22 ⁽³⁾	10,000	10,011
14-1A, A1 144A					
2.863%, 4/15/44 ⁽³⁾	9,296	9,101			
U-Haul S Fleet LLC			TOTAL ASSET-BACKED SECURITIES		
10-BT1A, 1 144A			(Identified Cost \$1,343,669)		1,348,151
4.899%, 10/25/23 ⁽³⁾	29,209	29,361			
United Auto Credit			CORPORATE BONDS AND NOTES—35.7%		
Securitization Trust			Consumer Discretionary—2.7%		
16-1, B 144A			Alibaba Group		
2.730%, 5/15/18 ⁽³⁾	1,716	1,717	Holding Ltd.		
16-2, C 144A			2.500%, 11/28/19	6,600	6,631
2.480%, 3/10/20 ⁽³⁾	9,425	9,418	Altice SA 144A		
Volvo Financial			7.750%, 5/15/22 ⁽³⁾	10,060	10,701
Equipment LLC			American Greetings		
14-1A, C 144A			Corp. 144A		
1.940%, 11/15/21 ⁽³⁾	6,000	6,009	7.875%, 2/15/25 ⁽³⁾	3,540	3,726
Volvo Financial			Caesars		
Equipment LLC			Entertainment		
Series 17-1A, B			Operating Co., Inc.		
144A			9.000%, 2/15/20 ⁽¹⁰⁾	3,565	4,158
2.400%, 1/18/22 ⁽³⁾	3,600	3,591	Charter		
VSE VOI Mortgage			Communications		
LLC 16-A, A 144A			Operating LLC		
2.540%, 7/20/33 ⁽³⁾	6,786	6,758	4.464%, 7/23/22	6,735	7,093
Welk Resorts LLC			Clear Channel		
13-AA, A 144A			Worldwide		
3.100%, 3/15/29 ⁽³⁾	2,899	2,916	Holdings, Inc.		
15-AA, A 144A			Series B		
2.790%, 6/16/31 ⁽³⁾	5,127	5,103	7.625%, 3/15/20	17,015	17,228
Wendy's Funding LLC			Delphi Automotive plc		
15-1A, A2II 144A			3.150%, 11/19/20	15,000	15,301
3.371%, 6/15/45 ⁽³⁾	11,046	11,097	Diamond Resorts		
15-1A, A2II 144A			International, Inc.		
4.080%, 6/15/45 ⁽³⁾	9,449	9,512	144A		
			7.750%, 9/1/23 ⁽³⁾	590	619
			Horton (D.R.), Inc.		
			4.750%, 2/15/23	10,550	11,226

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	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Consumer Discretionary (continued)		
Consumer Discretionary (continued)			4.150%, 4/1/24	\$ 915	\$ 923
Hyundai Capital America 144A					194,332
2.125%, 10/2/17 ⁽³⁾	\$ 2,940	\$ 2,945	Consumer Staples—0.6%		
International Game Technology plc 144A			ESAL GmbH 144A		
5.625%, 2/15/20 ⁽³⁾	3,245	3,407	6.250%, 2/5/23 ⁽³⁾	8,600	8,643
6.250%, 2/15/22 ⁽³⁾	5,190	5,566	MARB BondCo plc 144A		
M/I Homes, Inc. 6.750%, 1/15/21	4,675	4,918	7.000%, 3/15/24 ⁽³⁾	9,135	9,089
Marriott International, Inc. Series N, 3.125%, 10/15/21	13,545	13,786	Smithfield Foods, Inc. 144A		
MGM Growth Properties Operating Partnership LP			2.700%, 1/31/20 ⁽³⁾	6,867	6,862
5.625%, 5/1/24	1,740	1,844	144A		
NCL Corp., Ltd. 144A			3.350%, 2/1/22 ⁽³⁾	3,678	3,673
4.750%, 12/15/21 ⁽³⁾	13,240	13,472	Whole Foods Market, Inc.		
Newell Brands, Inc. 3.150%, 4/1/21	1,925	1,969	5.200%, 12/3/25	14,325	15,209
QVC, Inc. 3.125%, 4/1/19	12,765	12,961			43,476
Scientific Games International, Inc. 144A			Energy—6.5%		
7.000%, 1/1/22 ⁽³⁾	8,970	9,609	Afren plc 144A		
SFR (Numericable) Group S.A. 144A			11.500%, 2/1/20 ⁽³⁾⁽⁹⁾⁽¹⁵⁾	4,674	24
6.000%, 5/15/22 ⁽³⁾	4,580	4,763	Alberta Energy Co., Ltd.		
144A			8.125%, 9/15/30	8,110	10,313
7.375%, 5/1/26 ⁽³⁾	7,075	7,314	Anadarko Finance Co. Series B		
Toll Brothers Finance Corp. 4.000%, 12/31/18	5,080	5,220	7.500%, 5/1/31	3,000	3,802
6.750%, 11/1/19	9,716	10,663	Anadarko Petroleum Corp.		
5.625%, 1/15/24	915	969	4.850%, 3/15/21	3,845	4,113
TRI Pointe Group, Inc. 4.875%, 7/1/21	3,740	3,862	5.550%, 3/15/26	5,455	6,053
5.875%, 6/15/24	10,130	10,484	Antero Resources Corp.		
Wyndham Worldwide Corp. 2.500%, 3/1/18	2,960	2,974	5.625%, 6/1/23	6,835	7,023
			Blue Racer Midstream LLC 144A		
			6.125%, 11/15/22 ⁽³⁾	4,595	4,675
			Carrizo Oil & Gas, Inc. 6.250%, 4/15/23	4,150	4,181
			Cheniere Corpus Christi Holdings LLC 144A		
			7.000%, 6/30/24 ⁽³⁾	7,155	7,915
			Cimarex Energy Co. 4.375%, 6/1/24	11,490	11,935

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	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
CORPORATE BONDS AND NOTES (continued)			Energy (continued)		
Energy (continued)			Energy (continued)		
CNOOC Finance Property Ltd. 2.625%, 5/5/20	\$ 5,800	\$ 5,776	Newfield Exploration Co. 5.625%, 7/1/24	\$ 7,925	\$ 8,391
Concho Resources, Inc. 5.500%, 4/1/23	9,345	9,690	NGL Energy Partners LP 5.125%, 7/15/19	18,475	18,614
Continental Resources, Inc. 5.000%, 9/15/22	5,035	5,104	Noble Holding International Ltd. 7.750%, 1/15/24	8,325	8,034
4.500%, 4/15/23	3,035	2,974	Pertamina Persero PT 144A 4.875%, 5/3/22 ⁽³⁾	10,220	10,853
Diamondback Energy, Inc. 144A 4.750%, 11/1/24 ⁽³⁾	2,070	2,093	Petrobras Global Finance BV 8.375%, 5/23/21	35,515	40,265
Ecopetrol S.A. 5.875%, 9/18/23	20,920	22,672	6.125%, 1/17/22	486	511
Enbridge Energy Partners LP 4.375%, 10/15/20	3,930	4,142	8.750%, 5/23/26	405	470
Encana Corp. 3.900%, 11/15/21	7,960	8,131	Petroleos de Venezuela S.A. RegS 8.500%, 11/2/17 ⁽⁴⁾	6,664	5,565
Energy Transfer Partners LP 5.200%, 2/1/22	4,855	5,202	144A 8.500%, 10/27/20 ⁽³⁾	13,303	9,977
EP Energy LLC 9.375%, 5/1/20	11,345	10,749	144A 6.000%, 5/16/24 ⁽³⁾	12,980	4,783
144A 8.000%, 11/29/24 ⁽³⁾	4,180	4,410	Petroleos Mexicanos 5.500%, 1/21/21	10,070	10,674
144A 8.000%, 2/15/25 ⁽³⁾	1,925	1,800	4.875%, 1/24/22	16,470	16,943
FTS International, Inc. 6.250%, 5/1/22	2,245	1,976	6.875%, 8/4/26	13,475	14,957
KazMunayGas National Co. 144A 6.375%, 4/9/21 ⁽³⁾	4,800	5,284	PHI, Inc. 5.250%, 3/15/19	6,275	5,961
Kinder Morgan, Inc. 144A 5.625%, 11/15/23 ⁽³⁾	20,300	22,276	Pride International, Inc. 8.500%, 6/15/19	4,065	4,472
Lukoil OAO International Finance BV 144A 3.416%, 4/24/18 ⁽³⁾	6,000	6,053	QEP Resources, Inc. 6.875%, 3/1/21	5,220	5,572
Midcontinent Express Pipeline LLC 144A 6.700%, 9/15/19 ⁽³⁾	3,500	3,719	5.250%, 5/1/23	13,087	12,896
			Range Resources Corp. 144A 5.000%, 8/15/22 ⁽³⁾	3,730	3,711
			144A 5.000%, 3/15/23 ⁽³⁾	8,025	7,935
			Regency Energy Partners LP 5.000%, 10/1/22	17,910	19,043
			Sabine Oil & Gas Corp. 7.250%, 6/15/19 ⁽⁹⁾⁽¹⁵⁾⁽¹⁷⁾	9,035	23

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
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(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Financials (continued)		
Energy (continued)			Aviation Capital Group Corp. 144A		
Sabine Pass Liquefaction LLC			2.875%, 9/17/18 ⁽³⁾	\$ 4,415	\$ 4,459
5.625%, 2/1/21	\$ 8,000	\$ 8,619	Banco de Credito del Peru 144A		
6.250%, 3/15/22	8,415	9,329	4.250%, 4/1/23 ⁽³⁾	15,500	16,042
Sinopec Capital Ltd. 144A			Bank of America Corp.		
1.875%, 4/24/18 ⁽³⁾	11,750	11,722	2.000%, 1/11/18	14,905	14,943
Southern Gas Corridor CJS 144A			5.490%, 3/15/19	2,868	3,035
6.875%, 3/24/26 ⁽³⁾	6,435	7,071	2.221%, 10/21/22 ⁽²⁾	10,735	10,905
Sunoco LP			4.200%, 8/26/24	10,473	10,664
6.375%, 4/1/23	16,520	16,850	Bank of Baroda 144A		
Transocean, Inc. 144A			4.875%, 7/23/19 ⁽³⁾	11,775	12,319
9.000%, 7/15/23 ⁽³⁾	3,680	3,947	Bank of India 144A		
6.800%, 3/15/38	7,800	6,455	3.625%, 9/21/18 ⁽³⁾	10,200	10,322
Weatherford International Ltd. 144A			Barclays Bank plc 144A		
9.875%, 2/15/24 ⁽³⁾	4,795	5,574	6.050%, 12/4/17 ⁽³⁾	13,130	13,473
YPF S.A. 144A			Barclays plc		
8.500%, 3/23/21 ⁽³⁾	7,000	7,690	3.200%, 8/10/21	10,345	10,351
		468,992	BBVA Banco Continental S.A. RegS		
Financials—13.1%			5.000%, 8/26/22 ⁽⁴⁾	16,280	17,420
AerCap Ireland Capital Ltd.			Blackstone Holdings Finance Co., LLC 144A		
3.950%, 2/1/22	3,670	3,769	6.625%, 8/15/19 ⁽³⁾	7,105	7,824
Air Lease Corp.			Bonos del Banco Central de Chile En Pesos		
2.625%, 9/4/18	5,495	5,541	4.500%, 6/1/20	4,570,000 ^{CLP}	7,246
Akbank TAS 144A			Brookfield Finance LLC		
7.500%, 2/5/18 ⁽³⁾	33,705 ^{TRY}	8,937	4.000%, 4/1/24	15,475	15,563
Ally Financial, Inc.			Capital One N.A.		
4.250%, 4/15/21	10,530	10,767	2.400%, 9/5/19	5,000	5,015
5.750%, 11/20/25	7,090	7,285	Citigroup, Inc.		
Altice US Finance I Corp. 144A			2.485%, 9/1/23 ⁽²⁾	10,755	11,059
5.375%, 7/15/23 ⁽³⁾	8,250	8,580	4.600%, 3/9/26	6,860	7,044
Ares Capital Corp.			Corp Financiera de Desarrollo SA 144A		
4.875%, 11/30/18	1,545	1,603	4.750%, 7/15/25 ⁽³⁾	7,000	7,406
3.875%, 1/15/20	4,286	4,371	Corpbanca SA 144A		
3.625%, 1/19/22	4,475	4,436	3.875%, 9/22/19 ⁽³⁾	4,000	4,125
Australia & New Zealand Banking Group Ltd. 144A			Discover Bank		
4.400%, 5/19/26 ⁽³⁾	14,195	14,562	8.700%, 11/18/19	1,750	1,988

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Financials (continued)		
Financials (continued)			ICICI Bank Ltd.		
Drawbridge Special Opportunities Fund LP 144A			RegS		
5.000%, 8/1/21 ⁽³⁾	\$ 14,685	\$ 14,446	4.700%, 2/21/18 ⁽⁴⁾	\$ 13,000	\$ 13,291
Fidelity National Financial, Inc.			144A		
6.600%, 5/15/17	6,475	6,509	4.000%, 3/18/26 ⁽³⁾	6,505	6,475
Fifth Third Bancorp			Industrial & Commercial Bank of China Ltd.		
4.500%, 6/1/18	6,745	6,932	3.231%, 11/13/19	6,275	6,399
First Tennessee Bank N.A.			International Lease Finance Corp.		
2.950%, 12/1/19	4,500	4,552	3.875%, 4/15/18	7,635	7,784
Ford Motor Credit Co., LLC			iStar Financial, Inc.		
5.000%, 5/15/18	10,000	10,331	4.875%, 7/1/18	6,945	7,014
FS Investment Corp.			iStar, Inc.		
4.250%, 1/15/20	7,725	7,783	5.000%, 7/1/19	6,210	6,288
General Motors Financial Co., Inc.			6.000%, 4/1/22	3,655	3,719
3.500%, 7/10/19	9,715	9,980	Jefferies Group LLC		
4.200%, 3/1/21	7,300	7,619	5.125%, 4/13/18	6,541	6,746
Genworth Holdings, Inc.			5.125%, 1/20/23	3,725	4,002
7.625%, 9/24/21	6,910	6,564	JPMorgan Chase & Co.		
Goldman Sachs Group, Inc. (The)			6.125%, 6/27/17	8,850	8,943
2.350%, 11/15/21	4,425	4,337	2.295%, 8/15/21	4,495	4,448
4.250%, 10/21/25	24,315	24,782	JPMorgan Chase Bank N.A.		
Guanay Finance Ltd. 144A			1.650%, 9/23/19	8,805	8,758
6.000%, 12/15/20 ⁽³⁾	23,050	23,770	Lazard Group LLC		
HBOS plc 144A			4.250%, 11/14/20	7,765	8,166
6.750%, 5/21/18 ⁽³⁾	685	717	Lincoln National Corp.		
HSBC USA, Inc.			8.750%, 7/1/19	4,613	5,262
2.625%, 9/24/18	19,485	19,683	6.050%, 4/20/67 ⁽²⁾⁽⁷⁾	2,885	2,445
Huntington Bancshares, Inc.			Macquarie Group Ltd. 144A		
7.000%, 12/15/20	17,065	19,545	3.000%, 12/3/18 ⁽³⁾	4,870	4,941
Hutchison Whampoa International Ltd. Series 12			144A		
144A 6.000% ⁽²⁾⁽³⁾⁽⁶⁾	16,710	16,763	6.000%, 1/14/20 ⁽³⁾	10,950	11,912
ICAHN Enterprises LP			Mitsubishi UFJ Financial Group, Inc.		
5.875%, 2/1/22	12,875	13,132	2.950%, 3/1/21	2,500	2,522
144A			Morgan Stanley 144A		
6.250%, 2/1/22 ⁽³⁾	3,610	3,673	10.090%, 5/3/17 ⁽³⁾	22,595 ^{BRL}	7,203
			2.443%, 10/24/23 ⁽²⁾	21,606	22,064
			4.350%, 9/8/26	9,545	9,714
			MUFG Union Bank N.A.		
			2.625%, 9/26/18	2,700	2,728

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Financials (continued)		
Financials (continued)			SunTrust Bank, Inc.		
Navient Corp.			6.000%, 9/11/17	\$ 4,925	\$ 5,022
6.500%, 6/15/22	\$ 7,229	\$ 7,301	5.450%, 12/1/17	3,750	3,842
7.250%, 9/25/23	3,620	3,656	Tervita Escrow Corp.		
New York Life Global			144A		
Funding 144A			7.625%, 12/1/21 ⁽³⁾	1,200	1,245
1.950%, 2/11/20 ⁽³⁾	2,855	2,844	TIAA Asset		
Phosagro OAO 144A			Management Finance		
4.204%, 2/13/18 ⁽³⁾⁽⁵⁾	7,800	7,918	Co., LLC 144A		
Prudential Financial,			2.950%, 11/1/19 ⁽³⁾		
Inc.			Toronto-Dominion		
8.875%, 6/15/38 ⁽²⁾	11,200	12,040	Bank (The)		
QBE Insurance Group			2.125%, 4/7/21		
Ltd. 144A			Trinity Acquisition plc		
2.400%, 5/1/18 ⁽³⁾	7,750	7,765	3.500%, 9/15/21		
Regions Bank			4.400%, 3/15/26		
7.500%, 5/15/18	2,369	2,508	Turkiye Garanti		
Russian Agricultural			Bankasi AS 144A		
Bank OJSC (RSHB			4.750%, 10/17/19 ⁽³⁾		
Capital SA)			Turkiye Is Bankasi		
144A			144A		
5.298%, 12/27/17 ⁽³⁾	13,655	13,937	3.750%, 10/10/18 ⁽³⁾		
144A			Turkiye Vakiflar		
5.100%, 7/25/18 ⁽³⁾⁽⁵⁾	8,750	9,029	Bankasi TAO 144A		
S&P Global, Inc.			3.750%, 4/15/18 ⁽³⁾		
3.300%, 8/14/20	15,097	15,421	UBS Group Funding		
Santander Holdings			Jersey Ltd. 144A		
USA, Inc.			2.650%, 2/1/22 ⁽³⁾		
2.700%, 5/24/19	10,650	10,700	Vnesheconombank		
2.650%, 4/17/20	7,540	7,504	144A		
144A			6.902%, 7/9/20 ⁽³⁾		
3.700%, 3/28/22 ⁽³⁾	7,190	7,200	144A		
SBA Tower Trust			6.025%, 7/5/22 ⁽³⁾		
144A			Wells Fargo & Co.		
2.933%, 12/11/17 ⁽³⁾	13,275	13,282	3.069%, 1/24/23		
144A			2.269%, 10/31/23 ⁽²⁾		
3.156%, 10/15/20 ⁽³⁾	6,050	6,081	Wells Fargo Bank N.A.		
Sberbank of Russia			2.150%, 12/6/19		
5.717%, 6/16/21 ⁽⁵⁾	7,000	7,539	17,645		
Springleaf Finance			XLIT Ltd. Series E,		
Corp.			2.300%, 12/15/18		
5.250%, 12/15/19	9,585	9,693			
State Bank of India			Health Care—2.1%		
144A			Abbott Laboratories		
3.250%, 4/18/18 ⁽³⁾	10,470	10,593	2.350%, 11/22/19		
State Street Corp.			2.900%, 11/30/21		
4.956%, 3/15/18	24,025	24,704			
			941,181		

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Health Care (continued)		
Health Care (continued)			Teva Pharmaceutical Finance Netherlands III BV		
AbbVie, Inc.					
2.500%, 5/14/20	\$ 11,705	\$ 11,783	2.200%, 7/21/21	\$ 2,670	\$ 2,569
3.200%, 11/6/22	1,940	1,962	2.800%, 7/21/23	2,640	2,505
Actavis Capital S.a.r.l.			Valeant Pharmaceuticals International, Inc. 144A		
3.000%, 3/12/20	2,825	2,871	6.500%, 3/15/22 ⁽³⁾	2,190	2,259
3.450%, 3/15/22	3,815	3,887	Zimmer Biomet Holdings, Inc.		
Alere, Inc.			3.150%, 4/1/22	17,905	17,969
6.500%, 6/15/20	6,175	6,252			<u>151,630</u>
Community Health Systems, Inc.			Industrials—2.8%		
5.125%, 8/1/21	4,790	4,754	America West Airlines Pass-Through-Trust 01-1, G		
6.250%, 3/31/23	1,520	1,556	7.100%, 4/2/21	36,627	39,878
Concordia International Corp. 144A			BAE Systems Holdings, Inc. 144A 2.850%, 12/15/20 ⁽³⁾		
7.000%, 4/15/23 ⁽³⁾	1,510	298	6.000%, 7/15/23 ⁽³⁾	720	634
Endo Finance LLC 144A			Bombardier, Inc. 144A 4.750%, 4/15/19 ⁽³⁾		
6.000%, 7/15/23 ⁽³⁾	720	634	13,430	13,896	15,986
Express Scripts Holding Co.			British Airways Pass- Through-Trust 13-1, B 144A		
3.300%, 2/25/21	2,330	2,370	5.625%, 6/20/20 ⁽³⁾	8,367	8,702
Forest Laboratories LLC 144A			Cemex Finance LLC 144A		
4.375%, 2/1/19 ⁽³⁾	13,430	13,896	6.000%, 4/1/24 ⁽³⁾	7,110	7,494
Fresenius U.S. Finance II, Inc. 144A			Continental Airlines Pass-Through-Trust 99-2, C2 AMBC		
4.500%, 1/15/23 ⁽³⁾	2,590	2,692	6.236%, 3/15/20	6,306	6,526
HCA, Inc.			00-1, A1	4,270	4,676
6.500%, 2/15/20	13,125	14,364	8.048%, 11/1/20	4,270	4,676
Mylan N.V.			01-1, A1	3,306	3,488
3.000%, 12/15/18	5,360	5,422	6.703%, 6/15/21	3,306	3,488
3.150%, 6/15/21	4,065	4,082	Delta Air Lines, Inc. 2.875%, 3/13/20		
Owens & Minor, Inc.			1,626	1,639	1,639
3.875%, 9/15/21	2,485	2,532	Doric Nimrod Air Alpha Pass-Through- Trust 13-1, A 144A		
Shire Acquisitions Investments			5.250%, 5/30/23 ⁽³⁾	18,184	18,939
2.400%, 9/23/21	9,275	9,083			
Tenet Healthcare Corp.					
4.750%, 6/1/20	4,650	4,774			
4.631%, 6/15/20 ⁽²⁾	4,045	4,091			
6.000%, 10/1/20	9,560	10,134			
144A					
7.500%, 1/1/22 ⁽³⁾	490	530			
8.125%, 4/1/22	3,015	3,158			

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Information Technology (continued)		
Industrials (continued)			Diamond 1 Finance Corp. 144A		
Embraer Overseas Ltd. 144A			5.450%, 6/15/23 ⁽³⁾	\$ 16,410	\$ 17,703
5.696%, 9/16/23 ⁽³⁾	\$ 3,460	\$ 3,720	Dun & Bradstreet Corp. (The)		
Hawaiian Airlines Pass-Through Certificates 13-1, B			3.500%, 12/1/17	12,110	12,199
4.950%, 1/15/22	6,732	6,724	4.250%, 6/15/20	4,660	4,843
JBS Investments GmbH 144A			Everett Spino, Inc. 144A		
7.250%, 4/3/24 ⁽³⁾	1,535	1,596	2.875%, 3/27/20 ⁽³⁾	2,523	2,544
Masco Corp.			Hewlett Packard Enterprise Co.		
5.950%, 3/15/22	18,385	20,647	2.850%, 10/5/18	9,690	9,805
Park Aerospace Holdings Ltd. 144A			3.600%, 10/15/20	1,845	1,896
5.250%, 8/15/22 ⁽³⁾	1,560	1,628	NXP BV 144A		
Penske Truck Leasing Co., LP			4.125%, 6/1/21 ⁽³⁾	7,100	7,366
RegS					<u>74,541</u>
2.500%, 6/15/19 ⁽⁴⁾	3,470	3,479	Materials—2.6%		
144A			Air Liquide Finance SA 144A		
3.375%, 2/1/22 ⁽³⁾	8,365	8,487	1.750%, 9/27/21 ⁽³⁾	3,000	2,893
SCF Capital Ltd. 144A			Airgas, Inc.		
5.375%, 6/16/23 ⁽³⁾	8,460	8,757	3.050%, 8/1/20	890	914
Standard Industries, Inc. 144A			Allegheny Technologies, Inc.		
5.500%, 2/15/23 ⁽³⁾	6,590	6,738	9.375%, 6/1/19	7,245	7,970
Toledo Edison Co. (The)			Ardagh Packaging Finance plc 144A		
7.250%, 5/1/20	224	244	4.250%, 9/15/22 ⁽³⁾	1,400	1,417
UAL Pass-Through-Trust 07-01, A			Cemex SAB de CV RegS		
6.636%, 7/2/22	23,011	24,881	6.500%, 12/10/19 ⁽⁴⁾	3,598	3,805
United Airlines Pass-Through Trust			CRH America, Inc.		
14-1, B			8.125%, 7/15/18	4,770	5,144
4.750%, 4/11/22	4,558	4,649	Equate Petrochemical BV 144A		
		<u>203,582</u>	3.000%, 3/3/22 ⁽³⁾	9,535	9,316
Information Technology—1.0%			Fortescue Metals Group Resources August 2006 Pty Ltd. 144A		
Broadcom Corp. 144A			9.750%, 3/1/22 ⁽³⁾	16,815	19,274
2.375%, 1/15/20 ⁽³⁾	10,660	10,658	Freeport-McMoRan, Inc.		
144A			3.550%, 3/1/22	3,070	2,863
3.000%, 1/15/22 ⁽³⁾	7,550	7,527	3.875%, 3/15/23	7,645	7,069

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Real Estate (continued)		
Materials (continued)			Digital Realty Trust LP		
Gerdau Holdings, Inc.			3.400%, 10/1/20	\$ 11,735	\$ 12,034
144A			3.950%, 7/1/22	8,175	8,513
7.000%, 1/20/20 ⁽³⁾	\$ 7,630	\$ 8,313	Education Realty		
Gerdau Trade, Inc.			Operating		
144A			Partnership LP		
5.750%, 1/30/21 ⁽³⁾	1,700	1,783	4.600%, 12/1/24		
Glencore Funding LLC			2,040		
144A			Government		
4.125%, 5/30/23 ⁽³⁾	17,615	17,943	Properties Income		
Grace (WR) & Co.			Trust		
144A			3.750%, 8/15/19		
5.125%, 10/1/21 ⁽³⁾	1,535	1,616	2,905		
Novelis Corp. 144A			HCP, Inc.		
6.250%, 8/15/24 ⁽³⁾	605	632	3.750%, 2/1/19		
Office Cherifien des			4,035		
Phosphates (OCP)			4,136		
S.A. 144A			Hospitality Properties		
5.625%, 4/25/24 ⁽³⁾	17,090	18,196	Trust		
Reynolds Group			4.500%, 6/15/23		
Issuer, Inc.			4,445		
5.750%, 10/15/20	12,945	13,334	Select Income REIT		
144A			4.150%, 2/1/22		
4.523%, 7/15/21 ⁽²⁾⁽³⁾	3,100	3,179	18,910		
144A			19,082		
5.125%, 7/15/23 ⁽³⁾	1,600	1,646	Senior Housing		
144A			Properties Trust		
7.000%, 7/15/24 ⁽³⁾	110	118	3.250%, 5/1/19		
Rusal Capital DAC			6,685		
144A			6,715		
5.125%, 2/2/22 ⁽³⁾	17,980	18,104	Ventas Realty LP		
Severstal Oao Via			4.000%, 4/30/19		
Steel Capital S.A.			7,100		
144A			2,948		
3.850%, 8/27/21 ⁽³⁾⁽⁵⁾	17,780	17,801	2,972		
Vale Overseas Ltd.			Welltower, Inc.		
5.875%, 6/10/21	7,475	8,010	4.125%, 4/1/19		
Vedanta Resources plc			4,100		
144A			4,235		
6.000%, 1/31/19 ⁽³⁾	17,325	17,845	West Europe Finance		
		189,185	LLC 144A		
			3.250%, 10/5/20 ⁽³⁾		
			19,265		
			19,633		
			101,422		
			Telecommunication Services—1.7%		
Real Estate—1.4%			Altice Financing S.A.		
Brixmor Operating			144A		
Partnership LP			6.625%, 2/15/23 ⁽³⁾		
3.875%, 8/15/22	5,570	5,703	7,045		
CyrusOne LP 144A			7,344		
5.000%, 3/15/24 ⁽³⁾	1,435	1,478	AT&T Inc.		
			3.200%, 3/1/22		
			1,910		
			3.800%, 3/1/24		
			1,860		
			1,880		
			AT&T, Inc.		
			3.800%, 3/15/22		
			11,365		
			3.000%, 6/30/22		
			7,200		
			4.125%, 2/17/26		
			6,955		
			7,052		
			Crown Castle		
			International Corp.		
			3.700%, 6/15/26		
			870		
			854		
			Crown Castle Towers		
			LLC 144A		
			6.113%, 1/15/20 ⁽³⁾		
			5,900		
			6,388		

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Utilities (continued)		
Telecommunication Services (continued)			144A		
Digicel Group Ltd.			2.750%, 5/7/19 ⁽³⁾	\$ 9,370	\$ 9,481
144A			Talen Energy Supply LLC 144A		
8.250%, 9/30/20 ⁽³⁾	\$ 10,365	\$ 8,949	4.625%, 7/15/19 ⁽³⁾	10,340	10,599
Frontier Communications Corp.			Vistra Operations Company LLC (Texas Competitive Electric Holdings Co. LLC)		
8.500%, 4/15/20	3,200	3,388	144A		
8.875%, 9/15/20	3,380	3,579	0.000%, 10/1/20 ⁽⁹⁾⁽¹⁵⁾⁽¹⁷⁾	5,925	4
10.500%, 9/15/22	9,085	9,244			4
Sprint Communications, Inc.					84,346
6.000%, 11/15/22	14,060	14,412	TOTAL CORPORATE BONDS AND NOTES		
T-Mobile USA, Inc.			(Identified Cost \$2,542,185) 2,573,500		
6.000%, 4/15/24	10,030	10,720	LOAN AGREEMENTS⁽²⁾—10.2%		
Telefonica Emisiones SAU			Consumer Discretionary—3.4%		
3.192%, 4/27/18	2,805	2,841	Altice U.S. Finance I Corp. 2016 Refinancing,		
Verizon Communications, Inc.			3.982%, 1/15/25		
3.125%, 3/16/22	9,017	9,047	AMC Entertainment Holdings, Inc.		
2.625%, 8/15/26	7,550	6,893	3.733%, 12/15/23		
Zayo Group LLC			Aristocrat Leisure Ltd. Tranche B-2,		
6.000%, 4/1/23	6,960	7,386	3.143%, 10/20/21		
		120,813	Bass Pro Group LLC		
			6.147%, 12/15/23		
			Boyd Gaming Corp. Refinancing		
			Tranche B,		
			0.000%, 9/15/23 ⁽¹²⁾		
			Caesars Entertainment Operating Co., Inc. Tranche B-4,		
			1.500%, 10/31/17 ⁽¹⁰⁾		
			Tranche B-6,		
			1.500%, 3/1/20 ⁽¹⁰⁾		
			Caesars Entertainment Resort Properties LLC Tranche B,		
			7.000%, 10/11/20		
			Caesars Growth Properties Holdings LLC Tranche B, First Lien,		
			6.250%, 5/8/21		
				7,155	7,213

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
LOAN AGREEMENTS⁽²⁾ (continued)			Consumer Discretionary (continued)		
Consumer Discretionary (continued)			Nexstar Broadcasting, Inc.		
CDS U.S. Intermediate Holdings, Inc. First Lien, 5.147%, 7/8/22	\$ 5,650	\$ 5,702	Tranche B, 3.943%, 1/17/24	\$ 3,693	\$ 3,730
Charter Communications Operating LLC Tranche E-1, 2.990%, 7/1/20	6,256	6,280	Mission Broadcasting, Inc. Tranche B 3.943%, 1/17/24	358	362
Tranche F-1, 2.990%, 1/3/21	14,159	14,210	PetSmart, Inc. Tranche B-2, 4.020%, 3/11/22	13,730	13,146
Tranche I-1, 3.232%, 1/15/24	2,850	2,867	Scientific Games International, Inc. Tranche B-3, 4.878%, 10/1/21	4,801	4,868
CSC Holdings LLC 2016 Extended, 3.943%, 10/11/24	10,991	10,987	Seminole Tribe of Florida, Inc. 3.397%, 4/29/20	6,429	6,461
Delta 2 (Lux) S.a.r.l. Tranche B-3, 4.568%, 2/1/24	7,421	7,429	ServiceMaster Co. Tranche C, 3.482%, 11/8/23	8,167	8,255
El Dorado Resorts, Inc. 4.250%, 7/25/22	2,729	2,731	Sinclair Television Group, Inc. Tranche B, 3.240%, 1/3/24	11,456	11,498
0.000%, 3/15/24 ⁽¹⁾⁽²⁾	3,815	3,815	Six Flags Theme Park, Inc. Tranche B, 4.240%, 6/30/22	4,979	5,030
Harbor Freight Tools USA, Inc. 4.232%, 8/18/23	14,130	14,130	Station Casinos LLC Tranche B, 3.450%, 6/8/23	6,314	6,330
Hilton Worldwide Finance LLC Tranche B-2, 2.982%, 10/25/23	12,433	12,544	Tribune Media Co. Tranche B, 3.982%, 12/27/20	445	450
Intelsat Jackson Holdings S.A. Tranche B-2, 3.887%, 6/30/19	7,912	7,765	Tranche C, 3.982%, 1/26/24	5,560	5,605
Las Vegas Sands, LLC Refinancing Term, 2.980%, 3/29/24	7,363	7,377	UFC Holdings LLC First Lien, 4.250%, 8/18/23	8,289	8,345
MGM Growth Properties Operating Partnership LP Tranche B, 3.482%, 4/25/23	7,094	7,139			<u>242,187</u>
			Consumer Staples—1.2%		
			Albertson's LLC Tranche B-4, 3.982%, 8/25/21	15,956	16,045
			Tranche B-5, 4.401%, 12/21/22	2,166	2,182

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
LOAN AGREEMENTS⁽²⁾ (continued)			Financials (continued)		
Consumer Staples (continued)			Avolon TLB Borrower		
Aramark Intermediate			1 (US) LLC		
HoldCo Corp.			Tranche B-2,		
Tranche B,			0.000%, 3/21/22 ⁽¹²⁾		
2.983%, 3/28/24	\$ 7,510	\$ 7,568	\$ 545	\$ 553	
Charger OpCo B.V.			Clipper Acquisitions		
Tranche B-1,			Corp. Tranche B,		
3.500%, 7/2/22	2,749	2,772	3.314%, 2/6/20		
Chobani LLC First			6,109		
Lien,			16,529		
5.250%, 10/9/23	2,869	2,901	16,735		
Coty, Inc. Tranche B,			iStar, Inc.		
3.311%, 10/27/22	2,734	2,749	4.750%, 7/1/20		
Galleria Co. Tranche B,			3,192		
3.813%, 9/29/23	5,523	5,578	3,231		
Hostess Brands LLC			Trans Union LLC		
Tranche B, First Lien,			Tranche B-2,		
4.000%, 8/3/22	14,607	14,769	3.482%, 4/9/23		
JBS USA Lux S.A.			10,019		
3.289%, 10/30/22	4,820	4,845	<u>10,096</u>		
Kronos, Inc.			<u>47,827</u>		
First Lien,			Health Care—1.0%		
5.034%, 11/1/23	17,809	17,933	American Renal		
Second Lien,			Holdings, Inc.		
9.284%, 11/1/24	3,287	3,401	Tranche B, First Lien,		
Prestige Brands, Inc.			4.750%, 8/20/19		
Tranche B-4,			5,593		
3.732%, 1/26/24	1,511	1,527	5,606		
TKC Holdings, Inc.			Change Healthcare		
First Lien,			Holdings, Inc.		
4.750%, 2/1/23	5,010	5,067	3.750%, 3/1/24		
		<u>87,337</u>	5,140		
			5,154		
			Convatec Healthcare		
			Ltd.		
			3.232%, 10/25/21		
			1,906		
			1,918		
			Endo Luxembourg		
			Finance Co. S.a.r.l.		
			Tranche B,		
			4.000%, 9/26/22		
			5,501		
			5,504		
			Envision Healthcare		
			Corp.		
			4.150%, 12/1/23		
			11,567		
			11,682		
			HLF Financing S.a.r.l.		
			Senior Lien,		
			6.482%, 2/15/23		
	9,933	3,930	3,725		
			3,734		
			Inventiv Group		
			Holdings, Inc.		
			4.804%, 11/9/23		
	8,770	5,987	5,350		
		<u>9,917</u>	5,379		
			MPH Acquisition		
			Holdings LLC		
			4.897%, 6/7/23		
			3,331		
			3,378		
			Quorum Health Corp.		
			6.789%, 4/29/22		
	6,077	6,116	6,212		
			6,083		
			Tenn Merger Sub, Inc.		
			3.750%, 2/6/24		
	4,905	4,954	9,077		
			9,026		
Energy—0.1%					
Paragon Offshore					
Finance Co.					
5.750%, 7/16/21 ⁽¹⁸⁾					
9,933					
3,930					
Seadrill Operating LP					
4.147%, 2/21/21					
8,770					
5,987					
9,917					
Financials—0.7%					
Asurion LLC					
Tranche B-4,					
4.250%, 8/4/22					
6,077					
6,116					
Tranche B-5,					
4.750%, 11/3/23					
4,905					
4,954					

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
LOAN AGREEMENTS⁽²⁾ (continued)				Information Technology (continued)	
Health Care (continued)				2022-C,	
U.S. Renal Care, Inc.				3.984%, 7/8/22	\$ 5,604
First Lien,					\$ 5,653
5.397%, 12/30/22	\$ 6,968	\$ 6,556		Mitchell International,	
Valeant				Inc.	
Pharmaceuticals				4.539%, 10/13/20	4,956
International, Inc.				Presidio LLC	
Series F, Tranche B,				Tranche B, First Lien,	
5.570%, 4/1/22	8,343	8,375		4.250%, 2/2/22	7,532
		72,395		Rackspace Hosting,	
				Inc. Tranche B, First	
				Lien,	
				4.535%, 11/3/23	7,576
Industrials—0.8%				SS&C Technologies	7,642
Advanced Disposal				Holdings, Inc.	
Services, Inc.				2017 Refinancing	
3.698%, 11/10/23	2,304	2,320		Tranche A-2	
Air Canada				2.732%, 7/8/20	1,282
3.755%, 10/6/23	3,125	3,148		2017 Refinancing	
American Airlines, Inc.				Tranche A-1	
Tranche B,				2.732%, 7/8/20	827
3.482%, 4/28/23	16,065	16,112		2017 Refinancing	829
Husky Injection				Tranche B-2,	
Molding Systems				3.232%, 7/8/22	419
Ltd.				2017 Refinancing	
4.250%, 6/30/21	4,868	4,898		Tranche B-1,	
Quikrete Holdings, Inc.				3.232%, 7/8/22	4,898
First Lien,				Veritas US, Inc.	
4.232%, 11/15/23	11,083	11,200		Tranche B-1,	
United Airlines, Inc.				6.772%, 1/27/23	7,443
Tranche B,				Western Digital Corp.	
0.000%, 4/1/24 ⁽¹²⁾	10,355	10,394		Tranche B-2,	
Zodiac Pool Solutions				3.732%, 4/29/23	5,062
LLC First Lien,					5,100
5.647%, 12/20/23	6,529	6,586			94,467
		54,658		Materials—0.5%	
Information Technology—1.3%				Anchor Glass	
Abacus Innovations				Container Corp. First	
Corp. Tranche B,				Lien,	
3.250%, 8/16/23	5,353	5,409		4.250%, 12/7/23	2,852
Blackboard, Inc.				Berry Plastics Corp.	
Tranche B-4, First				Tranche I,	
Lien,				3.503%, 10/1/22	7,098
6.023%, 6/30/21	16,324	16,298		Tranche J,	
First Data Corp.				3.524%, 1/19/24	1,045
2021-C,				CPI Acquisition, Inc.	
3.984%, 3/24/21	26,634	26,867		First Lien,	
				5.834%, 8/17/22	11,746
					10,973

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
LOAN AGREEMENTS⁽²⁾ (continued)					
Materials (continued)					
Huntsman International LLC Tranche B, 3.982%, 4/1/23	\$ 3,885	\$ 3,925			
Ineos U.S. Finance LLC New 2022 3.732%, 3/31/22	5,654	5,692			
New 2024 3.732%, 4/1/24	1,970	1,983			
New Arclin U.S. Holdings Corp. First Lien, 5.670%, 2/14/24	2,810	2,837			
		<u>36,490</u>			
Real Estate—0.1%					
Capital Automotive LP Tranche B-2, First Lien 4.000%, 3/25/24	860	870			
Tranche B, Second Lien, 7.000%, 3/24/25	4,210	4,267			
ESH Hospitality, Inc. 3.482%, 8/30/23	2,485	2,500			
		<u>7,637</u>			
Telecommunication Services—0.4%					
Level 3 Financing, Inc. Tranche B, 3.227%, 2/22/24	11,424	11,457			
Neustar, Inc. Tranche B1 0.000%, 9/2/19 ⁽¹²⁾	1,740	1,766			
Tranche B2, 0.000%, 3/1/24 ⁽¹²⁾	3,600	3,651			
Sprint Communications, Inc. 3.500%, 2/2/24	3,220	3,223			
UPC Financing Partnership 3.662%, 4/15/25	5,345	5,368			
LOAN AGREEMENTS⁽²⁾ (continued)					
Telecommunication Services (continued)					
Virgin Media Bristol LLC 3.662%, 1/31/25	\$ 7,300	\$ 7,328			
		<u>32,793</u>			
Utilities—0.7%					
Dynegy, Inc. Tranche C-1, 4.250%, 6/27/23	10,263	10,306			
Helix Gen Funding LLC Tranche 0.000%, 3/9/24 ⁽¹²⁾	415	422			
NRG Energy, Inc. 3.232%, 6/30/23	17,688	17,784			
State of Santa Catarina (The) 4.000%, 12/27/22	11,827	11,442			
Virstra Operations Company LLC 3.732%, 8/4/23	6,002	5,997			
Tranche C, 3.732%, 8/4/23	1,373	1,372			
4.193%, 12/14/23	1,572	1,577			
		<u>48,900</u>			
TOTAL LOAN AGREEMENTS (Identified Cost \$739,198)					734,608
				<u>SHARES</u>	
PREFERRED STOCKS—1.0%					
Energy—0.1%					
PTT Exploration & Production PCL Series Y, 144A, 4.875% ⁽²⁾⁽³⁾	8,645 ⁽⁸⁾	8,841			
Financials—0.9%					
Banco Bilbao Vizcaya Argentaria S.A. International S.A. Unipersonal 5.919% ⁽²⁾	2,295 ⁽⁸⁾	2,296			
Bank of New York Mellon Corp. (The) Series E, 4.950% ⁽²⁾	12,070 ⁽⁸⁾	12,451			

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

	SHARES	VALUE
PREFERRED STOCKS (continued)		
Financials (continued)		
Citigroup, Inc. Series T, 6.250% ⁽²⁾	17,805 ⁽⁸⁾	\$ 19,229
JPMorgan Chase & Co. Series Z, 5.300% ⁽²⁾	3,985 ⁽⁸⁾	4,130
Wells Fargo & Co. Series K, 7.980% ⁽²⁾	16,155 ⁽⁸⁾	16,821
XLIT Ltd. Series E, 6.50% ⁽²⁾	12,790 ⁽⁸⁾	10,744
		65,671
TOTAL PREFERRED STOCKS (Identified Cost \$74,353)		74,512
COMMON STOCKS—0.1%		
Energy—0.1%		
Linn Energy, Inc. ⁽¹⁶⁾	176,527	5,119
Pacific Exploration and Production Corp. ⁽¹⁶⁾	75,733	2,356
		7,475
Utilities—0.0%		
Vistra Energy Corp. ⁽¹⁶⁾	98,789	1,610
TOTAL COMMON STOCKS (Identified Cost \$10,169)		9,085
AFFILIATED MUTUAL FUND—1.0%		
Virtus Newfleet Credit Opportunities Fund Class R6 ⁽¹¹⁾	6,989,143	69,822
TOTAL AFFILIATED MUTUAL FUND (Identified Cost \$69,865)		69,822
RIGHTS—0.0%		
Vistra Energy Corp. ⁽⁹⁾	98,789	140
TOTAL RIGHTS (Identified Cost \$84)		140
TOTAL LONG TERM INVESTMENTS—98.4% (Identified Cost \$7,056,701)		7,087,597⁽¹³⁾

	SHARES	VALUE
SHORT-TERM INVESTMENT—0.4%		
Money Market Mutual Fund—0.4%		
JPMorgan U.S. Government Money Market Fund – Institutional Shares (seven-day effective yield 0.622%) ⁽¹¹⁾	29,134,035	\$ 29,134
TOTAL SHORT-TERM INVESTMENT (Identified Cost \$29,134)		29,134
TOTAL INVESTMENTS—98.8% (Identified Cost \$7,085,835)		
		7,116,731⁽¹¹⁾
Other assets and liabilities, net—1.2%		85,684
NET ASSETS—100.0%		\$7,202,415

Abbreviations:

FHLMC	Federal Home Loan Mortgage Corporation ("Freddie Mac")
FNMA	Federal National Mortgage Association ("Fannie Mae")
GNMA	Government National Mortgage Association ("Ginnie Mae")
REIT	Real Estate Investment Trust

Footnote Legend:

- ⁽¹⁾ Federal Income Tax Information: For tax information at March 31, 2017, see Note 10 Federal Income Tax Information in the Notes to Financial Statements.
- ⁽²⁾ Variable or step coupon security; interest rate shown reflects the rate in effect at March 31, 2017.
- ⁽³⁾ 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 March 31, 2017, these securities amounted to a value of \$3,104,792 or 43.1% of net assets.
- ⁽⁴⁾ Regulation S security. Security is offered and sold outside of the United States, therefore, it is exempt from registration with the SEC under Rules 903 and 904 of the Securities Act of 1933.

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

- (5) This Note was issued for the sole purpose of funding a loan agreement between the issuer and the borrower. As the credit risk for this security lies solely with the borrower, the name represented here is that of the borrower.
- (6) No contractual maturity date.
- (7) Interest payments may be deferred.
- (8) Value shown as par value.
- (9) Security in default, no interest payments are being received during the bankruptcy proceedings.
- (10) Security in default, a portion of the interest payments are being received during the bankruptcy proceedings.
- (11) Shares of this fund are publicly offered and its prospectus and annual report are publicly available.
- (12) This loan will settle after March 31, 2017, at which time the interest rate, based on the London Interbank Offered Rate ("LIBOR") and the agreed upon spread on trade date, will be reflected.
- (13) All or a portion of the Fund's assets have been segregated for delayed delivery security.
- (14) Amount is less than \$500 or 500 shares (reported in 000's).
- (15) Illiquid security.
- (16) Non-income producing.
- (17) Security valued at fair value as determined in good faith by or under the direction of the Trustees. This security is disclosed as a Level 3 security in the disclosure table located after the Schedule of Investments.
- (18) Security in default, interest payments are being received during the bankruptcy proceedings.

Foreign Currencies:

BRL Brazilian Real
 CLP Chilean Peso
 COP Colombian Peso
 IDR Indonesian Rupiah
 MXN Mexican Peso
 RUB Russian Ruble
 TRY Turkish Lira
 ZAR South African Rand

Country Weightings†

United States	78%
Argentina	2
Brazil	2
Turkey	2
Australia	1
Luxembourg	1
Russia	1
Other	13
Total	100%
† % of total investments as of March 31, 2017	

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

The following table provides a summary of inputs used to value the Fund's investments as of March 31, 2017 (See Security Valuation Note 2A in the Notes to Financial Statements):

	Total Value at March 31, 2017	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Debt Securities:				
Asset-Backed Securities	\$1,348,151	\$ —	\$1,348,151	\$ —
Corporate Bonds and Notes	2,573,500	—	2,573,449	51
Foreign Government Securities	557,809	—	557,809	—
Loan Agreements	734,608	—	723,166	11,442
Mortgage-Backed Securities	1,618,093	—	1,605,678	12,415
Municipal Bonds	3,884	—	3,884	—
U.S. Government Securities	97,993	—	97,993	—
Equity Securities:				
Affiliated Mutual Fund	69,822	69,822	—	—
Common Stocks	9,085	9,085	—	—
Preferred Stocks	74,512	—	74,512	—
Rights	140	—	—	140
Short-Term Investment	29,134	29,134	—	—
Total Investments	\$7,116,731	\$108,041	\$6,984,642	\$24,048

There were no transfers between Level 1 and Level 2 related to securities held at March 31, 2017.

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2017

(\$ reported in thousands)

The following is a reconciliation of assets of the Fund for Level 3 investments for which significant unobservable inputs were used to determine fair value.

	Total	Asset- Backed Securities	Corporate Bonds and Notes	Loan Agreements	Rights	Mortgage- Backed Securities
Investments in Securities						
Balance as of September 30, 2016:	\$ 22,276	\$ 8,363	\$ 2,595	\$ 11,318	\$ —	\$ —
Accrued discount/(premium)	(55)	—	—	(55)	—	—
Realized gain (loss)	(10,888)	72	(10,920)	(40)	—	—
Change in unrealized appreciation/ (depreciation) ^(c)	11,848	(168)	11,006	954	56	—
Purchases	12,499	—	—	—	84	12,415
Sales ^(b)	(11,655)	(8,267)	(2,653)	(735)	—	—
Transfers into Level 3 ^{(a)(d)}	23	—	23	—	—	—
Transfers from Level 3 ^(a)	—	—	—	—	—	—
Balance as of March 31, 2017	<u>\$ 24,048</u>	<u>\$ —</u>	<u>\$ 51</u>	<u>\$ 11,442</u>	<u>\$ 140</u>	<u>\$ 12,415</u>

^(a) "Transfers into and/or from" represent the ending value as of March 31, 2017, for any investment security where a change in the pricing level occurred from the beginning to the end of the period.

^(b) Includes paydown on securities.

^(c) Included in the related net change in unrealized appreciation/(depreciation) in the Statement of Operations. The change in unrealized appreciation/(depreciation) on investments still held as of March 31, 2017 was \$1,021.

^(d) The transfer into Level 3 is due to a security default.

The Fund's investments that are categorized as Level 3 were valued utilizing third party pricing information without adjustment. Such valuations are based on unobservable inputs. A significant change in third party information could result in a significantly lower or higher value of Level 3 investments.

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
STATEMENT OF ASSETS AND LIABILITIES (Unaudited)
MARCH 31, 2017

(Reported in thousands except shares and per share amounts)

Assets	
Investment in unaffiliated securities at value ⁽¹⁾	\$ 7,046,909
Investment in affiliated securities at value ⁽²⁾	69,822
Foreign currency at value ⁽³⁾	38
Cash	51,739
Receivables	
Investment securities sold	51,906
Fund shares sold	29,136
Dividends and interest receivable	49,862
Prepaid expenses	250
Prepaid trustee retainer	239
Other assets	267
Total assets	<u>7,300,168</u>
Liabilities	
Payables	
Fund shares repurchased	19,694
Investment securities purchased	71,110
Dividend distributions	956
Investment advisory fees	2,836
Distribution and service fees	1,131
Administration fees	738
Transfer agent fees and expenses	971
Trustee deferred compensation plan	267
Trustees' fees and expenses	41
Professional fees	(4)
Other accrued expenses	9
Total liabilities	<u>97,753</u>
Net Assets	<u>\$ 7,202,415</u>
Net Assets Consist of:	
Capital paid in on shares of beneficial interest	\$ 7,294,953
Accumulated undistributed net investment income (loss)	13,758
Accumulated undistributed net realized gain (loss)	(137,287)
Net unrealized appreciation (depreciation) on investments	30,991
Net Assets	<u>\$ 7,202,415</u>
Class A	
Net asset value (net assets/shares outstanding) per share	\$ 4.76
Maximum offering price per share NAV/(1-2.25%)	\$ 4.87
Shares of beneficial interest outstanding, no par value, unlimited authorization	189,325,660
Net Assets	\$ 900,297
Class C	
Net asset value (net assets/shares outstanding) and offering price per share	\$ 4.82
Shares of beneficial interest outstanding, no par value, unlimited authorization	263,058,506
Net Assets	\$ 1,267,511
Class R6	
Net asset value (net assets/shares outstanding) and offering price per share	\$ 4.76
Shares of beneficial interest outstanding, no par value, unlimited authorization	21,305
Net Assets	\$ 101
Class T	
Net asset value (net assets/shares outstanding) and offering price per share	\$ 4.80
Shares of beneficial interest outstanding, no par value, unlimited authorization	90,119,423
Net Assets	\$ 432,949
Class I	
Net asset value (net assets/shares outstanding) and offering price per share	\$ 4.76
Shares of beneficial interest outstanding, no par value, unlimited authorization	966,234,620
Net Assets	\$ 4,601,557

⁽¹⁾ Investment in unaffiliated securities at cost \$ 7,015,970

⁽²⁾ Investment in affiliated securities at cost \$ 69,865

⁽³⁾ Foreign currency at cost \$ 38

⁽⁴⁾ Amount is less than \$500.

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
STATEMENT OF OPERATIONS (Unaudited)
SIX MONTHS ENDED MARCH 31, 2017

(\$ reported in thousands)

Investment Income

Dividends	\$ 288
Dividends from affiliated fund	1,545
Interest	142,243
Foreign taxes withheld	(247)
Total investment income	143,829

Expenses

Investment advisory fees	16,658
Service fees, Class A	1,530
Distribution and service fees, Class B	— ⁽¹⁾
Distribution and service fees, Class C	3,194
Distribution and service fees, Class T	2,296
Administration fees	4,478
Transfer agent fees and expenses	4,241
Registration fees	113
Printing fees and expenses	208
Custodian fees	94
Professional fees	77
Trustees' fees and expenses	392
Miscellaneous expenses	380
Total expenses	33,661
Less expenses reimbursed and/or waived by investment adviser	(156)
Earnings credit from custodian	(87)
Custody fees reimbursed (Note 11)	(147)
Low balance account fees	(1)
Net expenses	33,270

Net investment income (loss) **110,559**

Net Realized and Unrealized Gain (Loss) on Investments

Net realized gain (loss) on unaffiliated investments	(31,150)
Net realized gain (loss) on foreign currency transactions	(248)
Net change in unrealized appreciation (depreciation) on unaffiliated investments	(2,859)
Net change in unrealized appreciation (depreciation) on affiliated investments	1,118
Net change in unrealized appreciation (depreciation) on foreign currency translation	49

Net realized and unrealized gain (loss) on investments **(33,090)**

Net increase (decrease) in net assets resulting from operations **\$ 77,469**

⁽¹⁾ Amount is less than \$500.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Reported in thousands)

	Six Months Ended March 31, 2017 (Unaudited)	Year Ended September 30, 2016
INCREASE/(DECREASE) IN NET ASSETS		
From Operations		
Net investment income (loss)	\$ 110,559	\$ 233,536
Net realized gain (loss)	(31,398)	(50,143)
Net change in unrealized appreciation (depreciation)	(1,692)	154,001
Increase (decrease) in net assets resulting from operations	77,469	337,394
From Distributions to Shareholders		
Net investment income, Class A	(18,786)	(40,862)
Net investment income, Class B	(1)	(4)
Net investment income, Class C	(17,758)	(34,858)
Net investment income, Class R6	(1)	—
Net investment income, Class T	(5,262)	(11,050)
Net investment income, Class I	(68,217)	(122,921)
Decrease in net assets from distributions to shareholders	(110,025)	(209,695)
From Share Transactions		
Sale of shares		
Class A (34,215 and 56,640 shares, respectively)	162,475	265,248
Class C (29,030 and 47,747 shares, respectively)	139,515	226,847
Class R6 (21 and 0 shares, respectively)	100	—
Class T (2,233 and 6,103 shares, respectively)	10,695	28,792
Class I (247,220 and 259,826 shares, respectively)	1,173,496	1,217,904
Reinvestment of distributions		
Class A (3,589 and 8,038 shares, respectively)	17,021	37,677
Class B (— ⁽¹⁾ and 1 shares, respectively)	1	4
Class C (3,637 and 7,272 shares, respectively)	17,478	34,521
Class R6 (— ⁽¹⁾ and 0 shares, respectively)	1	—
Class T (715 and 1,526 shares, respectively)	3,422	7,223
Class I (12,572 and 22,702 shares, respectively)	59,690	106,611
Conversion of shares⁽²⁾		
To Class A (5 and 0 shares, respectively)	22	—
From Class B (4 and 0 shares, respectively)	(18)	—
Shares repurchased		
Class A (122,115 and 127,042 shares, respectively)	(579,010)	(594,535)
Class B (19 and 60 shares, respectively)	(90)	(280)
Class C (42,612 and 89,555 shares, respectively)	(204,694)	(424,109)
Class T (14,357 and 29,391 shares, respectively)	(68,755)	(138,732)
Class I (136,646 and 311,788 shares, respectively)	(648,706)	(1,457,914)
Increase (decrease) in net assets from share transactions	82,643	(690,743)
Net increase (decrease) in net assets	50,087	(563,044)
Net Assets		
Beginning of period	7,152,328	7,715,372
End of period	\$7,202,415	\$7,152,328
Accumulated undistributed net investment income (loss) at end of period	\$ 13,758	\$ 13,224

⁽¹⁾ Amount is less than 500 shares.

⁽²⁾ See Note 1 in Notes to Financial Statements for more information.

See Notes to Financial Statements

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
FINANCIAL HIGHLIGHTS
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽⁷⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Return of Capital
Class A							
10/1/16 to 3/31/17 ⁽⁹⁾	\$4.78	0.07	(0.02)	0.05	(0.07)	—	—
10/1/15 to 9/30/16	4.69	0.15	0.08	0.23	(0.14)	—	—
10/1/14 to 9/30/15	4.84	0.15	(0.16)	(0.01)	(0.11)	—	(0.03)
10/1/13 to 9/30/14	4.85	0.16	(0.01)	0.15	(0.16)	— ⁽⁴⁾	— ⁽⁴⁾
10/1/12 to 9/30/13	4.94	0.18	(0.09)	0.09	(0.18)	—	— ⁽⁴⁾
10/1/11 to 9/30/12	4.67	0.21	0.27	0.48	(0.21)	—	— ⁽⁴⁾
Class C							
10/1/16 to 3/31/17 ⁽⁹⁾	\$4.84	0.07	(0.02)	0.05	(0.07)	—	—
10/1/15 to 9/30/16	4.75	0.14	0.07	0.21	(0.12)	—	—
10/1/14 to 9/30/15	4.89	0.14	(0.15)	(0.01)	(0.10)	—	(0.03)
10/1/13 to 9/30/14	4.90	0.15	(0.02)	0.13	(0.14)	— ⁽⁴⁾	— ⁽⁴⁾
10/1/12 to 9/30/13	4.99	0.17	(0.09)	0.08	(0.17)	—	— ⁽⁴⁾
10/1/11 to 9/30/12	4.72	0.20	0.27	0.47	(0.20)	—	— ⁽⁴⁾
Class R6							
11/3/16 ⁽¹⁰⁾ to 3/31/17 ⁽⁹⁾	\$4.76	0.07	—	0.07	(0.07)	—	—
Class T							
10/1/16 to 3/31/17 ⁽⁹⁾	\$4.83	0.06	(0.04)	0.02	(0.05)	—	—
10/1/15 to 9/30/16	4.73	0.12	0.08	0.20	(0.10)	—	—
10/1/14 to 9/30/15	4.88	0.12	(0.17)	(0.05)	(0.07)	—	(0.03)
10/1/13 to 9/30/14	4.89	0.12	(0.01)	0.11	(0.12)	— ⁽⁴⁾	— ⁽⁴⁾
10/1/12 to 9/30/13	4.98	0.14	(0.09)	0.05	(0.14)	—	— ⁽⁴⁾
10/1/11 to 9/30/12	4.71	0.17	0.28	0.45	(0.18)	—	— ⁽⁴⁾

The footnote legend is at the end of the Financial Highlights.

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
FINANCIAL HIGHLIGHTS
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

Total Distributions	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽¹⁾	Net Assets, End of Period (000's)	Ratio of Expenses to Average Net Assets ⁽²⁾	Ratio of Gross Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
(0.07)	(0.02)	\$4.76	1.12% ⁽⁸⁾⁽¹¹⁾	\$ 900,297	1.00% ⁽⁷⁾⁽¹¹⁾	1.00% ⁽⁷⁾	3.07% ⁽⁷⁾⁽¹¹⁾	33% ⁽⁸⁾
(0.14)	0.09	4.78	4.90	1,307,484	1.00 ⁽⁶⁾	1.01	3.19	53
(0.14)	(0.15)	4.69	(0.23)	1,575,629	0.97	0.97	3.15	37
(0.16)	(0.01)	4.84	3.03	1,894,633	0.99	0.99	3.30	39
(0.18)	(0.09)	4.85	1.84	3,574,450	0.99	0.99	3.65	49
(0.21)	0.27	4.94	10.58	3,038,093	1.01	1.01	4.31	52
(0.07)	(0.02)	\$4.82	0.98% ⁽⁸⁾⁽¹¹⁾	\$1,267,511	1.25% ⁽⁷⁾⁽¹¹⁾	1.25% ⁽⁷⁾	2.82% ⁽⁷⁾⁽¹¹⁾	33% ⁽⁸⁾
(0.12)	0.09	4.84	4.58	1,321,202	1.25 ⁽⁶⁾	1.26	2.94	53
(0.13)	(0.14)	4.75	(0.27)	1,460,120	1.22	1.22	2.90	37
(0.14)	(0.01)	4.89	2.73	1,720,245	1.24	1.24	3.03	39
(0.17)	(0.09)	4.90	1.56	1,567,725	1.24	1.24	3.40	49
(0.20)	0.27	4.99	10.19	1,067,276	1.27	1.27	4.04	52
(0.07)	—	\$4.76	1.41% ⁽⁸⁾⁽¹¹⁾	\$ 101	0.69% ⁽⁷⁾⁽¹¹⁾	0.69% ⁽⁷⁾	2.87% ⁽⁷⁾⁽¹¹⁾	33% ⁽⁵⁾⁽⁸⁾
(0.05)	(0.03)	\$4.80	0.52% ⁽⁸⁾⁽¹¹⁾	\$ 432,949	1.75% ⁽⁷⁾⁽¹¹⁾	1.75% ⁽⁷⁾	2.32% ⁽⁷⁾⁽¹¹⁾	33% ⁽⁸⁾
(0.10)	0.10	4.83	4.29	489,924	1.75 ⁽⁶⁾	1.76	2.44	53
(0.10)	(0.15)	4.73	(0.98)	583,694	1.72	1.72	2.40	37
(0.12)	(0.01)	4.88	2.23	719,840	1.74	1.74	2.53	39
(0.14)	(0.09)	4.89	1.06	751,220	1.74	1.74	2.91	49
(0.18)	0.27	4.98	9.67	704,225	1.76	1.76	3.56	52

The footnote legend is at the end of the Financial Highlights.

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
FINANCIAL HIGHLIGHTS (Continued)
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

Class I

10/1/16 to 3/31/17⁽⁹⁾
10/1/15 to 9/30/16
10/1/14 to 9/30/15
10/1/13 to 9/30/14
10/1/12 to 9/30/13
10/1/11 to 9/30/12

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽²⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Return of Capital
10/1/16 to 3/31/17 ⁽⁹⁾	\$4.78	0.08	(0.02)	0.06	(0.08)	—	—
10/1/15 to 9/30/16	4.69	0.16	0.08	0.24	(0.15)	—	—
10/1/14 to 9/30/15	4.84	0.16	(0.16)	—	(0.12)	—	(0.03)
10/1/13 to 9/30/14	4.85	0.17	(0.01)	0.16	(0.17)	— ⁽⁴⁾	— ⁽⁴⁾
10/1/12 to 9/30/13	4.94	0.19	(0.09)	0.10	(0.19)	—	— ⁽⁴⁾
10/1/11 to 9/30/12	4.68	0.22	0.27	0.49	(0.23)	—	— ⁽⁴⁾

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
FINANCIAL HIGHLIGHTS (Continued)
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

Total Distributions	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽¹⁾	Net Assets, End of Period (000's)	Ratio of Expenses to Average Net Assets ⁽²⁾	Ratio of Gross Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover Rate
(0.08)	(0.02)	\$4.76	1.24% ⁽⁸⁾⁽¹¹⁾	\$4,601,557	0.75% ⁽⁷⁾⁽¹¹⁾	0.75% ⁽⁷⁾	3.33% ⁽⁷⁾⁽¹¹⁾	33% ⁽⁸⁾
(0.15)	0.09	4.78	5.16	4,033,610	0.75% ⁽⁶⁾	0.76	3.44	53
(0.15)	(0.15)	4.69	0.02	4,095,547	0.72	0.72	3.40	37
(0.17)	(0.01)	4.84	3.28	4,766,491	0.74	0.74	3.51	39
(0.19)	(0.09)	4.85	2.09	2,418,863	0.74	0.74	3.90	49
(0.23)	0.26	4.94	10.62	1,606,957	0.77	0.77	4.55	52

Footnote Legend

- ⁽¹⁾ Sales charges, where applicable, are not reflected in the total return calculation.
⁽²⁾ Computed using average shares outstanding.
⁽³⁾ The Fund will also indirectly bear its prorated share of expenses of the underlying funds in which it invests. Such expenses are not included in the calculation of this ratio.
⁽⁴⁾ Amount is less than \$0.005 per share.
⁽⁵⁾ Portfolio Turnover is representative of the Fund for the entire period ended March 31, 2017.
⁽⁶⁾ Net expense ratio includes extraordinary proxy expenses.
⁽⁷⁾ Annualized.
⁽⁸⁾ Not annualized.
⁽⁹⁾ Unaudited.
⁽¹⁰⁾ Inception date.
⁽¹¹⁾ Custody fees reimbursed were excluded from the Ratio of Expenses to Average Net Assets and Ratio of Net Investment Income to Average Net Assets. If included the impact would have been to lower the Ratio of Expenses and increase the Ratio of Net Investment Income by less than 0.01%. Custody fees reimbursed were included in Total Return. If excluded the impact would have been to lower the Total Return by less than 0.01%.
Please refer to Note 11 in the Notes to Financial Statements for a further explanation on the custody fees reimbursed.

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited)
MARCH 31, 2017

Note 1. Organization

Virtus Opportunities Trust (the "Trust") is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended ("1940 Act"), as an open-end management investment company.

As of the date of this report, 29 funds of the Trust are offered for sale, of which the Newfleet Multi-Sector Short Term Bond Fund (the "Fund") is reported in this semiannual report. The Fund is diversified and has an investment objective of providing high current income while attempting to limit changes in the Fund's net asset value per share caused by interest rate changes. *There is no guarantee the Fund will achieve its objective.*

The Fund offers Class A shares, Class C shares, Class R6 shares, Class T shares and Class I shares. Effective March 6, 2017, all Class B shares were converted to Class A shares. Prior to March 6, 2017, Class B shares could be purchased by existing shareholders through qualifying transactions.

Class A shares are sold with a front-end sales charge of up to 2.25%. Generally, Class A shares are not subject to any charges by the Fund when redeemed; however, a 0.50% contingent deferred sales charge ("CDSC") may be imposed on certain redemptions made within a certain period following purchases on which a finder's fee has been paid. The period for which the CDSC applies for the Fund is 18 months. The CDSC period begins on the last day of the month preceding the month in which the purchase was made.

Prior to March 6, 2017, Class B shares were sold with a CDSC, which declined from 5% to zero depending on the period of time the shares were held. Class C shares are sold without a sales charge. Class T shares are sold with a 1% CDSC, applicable if redeemed within one year of purchase. Class I shares and Class R6 shares are sold without a front-end sales charge or CDSC.

Class R6 shares are only available to participants in employer-sponsored retirement plans, such as 401(k) plans, profit-sharing plans, defined benefit plans and other employer-directed plans. Class R6 shares do not carry sales commissions or pay Rule 12b-1 fees. No compensation, administrative payments, sub-transfer agency payments or service payments are paid to brokers or other entities from Fund assets or the Fund's distributor's or an affiliate's resources on sales of or investments in Class R6 Shares.

Virtus Mutual Funds may impose an annual fee on accounts having balances of less than \$2,500. The small account fee may be waived in certain circumstances, as disclosed in the prospectuses and/or statements of additional information. The fees collected will be used to offset certain expenses of the Fund. These fees are reflected as "Low Balance Account Fees" in the Fund's Statement of Operations for the period, as applicable.

Each class of shares has identical voting, dividend, liquidation and other rights and the same terms and conditions, except that each class bears different distribution and/or service fees under a Rule 12b-1 and/or shareholder service plan ("12b-1 Plan") approved by the Board and has exclusive voting rights with respect to such plans. Class I shares and Class R6 shares are not subject to a 12b-1 Plan. Income and other expenses as well as realized and unrealized gains and losses of the Fund are borne pro rata by the holders of each class of shares.

Note 2. Significant Accounting Policies

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements. The preparation of financial statements in

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

MARCH 31, 2017

conformity with U.S. generally accepted accounting principles (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates and those differences could be significant.

A. Security Valuation

Security valuation procedures for the Fund, which include nightly price variance, as well as back-testing items such as bi-weekly unchanged price, monthly secondary source and transaction analysis, have been approved by the Board. All internally fair valued securities are approved by a valuation committee appointed by the Board (the “Valuation Committee”). The Valuation Committee is comprised of certain members of management as identified to the Board and convenes independently from portfolio management. All internally fair valued securities are updated daily and reviewed in detail by the Valuation Committee monthly unless changes occur within the period. The Valuation Committee reviews the validity of the model inputs and any changes to the model. Fair valuations are reviewed quarterly by the Board.

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 between levels at the end of 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 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. Restricted equity securities and private placements that are not widely traded, are illiquid, or are internally fair valued by the Valuation Committee, 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

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2017

the trading patterns of the non-U.S. security to the intraday trading in the U.S. markets for investments such as ADRs, financial futures, 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 securities, including 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, 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 securities that are not widely traded, are illiquid, or are internally fair valued by the Valuation Committee, are generally categorized as Level 3 in the hierarchy.

Listed derivatives that are actively traded are valued based on quoted prices from the exchange and are categorized as Level 1 in the hierarchy. Over-the-counter derivative contracts, which include forward currency contracts and equity-linked instruments, do not require material subjectivity as pricing inputs are observed from actively quoted markets and are categorized as Level 2 in the hierarchy.

Investments in open-end mutual funds are valued at NAV. Investments in closed-end funds are valued as of the close of regular trading on the NYSE each business day. Both are 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.

B. Security Transactions and Investment Income

Security transactions are recorded on the trade date. Realized gains and losses from the sale of securities are determined on the identified cost basis. Dividend income is recognized on the ex-dividend date or, in the case of certain foreign securities, as soon as the Fund is notified. Interest income is recorded on the accrual basis. The Fund amortizes premiums and accretes discounts using the effective interest method. Any distributions from underlying funds are recorded in accordance with the character of the disbursements as designated by the underlying fund.

C. Income Taxes

The Fund is treated as a separate taxable entity. It is the intention of the Fund to comply with the requirements of Subchapter M of the Internal Revenue Code and to distribute substantially all of its taxable income to its shareholders. Therefore, no provision for federal income taxes or excise taxes has been made.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2017

The Fund may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable based upon current interpretations of the tax rules and regulations that exist in the markets in which it invests.

Management of the Fund has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements. As of March 31, 2017, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations are from the year 2014 forward (with limited exceptions).

D. Distributions to Shareholders

Distributions are recorded by the Fund on the ex-dividend date. Income distributions are declared and recorded daily and distributed monthly. Income and capital gain distributions are determined in accordance with income tax regulations that may differ from U.S. GAAP.

E. Expenses

Expenses incurred together by the Fund and other affiliated mutual funds are allocated in proportion to the net assets of each such fund, except where allocation of direct expense to each fund or an alternative allocation method can be more appropriately used.

In addition to the net annual operating expenses that the Fund bears directly, the shareholders of the Fund indirectly bear the Fund's pro rata expenses of any underlying mutual funds in which the Fund invests.

F. Foreign Currency Translation

Non-U.S. investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the foreign currency exchange rate effective at the end of the reporting period. Cost of investments is translated at the currency exchange rate effective at the trade date. The gain or loss resulting from a change in currency exchange rates between the trade and settlement date of a portfolio transaction is treated as a gain or loss on foreign currency. Likewise, the gain or loss resulting from a change in currency exchange rates between the date income is accrued and the date it is paid is treated as a gain or loss on foreign currency. The Fund does not isolate that portion of the results of operations arising from changes in foreign exchange rates on investments from the fluctuations arising from changes in the market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss on investments.

G. When-issued Purchases and Forward Commitments (Delayed Delivery)

The Fund may engage in when-issued or forward commitment transactions. Securities purchased on a when-issued or forward commitment basis are also known as delayed delivery transactions. Delayed delivery transactions involve a commitment by the Fund to purchase or sell a security at a future date, ordinarily up to 90 days later. When-issued or forward commitments enable the Fund to lock in what is believed to be an attractive price or yield on a particular security for a period of time, regardless of future changes in interest rates. The Fund records when-issued and delayed delivery securities on the trade date. The Fund maintains collateral for the securities purchased. Securities purchased on a when-issued or delayed delivery basis begin earning interest on the settlement date.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
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H. Loan Agreements

The Fund may invest in direct debt instruments which are interests in amounts owed by a corporate, governmental, or other borrower to lenders or lending syndicates. Loan agreements are generally non-investment grade and often involve borrowers that are highly leveraged. The Fund may invest in obligations of borrowers who are in bankruptcy proceedings. Loan agreements are typically senior in the corporate capital structure of the borrower. A loan is often administered by a bank or other financial institution (the "lender") that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. The Fund's investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties. When investing in loan participations, the Fund has the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the loan participation and only upon receipt by the lender of payments from the borrower. The Fund generally has no right to enforce compliance with the terms of the loan agreement with the borrower. As a result, the Fund may be subject to the credit risk of both the borrower and the lender that is selling the loan agreement. When the Fund purchases assignments from lenders it acquires direct rights against the borrower on the loan.

The Fund may invest in multiple series or tranches of a loan, which may have varying terms and carry different associated risks. Loan agreements may involve foreign borrowers, and investments may be denominated in foreign currencies. Direct indebtedness of emerging countries involves a risk that the government entities responsible for the repayment of the debt may be unable, or unwilling, to pay the principal and interest when due.

The loan agreements have floating rate loan interests which generally pay interest at rates that are periodically determined by reference to a base lending rate plus a premium. The base lending rates are generally LIBOR (London Interbank Offered Rate), the prime rate offered by one or more U.S. banks or the certificate of deposit rate. When a loan agreement is purchased the Fund may pay an assignment fee. On an ongoing basis, the Fund may receive a commitment fee based on the undrawn portion of the underlying line of credit portion of a loan agreement. Prepayment penalty fees are received upon the prepayment of a loan agreement by a borrower. Prepayment penalty, facility, commitment, consent and amendment fees are recorded to income as earned or paid.

At March 31, 2017, all loan agreements held by the Fund are assignment loans.

I. Earnings Credit and Interest

Through arrangements with the Fund's custodian, the Fund either receives an earnings credit or interest on agreed upon target un-invested cash balances to reduce the Fund's custody expenses. The credits are reflected as "Earnings credit from Custodian" and the interest is reflected under "Interest income" in the Fund's Statements of Operations for the period, as applicable.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2017

Note 3. Investment Advisory Fees and Related Party Transactions

(\$ reported in thousands except as noted)

A. Adviser

Virtus Investment Advisers, Inc. (the “Adviser”), an indirect, wholly owned subsidiary of Virtus Investment Partners, Inc. (“Virtus”), is the investment adviser to the Trust. The Adviser manages the Fund’s investment program and general operations of the Fund, including oversight of the Fund’s subadviser.

As compensation for its services to the Fund, the Adviser is entitled to a fee based upon the following annual rates as a percentage of the average daily net assets of the Fund:

<u>First \$1 Billion</u>	<u>\$1+ Billion – \$2 Billion</u>	<u>\$2+ Billion – 10 Billion</u>	<u>\$10+ Billion</u>
0.55%	0.50%	0.45%	0.425%

During the period covered by these financial statements, the Fund invested a portion of its assets in Virtus Newfleet Credit Opportunities Fund, an affiliated mutual fund. In order to avoid any duplication of advisory fees, the Adviser has voluntarily waived its advisory fees in an amount equal to that which would otherwise be paid by the Fund on the assets invested in the Newfleet Credit Opportunities Fund. For the period covered by these financial statements, the waiver amounted to \$156. This waiver is in addition to the expense limitation and/or fee waiver covered elsewhere in these financial statements and is included in the Statement of Operations in “Less expenses reimbursed and/or waived by investment adviser.”

B. Subadviser

Newfleet Asset Management, LLC (the “Subadviser”), an indirect, wholly owned subsidiary of Virtus, is the subadviser to the Fund. The subadviser manages the investments of the Fund for which the Subadviser is paid a fee by the Adviser.

C. Expense Limitations

The Adviser has contractually agreed to limit the Fund’s total operating expenses (excluding front-end or contingent deferred loads, taxes, leverage expenses, interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, unusual or infrequently occurring expenses (such as litigation), acquired fund fees and expenses, and dividend expenses, if any) so that such expenses do not exceed, on an annualized basis, the following percentages of the Fund’s average net asset values: 1.10% for Class A shares, 1.35% for Class C shares, 0.78% for Class R6 shares, 1.85% for Class T shares, and 0.85% for Class I shares, through April 30, 2018. The Fund is currently below its expense cap.

D. Distributor

VP Distributors, LLC (“VP Distributors”), an indirect wholly owned subsidiary of Virtus, serves as the distributor of the Fund’s shares. VP Distributors has advised the Fund that for the six months (the “period”) ended March 31, 2017, it retained net commissions of \$14 for Class A shares and deferred sales charges of \$13, \$—⁽¹⁾ and \$9 for Class A shares, Class C shares and Class T shares, respectively.

⁽¹⁾ Amount is less than \$500.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
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In addition, the Fund pays VP Distributors 12b-1 fees under a 12b-1 Plan as a percentage of the average daily net assets of each respective class, at the annual rate of 0.25% for Class A shares, 0.50% for Class C shares, and 1.00% for Class T shares. Class I shares and Class R6 shares are not subject to a 12b-1 Plan.

Under certain circumstances, shares of certain Virtus Mutual Funds may be exchanged for shares of the same class of certain other Virtus Mutual Funds on the basis of the relative NAV per share at the time of the exchange. On exchanges with share classes that carry a CDSC, the CDSC schedule of the original shares purchased continues to apply.

E. Administrator and Transfer Agent

Virtus Fund Services LLC, an indirect wholly owned subsidiary of Virtus, serves as the administrator and transfer agent to the Fund.

For the period ended March 31, 2017, the Fund incurred administration fees totaling \$3,465 which are included in the Statement of Operations.

For the period ended March 31, 2017, the Fund incurred transfer agent fees totaling \$4,172 which are included in the Statement of Operations. A portion of these fees is paid to outside entities that also provide services to the Trust.

F. Affiliated Shareholders

At March 31, 2017, Virtus and its affiliates, and the retirement plans of Virtus and its affiliates, held shares of the Fund which may be redeemed at any time that aggregated to the following:

	<u>Shares</u>	<u>Aggregate Net Asset Value</u>
Class R6 Shares	21,306	\$101

G. Investments in Affiliates

A summary of the Fund's total long-term and short-term purchases and sales of an affiliated fund, Virtus Newfleet Credit Opportunities Fund, during the period ended March 31, 2017, is as follows:

	<u>Value, beginning of period</u>	<u>Purchases</u>	<u>Sales Proceeds</u>	<u>Value, end of period</u>	<u>Dividend Income</u>	<u>Distributions of Realized Gains</u>
Virtus Newfleet Credit Opportunities Fund	\$68,703	\$—	\$—	\$69,822	\$1,545	\$—

The Fund does not invest in the underlying fund for the purpose of exercising management or control; however the investments made by the Fund within each of its principal investment strategies may represent a significant portion of the underlying fund's net assets. At March 31, 2017, the Fund was the owner of record of approximately 69% of the Virtus Newfleet Credit Opportunities Fund.

H. Trustee Compensation

The Trust provides a deferred compensation plan for its Trustees who receive compensation from the Trust. Under the deferred compensation plan, Trustees may elect

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2017

to defer all or a portion of their compensation. Amounts deferred are retained by the Trust, and then, to the extent permitted by the 1940 Act, in turn, may be invested in the shares of affiliated or unaffiliated mutual funds selected by the participating Trustees. Investments in such instruments are included in "Other Assets" in the Statement of Assets and Liabilities at March 31, 2017.

Note 4. Purchases and Sales of Securities

(\$ reported in thousands)

Purchases and sales of securities (excluding U.S. Government and agency securities, and short-term securities) during the period ended March 31, 2017, were as follows:

<u>Purchases</u>	<u>Sales</u>
\$2,125,314	\$2,040,535

Purchases and sales of long-term U.S. Government and agency securities during the period ended March 31, 2017, were as follows:

<u>Purchases</u>	<u>Sales</u>
\$221,085	\$279,093

Note 5. Borrowings

(\$ reported in thousands)

On June 29, 2016, the Fund and other affiliated funds renewed a \$50,000 secured line of credit. The Credit Agreement (the "Agreement") is with a commercial bank (the "Bank") that allows the Fund to borrow cash from the Bank to manage large unexpected redemptions and trade fails, up to a limit of one-third of the Fund's total net assets in accordance with the Agreement. The agreement has a term of 364 days and is renewable by the Fund with the Bank's consent and approval of the Board. Interest is charged at the higher of the LIBOR (London Interbank Offered Rate) or the Federal Funds rate plus an additional percentage rate on the amount borrowed. Commitment fees are charged on the undrawn balance. The Fund and other affiliated funds that are parties are individually, and not jointly, liable for their particular advances, if any, under the line of credit. The Bank has the ability to require repayment of outstanding borrowings under the Agreement upon certain circumstances such as an event of default.

The Fund had no outstanding borrowings at any time during the period ended March 31, 2017.

Note 6. 10% Shareholders

As of March 31, 2017, the Fund had individual shareholder account(s) and/or omnibus shareholder account(s) (comprised of a group of individual shareholders), which individually amounted to more than 10% of the total shares outstanding of the Fund as detailed below.

<u>% of Shares Outstanding</u>	<u>Number of Accounts</u>
32%	2*

*. The shareholders are not affiliated with Virtus.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2017

Note 7. Credit Risk and Asset Concentrations

In countries with limited or developing markets, investments may present greater risks than in more developed markets and the prices of such investments may be volatile. The consequences of political, social or economic changes in these markets may have disruptive effects on the market prices of these investments and the income they generate, as well as the Fund's ability to repatriate such amounts.

High-yield/high-risk securities typically entail greater price volatility and/or principal and interest rate risk. There is a greater chance that an issuer will not be able to make principal and interest payments on time. Analysis of the creditworthiness of issuers of high-yield/high-risk securities may be complex, and as a result, it may be more difficult for the Adviser and/or Subadviser to accurately predict risk.

The Fund may invest a high percentage of its assets in specific sectors of the market in the pursuit of its investment objective. Fluctuations in these sectors of concentration may have a greater impact on the Fund, positive or negative, than if the Fund did not concentrate its investments in such sectors.

Note 8. Illiquid and Restricted Securities

Investments generally are considered illiquid if they cannot be disposed of in seven days in the ordinary course of business at the approximate amount at which such securities have been valued by the Fund. Additionally, the following information is also considered in determining illiquidity: the frequency of trades and quotes for the investment, whether the investment is listed for trading on a recognized domestic exchange and/or whether two or more brokers are willing to purchase or sell the security at a comparable price, the extent of market making activity in the investment and the nature of the market for investment. Illiquid securities are footnoted as such at the end of the Fund's Schedule of Investments where applicable. However, a portion of such footnoted securities could be liquid where the Subadviser determines that some, though not all, of the position could be disposed of within seven days in the ordinary course of business at the approximate amount at which such securities have been valued by the Fund.

Restricted securities are illiquid securities, as defined above, not registered under the Securities Act of 1933, as amended (the "1933 Act"). Generally, 144A securities are excluded from this category, except where defined as illiquid.

The Fund will bear any costs, including those involved in registration under the 1933 Act, in connection with the disposition of such securities.

The Fund held securities considered to be illiquid at March 31, 2017, with an aggregate value of \$51 representing 0.0% of the Fund's net assets.

At March 31, 2017, the Fund did not hold any securities that are both illiquid and restricted.

Note 9. Indemnifications

Under the Trust's organizational documents and in separate agreements between each Trustee and the Trust, its Trustees and officers are indemnified against certain liabilities arising out of the performance of their duties to the Trust and its funds. In addition, in the normal course of business, the Fund enters into contracts that provide a variety of indemnifications to other parties. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund and that

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2017

have not occurred. However, the Fund has not had prior claims or losses pursuant to these arrangements and expects the risk of loss to be remote.

Note 10. Federal Income Tax Information

(\$ reported in thousands)

At March 31, 2017, federal tax cost and aggregate gross unrealized appreciation (depreciation) of securities held by the Fund were as follows:

<u>Federal Tax Cost</u>	<u>Unrealized Appreciation</u>	<u>Unrealized (Depreciation)</u>	<u>Net Unrealized Appreciation (Depreciation)</u>
\$7,087,565	\$116,875	\$(87,709)	\$29,166

The Fund has capital loss carryovers available to offset future realized gains as follows:

<u>No Expiration</u>		
<u>Short-Term</u>	<u>Long-Term</u>	<u>Total</u>
\$49,295	\$25,236	\$74,531

Under the Regulated Investment Company Modernization Act of 2010 (the "Act"), net capital losses recognized for tax years beginning after December 22, 2010, may be carried forward indefinitely, and their character is retained as short-term and/or long-term losses.

Note 11. Custody Fees Reimbursed

State Street Bank & Trust, custodian for the Fund through January 29, 2010, reimbursed the Fund for out-of-pocket custody expenses overbilled for the period 1998 through January 29, 2010. The amount reimbursed, including interest, is shown in the Statement of Operations under "custody fees reimbursed."

Note 12. Regulatory Matters and Litigation

From time to time, the Trust, the Adviser and/or Subadviser and/or their affiliates may be involved in litigation and arbitration as well as examinations and investigations by various regulatory bodies, including the SEC, involving compliance with, among other things, securities laws, client investment guidelines, laws governing the activities of broker-dealers and other laws and regulations affecting their products and other activities. At this time, the Adviser believes that the outcomes of such matters are not likely, either individually or in the aggregate, to be material to these financial statements.

On February 20, 2015, a putative class action complaint (In re Virtus Investment Partners, Inc. Securities Litigation; formerly styled as Tom Cummins v. Virtus Investment Partners Inc., et al.) alleging violations of certain provisions of the federal securities laws was filed by an individual shareholder against Virtus and certain of its officers (the "defendants") in the United States District Court for the Southern District of New York. On August 21, 2015, the lead plaintiff filed a Consolidated Class Action Complaint (the "Consolidated Complaint") amending the originally filed complaint and adding the Trust as a defendant. The Consolidated Complaint was purportedly filed on behalf of all purchasers of Virtus common stock between January 25, 2013 and May 11, 2015 (the "Class Period"). The Consolidated Complaint alleges that during the Class Period, the defendants disseminated materially false and misleading statements and concealed material adverse facts relating to certain funds previously subadvised by F-Squared Investments, Inc. and/or its affiliates ("F-Squared"). The plaintiff seeks to recover unspecified damages. A motion to dismiss the Consolidated

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

MARCH 31, 2017

Complaint was filed on behalf of the defendants on October 21, 2015. Pursuant to an Opinion & Order (“Order”) filed on July 1, 2016, the court granted in part and denied in part the defendants’ motion to dismiss. Although the Order narrows the scope of the claims asserted and dismisses one of the defendants from the suit, claims under Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 thereunder survive the motion. The remaining defendants filed an Answer to the Consolidated Complaint on August 5, 2016. Pursuant to an Opinion & Order filed on May 15, 2017, the plaintiff’s motion for class certification was granted by the court. Virtus and its affiliates, including the Adviser, believe that the suit is without merit and intend to defend it vigorously. The Trust believes that the risk of loss to the Fund as a result of this suit is remote. The Adviser does not believe that the suit will have any impact on its ability to provide services to the Fund.

On May 8, 2015, a putative class action complaint (Mark Youngers v. Virtus Investment Partners, Inc., et al.) alleging violations of certain provisions of the federal securities laws was filed in the United States District Court for the Central District of California. The complaint, which was purportedly filed on behalf of purchasers of certain Virtus Funds previously subadvised by F-Squared between May 8, 2010 and December 22, 2014, inclusive (the “Class Period”), alleged claims against Virtus, certain Virtus officers and affiliates (including the Adviser, Euclid Advisors LLC (“Euclid”) and VP Distributors, LLC), the trustees and certain officers of the Trust, and certain other parties (the “defendants”). The complaint alleges that during the Class Period the defendants disseminated materially false and misleading statements and concealed or omitted material facts necessary to make the statements made not misleading. On October 1, 2015, the plaintiffs filed a First Amended Class Action Complaint which, among other things, added a derivative claim for breach of fiduciary duty on behalf of the Trust. On October 19, 2015, the United States District Court for the Central District of California entered an order transferring the action to the Southern District of New York. On January 4, 2016, the plaintiffs filed a Second Amended Complaint. Motions to dismiss were filed on behalf of Virtus, its officers and affiliates and the independent trustees on February 1, 2016. An Opinion & Order (“Order”) granting in part and denying in part the defendants’ motions to dismiss was issued on July 1, 2016. The Order dismissed all claims against the Adviser, Euclid, the independent trustees and certain of the other individual defendants, and narrowed the claims asserted against the remaining defendants. The remaining defendants filed an Answer to the Second Amended Complaint on August 5, 2016. A Stipulation of Voluntary Dismissal of the claim under Section 12 of the Securities Act of 1933, as amended, was filed on September 15, 2016. The remaining defendants filed a motion to certify an interlocutory appeal of the July 1, 2016 order to the Court of Appeals for the Second Circuit on August 26, 2016. The motion was denied on January 6, 2017. Pursuant to an Opinion & Order filed on May 15, 2017, the plaintiffs’ motion for class certification was denied by the court. Virtus and its affiliates, including the Adviser, believe that the suit has no basis in law or fact and intend to defend it vigorously. The Trust believes that the risk of loss to the Fund as a result of this suit is remote. The Adviser does not believe that the suit will have any impact on its ability to provide services to the Fund.

Note 13. New Accounting Pronouncements

On October 13, 2016, the SEC amended existing rules intended to modernize reporting and disclosure of information. Certain of these amendments relate to Regulation S-X which sets forth the requisite form and content of financial statements. At this time, management is evaluating the implications of adopting these amendments and their impact on the financial statements and accompanying notes.

**VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2017**

Note 14. Subsequent Events

Management has evaluated the impact of all subsequent events on the Fund through the date the financial statements were issued, and has determined that the following subsequent event requires recognition or disclosure in these financial statements.

Effective April 10, 2017, Class T shares of the Fund were renamed Class C1 shares.

CONSIDERATION OF ADVISORY AND SUBADVISORY AGREEMENTS BY THE BOARD OF TRUSTEES

The Board of Trustees (the “Board”) of Virtus Opportunities Trust (the “Trust”) is responsible for determining whether to approve the continuation of the investment advisory agreement (the “Advisory Agreement”) between the Trust and Virtus Investment Advisers, Inc. (“VIA”) and of the subadvisory agreement (the “Subadvisory Agreement”) (together with the Advisory Agreement, the “Agreements”) with respect to the funds of the Trust, including Virtus Multi-Sector Short Term Bond Fund (the “Fund”). At in-person meetings held on November 2, 2016 and November 16-17, 2016 (the “Meetings”), the Board, including a majority of the Trustees who are not interested persons of the Trust as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (such Act, the “1940 Act” and such Trustees, the “Independent Trustees”), considered and approved the continuation of each Agreement due for renewal, as further discussed below. In addition, prior to the Meetings, the Independent Trustees met with their independent legal counsel to discuss and consider the information provided by management and submitted questions to management, and they considered the responses provided.

In connection with the approval of the Agreements, the Board requested and evaluated information provided by VIA and the subadviser (the “Subadviser”) which, in the Board’s view, constituted information necessary for the Board to form a judgment as to whether the renewal of each of the Agreements would be in the best interests of the Fund and its shareholders. The Board also considered information furnished throughout the year at regular Board meetings with respect to the services provided by VIA and the Subadviser, including quarterly performance reports prepared by management containing reviews of investment results and periodic presentations from the Subadviser with respect to the Fund. The Board noted the affiliation of the Subadviser with VIA and any potential conflicts of interest.

The Board was separately advised by independent legal counsel throughout the process. For each Agreement, the Board considered all the criteria separately with respect to the Fund and its shareholders. In their deliberations, the Board considered various factors, including those discussed below, none of which were controlling, and each Trustee may have attributed different weights to the various factors. The Independent Trustees also discussed the proposed approval of the Agreements in private sessions with their independent legal counsel at which no representatives of management were present.

In considering whether to approve the renewal of the Agreements, the Board reviewed and analyzed the factors it deemed relevant, including: (1) the nature, extent and quality of the services to be provided to the Fund by VIA and the Subadviser; (2) the performance of the Fund as compared to an appropriate peer group and an appropriate index; (3) the level and method of computing the Fund’s advisory and subadvisory fees, and comparisons of the Fund’s advisory fee rates with those of a group of funds with similar investment objective(s); (4) the profitability of VIA under the Advisory Agreement; (5) any “fall-out” benefits to VIA, the Subadviser and their affiliates (*i.e.*, ancillary benefits realized by VIA, the Subadviser or their affiliates from VIA’s or the Subadviser’s relationship with the Trust); (6) the anticipated effect of growth in size on the Fund’s performance and expenses; (7) fees paid to VIA and the Subadviser by comparable accounts, as applicable; (8) possible conflicts of interest; and (9) the terms of the Agreements.

Nature, Extent and Quality of Services

The Trustees received in advance of the Meetings information provided by VIA and the Subadviser, including a completed questionnaire, concerning a number of topics, including such company’s investment philosophy, resources, operations and compliance structure. The Trustees also received a presentation by VIA’s senior management personnel, during which among other items, VIA’s history, investment process, investment strategies, personnel,

CONSIDERATION OF ADVISORY AND SUBADVISORY AGREEMENTS BY THE BOARD OF TRUSTEES (Continued)

compliance procedures and the firm's overall performance were reviewed and discussed. The Trustees noted that the Fund is managed using a "manager of managers" structure that generally involves the use of one or more subadvisers to manage some or all of the Fund's portfolio. Under this structure, VIA is responsible for the management of the Fund's investment programs and for evaluating and selecting subadvisers on an ongoing basis and making any recommendations to the Board regarding hiring, retaining or replacing subadvisers. In considering the Advisory Agreement with VIA, the Board considered VIA's process for supervising and managing the Fund's subadviser, including (a) VIA's ability to select and monitor the subadviser; (b) VIA's ability to provide the services necessary to monitor the subadviser's compliance with the Fund's investment objective(s), policies and restrictions as well as provide other oversight activities; and (c) VIA's ability and willingness to identify instances in which a subadviser should be replaced and to carry out the required changes. The Trustees also considered: (a) the experience and capability of VIA's management and other personnel; (b) the financial condition of VIA, and whether it had the financial wherewithal to provide a high level and quality of services to the Fund; (c) the quality of VIA's own regulatory and legal compliance policies, procedures and systems; (d) the nature, extent and quality of administrative, transfer agency and other services provided by VIA and its affiliates to the Fund; (e) VIA's supervision of the Fund's other service providers; and (f) VIA's risk management processes. It was noted that affiliates of VIA serve as administrator, transfer agent and distributor to the Fund. The Board also took into account its knowledge of VIA's management and the quality of the performance of VIA's duties through Board meetings, discussions and reports during the preceding year, as well as information from the Trust's Chief Compliance Officer regarding the Fund's compliance policies and procedures established pursuant to Rule 38a-1 under the 1940 Act.

With respect to the services provided by the Subadviser, the Board considered information provided to the Board by the Subadviser, including the Subadviser's Form ADV, as well as information provided throughout the past year. With respect to the Subadvisory Agreement, the Board noted that the Subadviser provided portfolio management, compliance with the Fund's investment policies and procedures, compliance with applicable securities laws and assurances thereof. The Board also noted that VIA's and the Subadviser's management of the Fund is subject to the oversight of the Board and must be carried out in accordance with the investment objective(s), policies and restrictions set forth in the Fund's prospectus and statement of additional information. In considering the renewal of the Subadvisory Agreement, the Board also considered the Subadviser's investment management process, including (a) the experience and capability of the Subadviser's management and other personnel committed by the Subadviser to the Fund; (b) the financial condition of the Subadviser; (c) the quality of the Subadviser's regulatory and legal compliance policies, procedures and systems; and (d) the Subadviser's brokerage and trading practices, including with respect to best execution and soft dollars. The Board also took into account the Subadviser's risk assessment and monitoring process. The Board noted the Subadviser's regulatory history, including whether it was currently involved in any regulatory actions or investigations as well as material litigation, and any settlements and amelioratory actions undertaken, as appropriate.

After considering all of the information provided to them, the Trustees concluded that the nature, extent and quality of the services provided by VIA and the Subadviser were satisfactory and that there was a reasonable basis on which to conclude that each would continue to provide a high quality of investment services to the Fund.

CONSIDERATION OF ADVISORY AND SUBADVISORY AGREEMENTS BY THE BOARD OF TRUSTEES (Continued)

Investment Performance

The Board considered performance reports and discussions at Board meetings throughout the year, as well as a report (the “Lipper Report”) for the Fund prepared by Broadridge, an independent third party provider of investment company data, furnished in connection with the contract renewal process. The Lipper Report presented the Fund’s performance relative to a peer group of other mutual funds (the “Performance Universe”) and relevant indexes, as selected by Broadridge. The Board also considered performance information presented by management and took into account management’s discussion of the same, including the effect of market conditions on the Fund’s performance. The Board evaluated the Fund’s performance in the context of the considerations that a “manager of managers” structure requires. The Board noted that it also reviews on a quarterly basis detailed information about both the Fund’s performance results and portfolio composition, as well as the Subadviser’s investment strategy. The Board noted VIA’s expertise and resources in monitoring the performance, investment style and risk-adjusted performance of the Subadviser. The Board also noted the Subadviser’s performance record with respect to the Fund. The Board was mindful of VIA’s focus on the Subadviser’s performance and noted VIA’s performance in monitoring and responding to any performance issues with respect to the Fund. The Board also took into account its discussions with management regarding factors that contributed to the performance of the Fund.

The Board considered, among other performance data, the information set forth below with respect to the performance of the Fund for the period ended June 30, 2016.

The Board noted that the Fund underperformed the median of its Performance Universe for the 1-year period and outperformed the median of its Performance Universe for the 3-, 5-, and 10-year periods. The Board also noted that the Fund underperformed its benchmark for the 1-year period and outperformed its benchmark for the 3-, 5- and 10-year periods.

After reviewing these and related factors, the Board concluded that the Fund’s overall performance was satisfactory.

Management Fees and Total Expenses

The Board considered the fees charged to the Fund for advisory services as well as the total expense level of the Fund. This information included comparisons of the Fund’s net management fee and total expense level to those of its peer group (the “Expense Group”). In comparing the Fund’s net management fee to that of comparable funds, the Board noted that in the materials presented such fee included both advisory and administrative fees. The Board also noted that the subadvisory fee was paid by VIA out of its management fees rather than paid separately by the Fund. In this regard, the Board took into account management’s discussion with respect to the advisory/subadvisory fee structure, including the amount of the advisory fee retained by VIA after payment of the subadvisory fee. The Board also took into account the size of the Fund and the impact on expenses. The Subadviser provided, and the Board considered, fee information of comparable accounts managed by the Subadviser, as applicable.

In addition to the foregoing, the Board considered, among other data, the information set forth below with respect to the Fund’s fees and expenses. In each case, the Board took into account management’s discussion of the Fund’s expenses, including the type and size of the Fund relative to the other funds in its Expense Group.

The Board considered that the Fund’s net management fee and net total expenses were above the median of the Expense Group.

CONSIDERATION OF ADVISORY AND SUBADVISORY AGREEMENTS BY THE BOARD OF TRUSTEES (Continued)

The Board concluded that the advisory and subadvisory fees, including with any proposed amendments, were fair and reasonable in light of the usual and customary charges made for services of the same nature and quality and the other factors considered.

Profitability

The Board also considered certain information relating to profitability that had been provided by VIA. In this regard, the Board considered information regarding the overall profitability, as well as on a fund-by-fund basis, of VIA for its management of the Fund and other funds of the Trust, as well as its profits and those of its affiliates for managing and providing other services to the Trust, such as distribution, transfer agency and administrative services provided to the Fund by a VIA affiliate. In addition to the fees paid to VIA and its affiliates, including the Subadviser, the Board considered any other benefits derived by VIA or its affiliates from their relationships with the Fund. The Board reviewed the methodology used to allocate costs to the Fund, taking into account the fact that allocation methodologies are inherently subjective and various allocation methodologies may each be reasonable while producing different results. The Board concluded that the profitability to VIA and its affiliates from the Fund was reasonable in light of the quality of the services rendered to the Fund by VIA and its affiliates.

In considering the profitability to the Subadviser in connection with its relationship to the Fund, the Board noted that the fees under the Subadvisory Agreement are paid by VIA out of the fees that VIA receives under the Advisory Agreement, so that Fund shareholders are not directly impacted by those fees. In considering the reasonableness of the fees payable by VIA to the Subadviser, the Board noted that, because the Subadviser is an affiliate of VIA, such profitability might be directly or indirectly shared by VIA. For each of the above reasons, the Board concluded that the profitability to the Subadviser and its affiliates from their relationship with the Fund was not a material factor in approval of the Subadvisory Agreement.

Economies of Scale

The Board received and discussed information concerning whether VIA realizes economies of scale as the Fund's assets grow. The Board noted that the management fee for the Fund included breakpoints based on assets under management and that fee waivers and/or expense caps were also in place for the Fund. The Board also took into account management's discussion of the Fund's management fee and subadvisory fee structure. The Board also took into account the current size of the Fund. The Board concluded that no changes to the advisory fee structure of the Fund were necessary at this time. The Board noted that VIA and the Fund may realize certain economies of scale if the assets of the Fund were to increase, particularly in relationship to certain fixed costs, and that shareholders of the Fund would have an opportunity to benefit from these economies of scale.

For similar reasons as stated above with respect to the Subadviser's profitability, and based upon the current size of the Fund managed by the Subadviser, the Board concluded that the potential for economies of scale in the Subadviser's management of the Fund was not a material factor in the approval of the Subadvisory Agreement at this time.

Other Factors

The Board considered other benefits that may be realized by VIA and the Subadviser and their respective affiliates from their relationships with the Fund. Among them, the Board recognized that VP Distributors, LLC, an affiliate of VIA, serves as the distributor for the Trust, and, as such, receives payments pursuant to Rule 12b-1 from the Fund to compensate it for providing selling activities, which could lead to growth in the Trust's assets and corresponding benefits from such

CONSIDERATION OF ADVISORY AND SUBADVISORY AGREEMENTS BY THE BOARD OF TRUSTEES (Continued)

growth, including economies of scale. The Board noted that an affiliate of VIA also provides administrative and transfer agency services to the Trust. The Board noted management's discussion of the fact that, while the Subadviser is an affiliate of VIA, there are no other direct benefits to the Subadviser or VIA in providing investment advisory services to the Fund, other than the fee to be earned under the applicable Agreement. There may be certain indirect benefits gained, including to the extent that serving the Fund could provide the opportunity to provide advisory services to additional portfolios of the Trust or certain reputational benefits.

Based on all of the foregoing considerations, the Board, including a majority of the Independent Trustees, determined that approval of each Agreement, as amended, was in the best interests of the Fund and its shareholders. Accordingly, the Board, and the Independent Trustees voting separately, approved the Agreements, as amended, with respect to the Fund.

VIRTUS OPPORTUNITIES TRUST

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Important Notice to Shareholders

The Securities and Exchange Commission has modified mailing regulations for semiannual and annual shareholder fund reports to allow mutual fund companies to send a single copy of these reports to shareholders who share the same mailing address. If you would like additional copies, please call Mutual Fund Services at 1-800-243-1574.



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