

March 31, 2018

Virtus Newfleet Multi-Sector Short Term Bond Fund*

Not FDIC Insured
No Bank Guarantee
May Lose Value



* Prospectus applicable to the Fund appears at the back of this semiannual report.

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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 semiannual report that reviews the performance of your fund for the six months ended March 31, 2018.

Economic growth and strong corporate earnings were driving forces in the U.S. during the period, capped off by the sweeping tax overhaul that was signed into law at year-end. The optimism carried over into the start of 2018. However, with growth heating up, inflation fears caused stock markets to plunge in early February, ushering in the return of volatility after being conspicuously absent throughout 2017. Concerns over a potential global trade war, sparked by tariff talk by the Trump administration, caused markets to remain unsettled. Meanwhile, persistent economic strength moved the Federal Reserve to hike its key interest rate in March from 1.50% to 1.75%, its highest level in nearly a decade.

For the six months ended March 31, 2018, U.S. large-cap stocks, as measured by the S&P 500[®] Index, returned 5.84%, outpacing small-cap stocks, which returned 3.25%, as measured by the Russell 2000[®] Index. Within international equities, emerging markets led their developed peers, with the MSCI Emerging Markets Index (net) up 8.96%, compared with the MSCI EAFE[®] Index (net), which returned 2.63%.

Demand for U.S. Treasuries remained strong, as foreign investors continued to favor their yield advantage and credit quality over many foreign government bonds. The yield on the 10-year Treasury was 2.74% at March 31, 2018, up from 2.33% at September 30, 2017. 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, declined 1.08% for the six months. Non-investment grade bonds also lost ground but to a lesser extent, down 0.39%, 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, with a broad array of Virtus Funds available through your fund exchange privileges. These include distinctive equity, fixed income, international, and asset allocation funds managed by Virtus affiliates and select subadvisers. We invite you to learn more about the Virtus family of funds at Virtus.com.

On behalf of our investment affiliates, thank you for entrusting the Virtus Funds with your assets. Should you have questions about your account or require assistance, please visit 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 2018

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 MUTI-SECTOR SHORT TERM BOND FUND
DISCLOSURE OF FUND EXPENSES (Unaudited)
FOR THE SIX-MONTH PERIOD OF OCTOBER 1, 2017 TO MARCH 31, 2018**

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 C1 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 sales charges and do not incur distribution fees. Class R6 shares also do not incur shareholder servicing 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.

Please note that the expenses shown in the accompanying tables 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 accompanying tables are 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.

Actual Expenses

The table below provides information about the Fund's 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 table under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

	Beginning Account Value October 1, 2017	Ending Account Value March 31, 2018	Annualized Expense Ratio	Expenses paid During Period*
Class A	\$1,000.00	\$999.30	0.98%	\$4.88
Class C	1,000.00	998.10	1.21	6.03
Class C1	1,000.00	995.60	1.72	8.58
Class I	1,000.00	998.50	0.72	3.59
Class R6	1,000.00	1,000.90	0.65	3.24

* 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.

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 had been included, the expense ratios 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 Fund's prospectus.

**VIRTUS NEWFLEET MUTI-SECTOR SHORT TERM BOND FUND
DISCLOSURE OF FUND EXPENSES (Unaudited) (Continued)
FOR THE SIX-MONTH PERIOD OF OCTOBER 1, 2017 TO MARCH 31, 2018**

Hypothetical Example for Comparison Purposes

The accompanying table below 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 this 5% hypothetical examples with the 5% hypothetical examples that appear in the shareholder reports of the other mutual funds.

	Beginning Account Value October 1, 2017	Ending Account Value March 31 2018	Annualized Expense Ratio	Expenses paid During Period*
Class A	\$1,000.00	\$1,020.04	0.98%	\$4.94
Class C	1,000.00	1,018.90	1.21	6.09
Class C1	1,000.00	1,016.36	1.72	8.65
Class I	1,000.00	1,021.34	0.72	3.63
Class R6	1,000.00	1,021.69	0.65	3.28

* 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.

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 had been included, the expense ratios would have been higher.

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
KEY INVESTMENT TERMS (Unaudited)
MARCH 31, 2018

American Depositary Receipt (“ADR”)

Represents shares of foreign companies traded in U.S. dollars on U.S. exchanges that are held by a U.S. bank or a trust. Foreign companies use ADRs in order to make it easier for Americans to buy their shares.

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.

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 U.S., responsible for controlling 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.

London Interbank Offered Rate (“LIBOR”)

A benchmark rate that some of the world’s leading banks charge each other for short-term loans and that serves as the first step to calculating interest rates on various loans throughout the world.

MSCI EAFE® Index (net)

The MSCI EAFE® (Europe, Australasia, Far East) 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.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
KEY INVESTMENT TERMS (Unaudited) (Continued)
MARCH 31, 2018

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.

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, 2018

(\$ reported in thousands)

<u>Asset Allocations</u>	
The following table presents the portfolio holdings within certain sectors as a percentage of total investments as of March 31, 2018.	
Corporate Bonds and Notes	33%
Financials	11%
Energy	6
Industrials	3
All other Corporate Bonds and Notes	13
Asset-Backed Securities	22
Mortgage-Backed Securities	21
Leveraged Loans	12
Foreign Government Securities	6
Other (includes short-term investment)	<u>6</u>
Total	<u><u>100%</u></u>

	<u>PAR VALUE</u>		<u>VALUE</u>
U.S. GOVERNMENT SECURITIES—3.1%			
U.S. Treasury Note			
1.375%, 1/15/20	\$ 158,520	\$	156,029
1.375%, 4/30/20	75,740		74,278

TOTAL U.S. GOVERNMENT SECURITIES	230,307
(Identified Cost \$231,310)	

MUNICIPAL BONDS—0.1%

Virginia—0.1%

Tobacco Settlement Financing Corp. Revenue Taxable Series A-1, 6.706%, 6/1/46	4,635	4,376
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TOTAL MUNICIPAL BONDS	4,376
(Identified Cost \$4,327)	

FOREIGN GOVERNMENT SECURITIES—6.4%

Argentine Republic 6.875%, 4/22/21	19,945	21,142
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	<u>PAR VALUE</u>		<u>VALUE</u>
FOREIGN GOVERNMENT SECURITIES (continued)			
5.625%, 1/26/22	\$ 10,455	\$	10,607
4.625%, 1/11/23	18,740		18,066
7.500%, 4/22/26	12,545		13,398
Series NY, 8.280%, 12/31/33	24,360		26,675
Bolivarian Republic of Venezuela RegS, 7.000%, 12/1/18 ⁽⁴⁾⁽⁹⁾	20,999		8,330
RegS, 7.750%, 10/13/19 ⁽⁴⁾⁽⁹⁾	9,851		2,980
Dominican Republic 144A, 6.600%, 1/28/24 ⁽³⁾	7,115		7,732
144A, 6.875%, 1/29/26 ⁽³⁾	3,300		3,661
Federative Republic of Brazil 12.500%, 1/5/22	52,195 ^{BRL}		18,417

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Agency (continued)		
Agency (continued)			Pool #581072, 6.500%, 2/15/32	\$ 10	\$ 11
Pool #695237, 5.500%, 2/1/33	\$ 30	\$ 33			215,344
Pool #773385, 5.500%, 5/1/34	184	202	Non-Agency—17.8%		
Pool #725762, 6.000%, 8/1/34	146	164	Access Point Funding I LLC 2017-A, A 144A,		
Pool #806328, 5.500%, 11/1/34	130	141	3.060%, 4/15/29 ⁽³⁾	8,037	8,002
Pool #806318, 5.500%, 11/1/34	140	152	Adjustable Rate Mortgage Trust		
Pool #806316, 6.000%, 11/1/34	134	149	2005-1, 3A1		
Pool #800267, 5.500%, 12/1/34	34	38	3.432%, 5/25/35 ⁽²⁾	2,491	2,519
Pool #808018, 5.500%, 1/1/35	199	218	American Homes 4 Rent Trust		
Pool #941322, 6.000%, 7/1/37	16	18	2015-SFR1, A 144A,		
Pool #889578, 6.000%, 4/1/38	98	111	3.467%, 4/17/52 ⁽³⁾	11,543	11,670
Pool #AC6992, 5.000%, 12/1/39	3,156	3,419	Ameriquest Mortgage Securities, Inc.		
Pool #AD3841, 4.500%, 4/1/40	4,728	4,998	2003-10, AF6, 5.210%, 11/25/33 ⁽²⁾	330	339
Pool #AD4224, 5.000%, 8/1/40	4,814	5,163	2003-10, AV1, (1 month LIBOR + 0.760%)		
Pool #AE4799, 4.000%, 10/1/40	110	114	2.632%, 12/25/33 ⁽²⁾	3,504	3,484
Pool #AH4009, 4.000%, 3/1/41	3,882	4,010	AMSR Trust		
Pool #AI2472, 4.500%, 5/1/41	3,415	3,610	2016-SFR1, A 144A, (1 month LIBOR + 1.400%)		
Pool #AX2491, 4.000%, 10/1/44	17,675	18,177	3.208%, 11/17/33 ⁽²⁾⁽³⁾	4,170	4,187
Pool #AS6515, 4.000%, 1/1/46	11,250	11,547	2016-SFR1, C 144A, (1 month LIBOR + 2.250%)		
Pool #AS9393, 4.000%, 4/1/47	6,967	7,154	4.058%, 11/17/33 ⁽²⁾⁽³⁾	3,495	3,525
Pool #MA3058, 4.000%, 7/1/47	33,021	33,912	2016-SFR1, D 144A, (1 month LIBOR + 2.400%)		
Pool #MA3088, 4.000%, 8/1/47	27,293	28,031	4.208%, 11/17/33 ⁽²⁾⁽³⁾	425	427
Government National Mortgage Association			Angel Oak Mortgage Trust I LLC		
Pool #563381, 6.500%, 11/15/31	17	20	2018-1, A1 144A, 3.258%, 4/27/48 ⁽²⁾⁽³⁾	16,135	16,135
			Angel Oak Mortgage Trust LLC		
			2017-1, A3 144A, 3.644%, 1/25/47 ⁽²⁾⁽³⁾	1,095	1,089

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			Bank of America (Merrill Lynch— Countrywide) Home Loan Mortgage Pass- Through-Trust 2004-6, 1A2, 3.586%, 5/25/34 ⁽²⁾	\$ 964	\$ 962
2017-3, A1 144A, 2.708%, 11/25/47 ⁽²⁾⁽³⁾	\$ 7,708	\$ 7,708	2004-4, A6, 5.500%, 5/25/34	514	517
Asset Backed Funding Certificates 2005-AQ1, A6 4.780%, 1/25/35 ⁽²⁾	865	888	Bank of America (Merrill Lynch) Investors Trust 2004-A4, A1 3.274%, 8/25/34 ⁽²⁾	1,141	1,138
Aventura Mall Trust 2013-AVM, A 144A, 3.743%, 12/5/32 ⁽²⁾⁽³⁾	10,350	10,556	Bayview Commercial Asset Trust 2006-2A, A2 144A, (1 month LIBOR + 0.280%) 2.152%, 7/25/36 ⁽²⁾⁽³⁾	5,245	5,079
Banc of America Funding Trust 2004-4, 3A1, 4.750%, 10/25/19	487	435	2008-1, A3 144A, (1 month LIBOR + 1.500%) 3.372%, 1/25/38 ⁽²⁾⁽³⁾	2,099	2,100
2004-B, 2A1, 3.778%, 11/20/34 ⁽²⁾	593	599	Bayview Financial Acquisition Trust 2007-A, 1A2 6.205%, 5/28/37 ⁽²⁾	3,366	3,454
2004-D, 5A1, 3.686%, 1/25/35 ⁽²⁾	3,197	3,011	Bayview Koitere Fund Trust 2017-RT4, A 144A, 3.500%, 7/28/57 ⁽²⁾⁽³⁾	9,150	9,212
2005-1, 1A1, 5.500%, 2/25/35	333	334	Bayview Opportunity Master Fund IIIa Trust 2017-RN7, A1 144A, 3.105%, 9/28/32 ⁽²⁾⁽³⁾	4,889	4,870
2006-2, 3A1, 6.000%, 3/25/36	1,604	1,612	2017-RN8, A1 144A, 3.352%, 11/28/32 ⁽²⁾⁽³⁾	7,897	7,873
Banc of America Mortgage Trust 2005-3, 1A15 5.500%, 4/25/35	956	969	Bayview Opportunity Master Fund IIIb Trust 2017-RN2, A1 144A, 3.475%, 4/28/32 ⁽²⁾⁽³⁾	1,858	1,855
Bank of America (Countrywide) Asset- Backed Certificates 2005-1, AF5A 4.984%, 7/25/35 ⁽²⁾	8,118	8,350			
Bank of America (Merrill Lynch— Countrywide) Alternative Loan Trust 2004-22CB, 1A1 6.000%, 10/25/34	16,247	16,722			
Bank of America (Merrill Lynch— Countrywide) Asset- Backed Certificates Trust 2004-10, AF6 4.485%, 12/25/34 ⁽²⁾	97	99			

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			Cold Storage Trust		
Bayview Opportunity			2017-ICE3, A 144A,		
Master Fund IVa			(1 month LIBOR +		
Trust			1.000%)		
2016-SPL1, B1			2.777%, 4/15/36 ⁽²⁾⁽³⁾	\$ 23,505	\$ 23,585
144A,			Colony American		
4.250%, 4/28/55 ⁽³⁾	\$ 7,758	\$ 8,007	Finance Ltd.		
2017-RT1, A1 144A,			2015-1, A 144A,		
3.000%, 3/28/57 ⁽²⁾⁽³⁾	4,275	4,218	2.896%, 10/15/47 ⁽³⁾	8,275	8,231
2017-SPL5, B1			Colony Multi-Family		
144A,			Mortgage Trust		
4.000%, 6/28/57 ⁽²⁾⁽³⁾	5,910	6,078	2014-1, A 144A,		
2017-SPL1, B1			2.543%, 4/20/50 ⁽³⁾		
144A,			Colony Starwood		
4.250%, 10/28/64 ⁽²⁾⁽³⁾	7,957	8,137	Homes Trust		
Bayview Opportunity			2016-2A, C 144A,		
Master Fund IVb			(1 month LIBOR +		
Trust			2.150%)		
2016-SPL2, B1			3.927%, 12/17/33 ⁽²⁾⁽³⁾	18,880	18,893
144A,			COLT Mortgage Loan		
4.250%, 6/28/53 ⁽²⁾⁽³⁾	5,532	5,709	Trust Funding LLC		
2017-SPL3, B1			2016-1, A1 144A,		
144A,			3.000%, 5/25/46 ⁽³⁾		
4.250%, 11/28/53 ⁽²⁾⁽³⁾	2,000	2,088	2016-2, A1 144A,		
2017-SPL4, A 144A,			2.750%, 9/25/46 ⁽²⁾⁽³⁾		
3.500%, 1/28/55 ⁽²⁾⁽³⁾	3,141	3,155	2016-3, A1 144A,		
Caesars Palace Las			2.800%, 12/26/46 ⁽²⁾⁽³⁾		
Vegas Trust			2017-1, A3 144A,		
2017-VICI, C 144A,			3.074%, 5/27/47 ⁽²⁾⁽³⁾		
4.138%, 10/15/34 ⁽³⁾	12,170	12,390	2018-1, A1 144A,		
Citigroup Commercial			2.930%, 2/25/48 ⁽²⁾⁽³⁾		
Mortgage Trust			14,320		
2016-SMPL, A			Commercial Mortgage		
144A,			Lease-Backed		
2.228%, 9/10/31 ⁽³⁾	3,655	3,544	Certificates		
Citigroup Mortgage			2001-CMLB, A3		
Loan Trust, Inc.			144A,		
2004-NCM2, 2CB2,			7.471%, 6/20/31 ⁽²⁾⁽³⁾		
6.750%, 8/25/34	8,906	9,574	Commercial Mortgage		
2014-A, A 144A,			Trust 2014-277P, A		
4.000%, 1/25/35 ⁽²⁾⁽³⁾	6,608	6,803	144A,		
2015-PS1, A1 144A,			3.611%, 8/10/49 ⁽²⁾⁽³⁾		
3.750%, 9/25/42 ⁽²⁾⁽³⁾	5,681	5,723	Credit Suisse First		
2015-A, A1 144A,			Boston Mortgage		
3.500%, 6/25/58 ⁽²⁾⁽³⁾	2,845	2,843	Securities Corp.		
2018-RP1, A1 144A,			2003-27, 5A3,		
2.996%, 9/25/64 ⁽²⁾⁽³⁾	14,909	14,802	5.250%, 11/25/33		
			2003-AR30, 5A1,		
			3.537%, 1/25/34 ⁽²⁾		
			4,130		4,239

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			Goldman Sachs		
2004-8, 7A1, 6.000%, 12/25/34	\$ 4,458	\$ 4,677	Mortgage Securities Trust 2012-ALOH, A 144A, 3.551%, 4/10/34 ⁽³⁾		
Credit Suisse			\$ 8,176	\$ 8,307	
Mortgage Capital Trust			GSAA Home Equity Trust		
2016-BDWN, A 144A, (1 month LIBOR + 2.900%) 4.677%, 2/15/29 ⁽²⁾⁽³⁾	2,975	2,987		240	244
2013-HYB1, A16 144A, 3.006%, 4/25/43 ⁽²⁾⁽³⁾	3,534	3,519			
2014-IVR2, A2 144A, 3.798%, 4/25/44 ⁽²⁾⁽³⁾	8,263	8,314		3,233	3,267
2017-FHA1, A1 144A, 3.250%, 4/25/47 ⁽²⁾⁽³⁾	12,548	12,248	Hilton USA Trust 2016-SFP, B 144A, 3.323%, 11/5/35 ⁽³⁾		
Deephaven Residential Mortgage Trust			22,020	21,663	
2017-1A, A1 144A, 2.725%, 12/26/46 ⁽²⁾⁽³⁾	4,855	4,788	Home Equity Loan Trust		
2017-1A, A2 144A, 2.928%, 12/26/46 ⁽²⁾⁽³⁾	1,231	1,218		5,528	5,535
2017-2A, A1 144A, 2.453%, 6/25/47 ⁽²⁾⁽³⁾	4,452	4,355	2007-HSA3, A14 6.110%, 6/25/37 ⁽²⁾		
2017-2A, A2 144A, 2.606%, 6/25/47 ⁽²⁾⁽³⁾	2,009	1,966	Hospitality Mortgage Trust 2017-HIT, B 144A, (1 month LIBOR + 1.180%) 2.891%, 5/8/30 ⁽²⁾⁽³⁾		
2017-3A, A3 144A, 2.813%, 10/25/47 ⁽²⁾⁽³⁾	4,825	4,778	14,505	14,564	
2018-1A, A1 144A, 2.976%, 12/25/57 ⁽²⁾⁽³⁾	12,637	12,637	IMC Home Equity Loan Trust 1997-5, A9 7.310%, 11/20/28		
GAHR Commercial Mortgage Trust			1,901	1,890	
2015-NRF, CFX 144A, 3.382%, 12/15/34 ⁽²⁾⁽³⁾	16,875	16,849	Jefferies Resecuritization Trust 2014-R1, 1A1 144A, 4.000%, 12/27/37 ⁽³⁾		
Galton Funding Mortgage Trust			892	891	
2017-1, A21 144A, 3.500%, 7/25/56 ⁽²⁾⁽³⁾	17,106	17,094	JPMorgan Chase (Bear Stearns) Adjustable Rate Mortgage Trust 2004-10, 14A1, 3.715%, 1/25/35 ⁽²⁾		
2018-1, A23 144A, 3.500%, 11/25/57 ⁽²⁾⁽³⁾	11,592	11,562	910	902	
GMAC Mortgage Corp. Loan Trust			2004-10, 21A1, 3.801%, 1/25/35 ⁽²⁾		
2004-AR1, 12A, 4.023%, 6/25/34 ⁽²⁾	4,079	4,124	5,857	5,897	
2005-AR1, 5A, 3.810%, 3/18/35 ⁽²⁾	1,161	1,117	JPMorgan Chase (Washington Mutual) Mortgage Pass- Through Certificates Trust		
				230	231
				517	522
			2004-CB1, 5A, 5.000%, 6/25/19 2003-AR6, A1, 3.253%, 6/25/33 ⁽²⁾		

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
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	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			2015-5, A2 144A,		
2003-AR4, 2A1,			2.889%, 5/25/45 ⁽²⁾⁽³⁾	\$ 11,411	\$ 11,363
3.216%, 8/25/33 ⁽²⁾	\$ 155	\$ 154	2016-2, M2 144A,		
2004-CB1, 2A,			3.750%, 12/25/45 ⁽²⁾⁽³⁾	13,931	13,901
5.000%, 6/25/34	1,842	1,869	2011-C4, A4 144A,		
JPMorgan Chase			4.388%, 7/15/46 ⁽³⁾	5,175	5,348
Commercial			2017-3, 2A2 144A,		
Mortgage Securities			2.500%, 8/25/47 ⁽²⁾⁽³⁾	9,949	9,656
Trust			2017-5, A1 144A,		
2010-CNTR, A2			3.184%, 10/26/48 ⁽²⁾⁽³⁾	40,557	40,369
144A,			2017-4, A3 144A,		
4.311%, 8/5/32 ⁽³⁾	5,429	5,535	3.500%, 11/25/48 ⁽²⁾⁽³⁾	13,020	12,913
2015-SGP, B 144A,			LoanDepot Station		
(1 month LIBOR +			Place Agency		
2.750%)			Securitization Trust		
4.527%, 7/15/36 ⁽²⁾⁽³⁾	13,925	13,968	2017-LD1, C 144A,		
2011-C4, A3 144A,			(1 month LIBOR +		
4.106%, 7/15/46 ⁽³⁾	1,143	1,143	1.300%)		
2006-LDP9, AM,			3.172%, 11/25/50 ⁽²⁾⁽³⁾	16,025	16,025
5.372%, 5/15/47	12,215	12,285	MASTR Adjustable		
2014-C22, A4,			Rate Mortgages		
3.801%, 9/15/47	16,998	17,410	Trust 2004-12, 3A1		
JPMorgan Chase			3.715%, 11/25/34 ⁽²⁾	162	161
Mortgage Trust			MASTR Alternative		
2014-2, 2A2 144A,			Loan Trust		
3.500%, 6/25/29 ⁽²⁾⁽³⁾	7,937	8,011	2004-7, 4A1,		
2014-5, B1 144A,			4.500%, 7/25/19	588	590
2.998%, 10/25/29 ⁽²⁾⁽³⁾	2,800	2,670	2003-8, 2A1,		
2014-5, B2 144A,			5.750%, 11/25/33	3,899	4,020
2.998%, 10/25/29 ⁽²⁾⁽³⁾	1,318	1,250	2004-4, 6A1,		
2006-A2, 4A1,			5.500%, 4/25/34	2,189	2,265
3.718%, 8/25/34 ⁽²⁾	976	987	2004-7, 9A1,		
2004-A4, 2A1,			6.000%, 8/25/34	10,290	10,610
3.584%, 9/25/34 ⁽²⁾	3,983	4,043	2005-2, 2A1,		
2005-A1, 4A1,			6.000%, 1/25/35	2,591	2,675
3.824%, 2/25/35 ⁽²⁾	449	456	2005-2, 1A1,		
2005-A2, 4A1,			6.500%, 3/25/35	7,567	7,771
3.461%, 4/25/35 ⁽²⁾	809	804	MASTR Asset		
2005-A4, 3A1,			Securitization Trust		
3.405%, 7/25/35 ⁽²⁾	2,403	2,445	2005-1, 1A1		
2006-A6, 3A3L,			5.000%, 5/25/20	66	66
3.485%, 10/25/36 ⁽²⁾	1,033	909	MetLife Securitization		
2014-1, 2A12 144A,			Trust		
3.500%, 1/25/44 ⁽²⁾⁽³⁾	4,502	4,456	2017-1A, M1 144A,		
2015-1, AM1 144A,			3.640%, 4/25/55 ⁽²⁾⁽³⁾	7,930	8,000
2.722%, 12/25/44 ⁽²⁾⁽³⁾	11,321	11,311	Mill City Mortgage		
2016-1, M2 144A,			Trust		
3.750%, 4/25/45 ⁽²⁾⁽³⁾	13,433	13,439	2015-1, A3 144A,		
			3.000%, 6/25/56 ⁽²⁾⁽³⁾	11,900	11,810

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
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	PAR VALUE	VALUE		PAR VALUE	VALUE
MORTGAGE-BACKED SECURITIES (continued)			Non-Agency (continued)		
Non-Agency (continued)			2015-2A, A1 144A, 3.750%, 8/25/55 ⁽²⁾⁽³⁾	\$ 7,596	\$ 7,673
2016-1, A1 144A, 2.500%, 4/25/57 ⁽²⁾⁽³⁾	\$ 2,861	\$ 2,821	2016-1A, A1 144A, 3.750%, 3/25/56 ⁽²⁾⁽³⁾	6,429	6,481
2017-1, A1 144A, 2.750%, 11/25/58 ⁽²⁾⁽³⁾	8,881	8,791	2016-3A, A1 144A, 3.750%, 9/25/56 ⁽²⁾⁽³⁾	7,002	7,062
Morgan Stanley— Bank of America (Merrill Lynch) Trust 2013-C13, AS 4.266%, 11/15/46	1,735	1,790	2016-4A, A1 144A, 3.750%, 11/25/56 ⁽²⁾⁽³⁾	5,060	5,108
Morgan Stanley Capital Barclays Bank Trust 2016-MART, A 144A, 2.200%, 9/13/31 ⁽³⁾	14,805	14,343	2017-2A, A3 144A, 4.000%, 3/25/57 ⁽²⁾⁽³⁾	9,053	9,228
Morgan Stanley Capital I Trust 2017-CLS, A 144A, (1 month LIBOR + 0.700%) 2.477%, 11/15/34 ⁽²⁾⁽³⁾	8,400	8,416	NovaStar Mortgage Funding Trust 2004-4, M5, (1 month LIBOR + 1.725%) 3.597%, 3/25/35 ⁽²⁾	3,169	3,176
Morgan Stanley Mortgage Loan Trust 2004-2AR, 3A, 3.316%, 2/25/34 ⁽²⁾	777	781	Oak Hill Advisors Residential Loan Trust 2017-NPL2, A1 144A, 3.000%, 7/25/57 ⁽²⁾⁽³⁾	18,674	18,520
2004-2AR, 4A, 3.604%, 2/25/34 ⁽²⁾	619	629	One Market Plaza Trust 2017-1MKT, A 144A, 3.614%, 2/10/32 ⁽³⁾	10,700	10,788
Morgan Stanley Residential Mortgage Loan Trust 2014-1A, B2 144A, 2.966%, 6/25/44 ⁽²⁾⁽³⁾	4,147	4,145	Onslow Bay Financial LLC 2018-1, A2 144A, (1 month LIBOR + 0.650%) 2.527%, 6/25/57 ⁽²⁾⁽³⁾	18,330	18,342
Motel 6 Trust 2017-MTL6, A 144A, (1 month LIBOR + 0.920%) 2.697%, 8/15/34 ⁽²⁾⁽³⁾	26,173	26,247	Pretium Mortgage Credit Partners I LLC 2017-NPL3, A1 144A, 3.250%, 6/29/32 ⁽²⁾⁽³⁾	3,539	3,522
National City Mortgage Capital Trust 2008-1, 2A1 6.000%, 3/25/38	984	1,016	2017-NPL5, A1 144A, 3.327%, 12/30/32 ⁽²⁾⁽³⁾	8,325	8,308
New Residential Mortgage Loan Trust 2016-2A, A1 144A, 3.750%, 11/26/35 ⁽²⁾⁽³⁾	13,785	13,923	2018-NPL1 144A, 3.375%, 1/27/33 ⁽²⁾⁽³⁾	2,044	2,038
2014-1A, A 144A, 3.750%, 1/25/54 ⁽²⁾⁽³⁾	12,275	12,389	2017-NPL2, A1 144A, 3.250%, 3/28/57 ⁽²⁾⁽³⁾	14,678	14,593
2014-2A, A3 144A, 3.750%, 5/25/54 ⁽²⁾⁽³⁾	1,110	1,124	Progress Residential Trust 2017-SFR1, B 144A, 3.017%, 8/17/34 ⁽³⁾	4,000	3,922
2014-3A, AFX3 144A, 3.750%, 11/25/54 ⁽²⁾⁽³⁾	9,645	9,736	2018-SFR1, A 144A, 3.255%, 3/17/35 ⁽³⁾	3,150	3,141

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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)			Structured Adjustable Rate Mortgage Loan Trust		
2018-SFR1, B 144A, 3.484%, 3/17/35 ⁽³⁾	\$ 2,515	\$ 2,511	2004-4, 3A4, 3.813%, 4/25/34 ⁽²⁾	\$ 1,395	\$ 1,404
RCO Mortgage LLC			2004-4, 3A2, 3.813%, 4/25/34 ⁽²⁾	1,807	1,831
2017-1, A1 144A, 3.375%, 8/25/22 ⁽²⁾⁽³⁾	16,171	16,106	2004-4, 3A1, 3.813%, 4/25/34 ⁽²⁾	409	411
Residential Asset Mortgage Products Trust			2004-14, 7A, 3.584%, 10/25/34 ⁽²⁾	6,937	6,950
2004-SL2, A3, 7.000%, 10/25/31	1,243	1,293	Structured Asset Securities Corp. Assistance Loan Trust		
2004-SL1, A8, 6.500%, 11/25/31	1,507	1,584	2003-AL1, A 144A, 3.357%, 4/25/31 ⁽³⁾	5,015	4,976
2005-SL2, A4, 7.500%, 2/25/32	1,456	1,352	Structured Asset Securities Corp. Mortgage-Pass-Through Certificates		
2004-SL4, A3, 6.500%, 7/25/32	592	595	2003-33H, 1A1, 5.500%, 10/25/33	2,700	2,747
Residential Asset Securitization Trust			2003-34A, 6A, 3.782%, 11/25/33 ⁽²⁾	1,982	1,968
2003-A11, A9, 5.750%, 11/25/33	1,895	1,924	Sutherland Commercial Mortgage Loans		
2004-A1, A5, 5.500%, 4/25/34	9,265	9,319	2017-SBC6, A 144A, 3.192%, 5/25/37 ⁽²⁾⁽³⁾	8,507	8,508
Residential Funding Mortgage Securities I, Inc. 2006-S12, 1A1			Towd Point Mortgage Trust		
5.500%, 12/25/21	438	444	2015-1, A2 144A, 3.250%, 10/25/53 ⁽²⁾⁽³⁾	11,184	11,154
RETL 2018-RVP, C 144A, (1 month LIBOR + 2.050%)			2015-3, A1B 144A, 3.000%, 3/25/54 ⁽²⁾⁽³⁾	3,208	3,199
3.827%, 3/15/33 ⁽²⁾⁽³⁾	18,405	18,520	2016-1, A1B 144A, 2.750%, 2/25/55 ⁽²⁾⁽³⁾	5,191	5,150
Seasoned Credit Risk Transfer Trust			2015-6, M1 144A, 3.750%, 4/25/55 ⁽²⁾⁽³⁾	11,010	11,197
2016-1, M1 144A, 3.000%, 9/25/55 ⁽²⁾⁽³⁾	6,500	6,317	2015-5, A1B 144A, 2.750%, 5/25/55 ⁽²⁾⁽³⁾	4,914	4,876
Sequoia Mortgage Trust 2015-4, A1 144A, 3.000%, 11/25/30 ⁽²⁾⁽³⁾	9,127	9,043	2015-5, A2 144A, 3.500%, 5/25/55 ⁽²⁾⁽³⁾	3,901	3,922
2013-8, B1, 3.533%, 6/25/43 ⁽²⁾	6,479	6,340	2016-2, A1 144A, 3.000%, 8/25/55 ⁽²⁾⁽³⁾	5,879	5,836
2017-CH1, A2 144A, 3.500%, 8/25/47 ⁽²⁾⁽³⁾	4,740	4,749	2016-3, A1 144A, 2.250%, 4/25/56 ⁽²⁾⁽³⁾	4,759	4,683
Starwood Waypoint Homes Trust 2017-1, A 144A, (1 month LIBOR + 0.950%)					
2.727%, 1/17/35 ⁽²⁾⁽³⁾	13,765	13,839			

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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)			2017-2A, A1 144A, 2.485%, 7/25/47 ⁽²⁾⁽³⁾	\$ 16,012	\$ 15,900
2016-4, A1 144A, 2.250%, 7/25/56 ⁽²⁾⁽³⁾	\$ 4,465	\$ 4,375	2018-1, A1 144A, 2.929%, 2/25/48 ⁽²⁾⁽³⁾	15,897	15,896
2017-1, M1 144A, 3.750%, 10/25/56 ⁽²⁾⁽³⁾	3,665	3,710	VSD 2017-PLT1, A 3.600%, 12/25/43	4,785	4,778
2017-6, A2 144A, 3.000%, 10/25/57 ⁽²⁾⁽³⁾	3,930	3,795	Wells Fargo Mortgage Backed Securities Trust		
2015-2, 1M1 144A, 3.250%, 11/25/60 ⁽²⁾⁽³⁾	22,558	22,244	2003-G, A1, 3.365%, 6/25/33 ⁽²⁾	784	792
Tricon American Homes Trust			2003-J, 5A1, 3.490%, 10/25/33 ⁽²⁾	267	270
2016-SFR1, C 144A, 3.487%, 11/17/33 ⁽³⁾	4,640	4,601	2004-4, A9, 5.500%, 5/25/34	1,230	1,252
2017-SFR1, A 144A, 2.716%, 9/17/34 ⁽³⁾	3,595	3,515	2004-U, A1, 3.695%, 10/25/34 ⁽²⁾	666	670
Velocity Commercial Capital Loan Trust			2004-Z, 2A1, 3.738%, 12/25/34 ⁽²⁾	2,858	2,908
2017-1, AFX 144A, 3.000%, 5/25/47 ⁽²⁾⁽³⁾	2,890	2,863	2004-CC, A1, 3.750%, 1/25/35 ⁽²⁾	1,361	1,387
Vericrest Opportunity Loan Trust LVI LLC			2005-12, 1A1, 5.500%, 11/25/35	2,223	2,259
2017-NPL3, A1 144A, 3.500%, 3/25/47 ⁽²⁾⁽³⁾	12,342	12,344	2005-14, 2A1, 5.500%, 12/25/35	1,503	1,540
Vericrest Opportunity Loan Trust LVIII LLC			2007-16, 1A1, 6.000%, 12/28/37	1,412	1,430
2017-NPL5, A1 144A, 3.375%, 5/28/47 ⁽²⁾⁽³⁾	1,837	1,834		<u>1,328,974</u>	
Vericrest Opportunity Loan Trust LX LLC			TOTAL MORTGAGE-BACKED SECURITIES		
2017-NPL7, A1 144A, 3.250%, 6/25/47 ⁽²⁾⁽³⁾	7,988	7,954	(Identified Cost \$1,551,068)		1,544,318
Vericrest Opportunity Loan Trust LXII LLC			ASSET-BACKED SECURITIES—22.5%		
2017-NPL9, A1 144A, 3.125%, 9/25/47 ⁽²⁾⁽³⁾	8,604	8,557	Auto Floor Plan—0.2%		
Vericrest Opportunity Loan Trust LXIII LLC			NextGear Floorplan Master Owner Trust		
2017-NP10, A1 144A, 3.000%, 10/25/47 ⁽²⁾⁽³⁾	999	990	2017-2A, A2 144A, 2.560%, 10/17/22 ⁽³⁾	12,410	12,252
Vericrest Opportunity Loan Trust LXIV LLC			Automobiles—13.7%		
2017-NP11, A1 144A, 3.375%, 10/25/47 ⁽²⁾⁽³⁾	31,713	31,627	American Credit Acceptance Receivables Trust		
Verus Securitization Trust			2017-3, B 144A, 2.250%, 1/11/21 ⁽³⁾	8,000	7,955
2017-1A, A1 144A, 2.853%, 1/25/47 ⁽²⁾⁽³⁾	5,335	5,342	2016-1A, B 144A, 4.240%, 6/13/22 ⁽³⁾	4,218	4,231

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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
ASSET-BACKED SECURITIES (continued)			Automobiles (continued)		
Automobiles (continued)			2016-1, B, 3.430%, 2/15/22		
2017-1, C 144A,			\$	4,615	\$ 4,613
2.880%, 3/13/23 ⁽³⁾	\$ 9,000	\$ 8,976			
2017-2, C 144A,				7,000	6,861
2.860%, 6/12/23 ⁽³⁾	6,705	6,662	Capital Auto Receivables Asset Trust		
2018-1, C 144A,					
3.550%, 4/10/24 ⁽³⁾	8,145	8,153	2015-2, C, 2.670%, 8/20/20		
AmeriCredit				7,250	7,257
Automobile			2017-1, C 144A, 2.700%, 9/20/22 ⁽³⁾		
Receivables Trust				3,630	3,579
2014-2, C,			2017-1, D 144A, 3.150%, 2/20/25 ⁽³⁾		
2.180%, 6/8/20	14,691	14,670		1,980	1,962
2014-1, D,			CarFinance Capital Auto Trust		
2.540%, 6/8/20	22,955	22,946			
2015-3, C,				101	101
2.730%, 3/8/21	9,730	9,737	2014-1A, B 144A, 2.720%, 4/15/20 ⁽³⁾		
2016-4, C,					
2.410%, 7/8/22	18,468	18,164		3,455	3,452
2017-1, C,			2014-2A, B 144A, 2.640%, 11/16/20 ⁽³⁾		
2.710%, 8/18/22	10,360	10,234		2,765	2,751
2017-2, C,			2014-2A, C 144A, 3.240%, 11/16/20 ⁽³⁾		
2.970%, 3/20/23	7,840	7,805		2,765	2,751
Avid Automobile				6,000	5,992
Receivables Trust			2015-1A, B 144A, 2.910%, 6/15/21 ⁽³⁾		
2018-1, A 144A,					
2.840%, 8/15/23 ⁽³⁾	4,419	4,402	CarMax Auto Owner Trust		
Avis Budget Rental Car					
Funding LLC				1,000	999
(AESOP) 2013-1A, A			2015-2, C, 2.390%, 3/15/21		
144A,				2,275	2,265
1.920%, 9/20/19 ⁽³⁾	2,825	2,820	Carnow Auto Receivables Trust		
(AESOP) 2013-2A, A					
144A,				4,460	4,515
2.970%, 2/20/20 ⁽³⁾	6,350	6,357	2016-1A, D 144A, 7.340%, 11/15/21 ⁽³⁾		
(AESOP) 2015-2A, A					
144A,				5,495	5,471
2.630%, 12/20/21 ⁽³⁾	22,315	22,110	2017-1A, A 144A, 2.920%, 9/15/22 ⁽³⁾		
(AESOP) 2016-1A, A					
144A,			Centre Point Funding LLC 2012-2A, 1 144A, 2.610%, 8/20/21 ⁽³⁾		
2.990%, 6/20/22 ⁽³⁾	17,000	16,909		2,732	2,707
California Republic			Chrysler Capital Auto Receivables Trust		
Auto Receivables					
Trust				8,400	8,477
2014-2, B,			2015-BA, D 144A, 4.170%, 1/16/23 ⁽³⁾		
2.340%, 4/15/20	7,090	7,081			
2015-3, B,				2,150	2,132
2.700%, 9/15/21	3,705	3,692	2016-BA, D 144A, 3.510%, 9/15/23 ⁽³⁾		
			CPS Auto Receivables Trust		
				3,000	2,994
			2016-C, B 144A, 2.480%, 9/15/20 ⁽³⁾		

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	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
ASSET-BACKED SECURITIES (continued)			Automobiles (continued)		
Automobiles (continued)			Exeter Automobile		
2016-B, B 144A,			Receivables Trust		
3.180%, 9/15/20 ⁽³⁾	\$ 4,500	\$ 4,510	2014-2A, C 144A,	\$ 5,641	\$ 5,647
2017-C, B 144A,			3.260%, 12/16/19 ⁽³⁾		
2.300%, 7/15/21 ⁽³⁾	6,610	6,554	2015-1A, C 144A,		
2016-A, C 144A,			4.100%, 12/15/20 ⁽³⁾	19,850	20,021
3.800%, 12/15/21 ⁽³⁾	6,500	6,553	2015-2A, C 144A,		
2017-D, B 144A,			3.900%, 3/15/21 ⁽³⁾	24,230	24,422
2.430%, 1/18/22 ⁽³⁾	6,400	6,334	2014-3A, D 144A,		
Credit Acceptance			5.690%, 4/15/21 ⁽³⁾	23,980	24,572
Auto Loan Trust			2016-3A, B 144A,		
2018-1A, A 144A,			2.840%, 8/16/21 ⁽³⁾	8,475	8,472
3.010%, 2/16/27 ⁽³⁾	10,000	9,938	2017-1A, B 144A,		
Drive Auto Receivables			3.000%, 12/15/21 ⁽³⁾	17,975	17,990
Trust			2017-2A, B 144A,		
2017-1, B,			2.820%, 5/16/22 ⁽³⁾	18,780	18,653
2.360%, 3/15/21	14,640	14,600	2017-3A, B 144A,		
2017-BA, C 144A,			2.810%, 9/15/22 ⁽³⁾	14,185	14,050
2.610%, 8/16/21 ⁽³⁾	8,750	8,743	2018-1A, C 144A,		
2016-CA, C 144A,			3.030%, 1/17/23 ⁽³⁾	18,150	17,975
3.020%, 11/15/21 ⁽³⁾	9,220	9,234	First Investors Auto		
2017-AA, C 144A,			Owner Trust		
2.980%, 1/18/22 ⁽³⁾	15,410	15,415	2015-1A, C 144A,		
2017-3, C,			2.710%, 6/15/21 ⁽³⁾	5,000	4,970
2.800%, 7/15/22	7,235	7,213	2017-2A, B 144A,		
2015-AA, D 144A,			2.650%, 11/15/22 ⁽³⁾	2,160	2,135
4.120%, 7/15/22 ⁽³⁾	13,120	13,243	Flagship Credit Auto		
2017-2, C,			Trust		
2.750%, 9/15/23	4,030	4,008	2016-1, A 144A,		
DT Auto Owner Trust			2.770%, 12/15/20 ⁽³⁾	1,637	1,638
2015-3A, C 144A,			2014-2, D 144A,		
3.250%, 7/15/21 ⁽³⁾	1,160	1,162	5.210%, 2/15/21 ⁽³⁾	11,010	11,233
2016-2A, C 144A,			2015-1, D 144A,		
3.670%, 1/18/22 ⁽³⁾	9,127	9,165	5.260%, 7/15/21 ⁽³⁾	3,565	3,653
2016-3A, C 144A,			2015-2, C 144A,		
3.150%, 3/15/22 ⁽³⁾	8,485	8,497	4.080%, 12/15/21 ⁽³⁾	6,495	6,565
2016-4A, C 144A,			2016-2, B 144A,		
2.740%, 10/17/22 ⁽³⁾	21,875	21,843	3.840%, 9/15/22 ⁽³⁾	4,175	4,222
2017-1A, D 144A,			2016-3, D 144A,		
3.550%, 11/15/22 ⁽³⁾	10,000	9,967	3.890%, 11/15/22 ⁽³⁾	4,990	5,015
2017-2A, D 144A,			2017-1, C 144A,		
3.890%, 1/15/23 ⁽³⁾	10,070	10,079	3.220%, 5/15/23 ⁽³⁾	7,500	7,489
2017-3A, C 144A,			2017-3, C 144A,		
3.010%, 5/15/23 ⁽³⁾	11,505	11,471	2.910%, 9/15/23 ⁽³⁾	6,980	6,899
2017-4A, C 144A,			Foursight Capital		
2.860%, 7/17/23 ⁽³⁾	20,000	19,865	Automobile		
2018-1A, C144A,			Receivables Trust		
3.470%, 12/15/23 ⁽³⁾	8,950	8,950	2016-1, A2 144A,		
			2.870%, 10/15/21 ⁽³⁾	3,831	3,818

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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
ASSET-BACKED SECURITIES (continued)			Automobiles (continued)		
Automobiles (continued)			2015-A, D, 2.730%, 6/15/21	\$ 8,950	\$ 8,955
2017-1, B 144A, 3.050%, 12/15/22 ⁽³⁾	\$ 8,965	\$ 8,811	2017-B, B, 2.230%, 2/15/23	4,240	4,132
2017-1, C 144A, 3.470%, 12/15/22 ⁽³⁾	4,458	4,384	OneMain Direct Auto Receivables Trust		
2018-1, C 144A, 3.680%, 8/15/23 ⁽³⁾	1,685	1,687	2016-1A, B 144A, 2.760%, 5/15/21 ⁽³⁾	5,000	5,000
2018-1, D 144A, 4.190%, 11/15/23 ⁽³⁾	1,630	1,633	2017-2A, C 144A, 2.820%, 7/15/24 ⁽³⁾	6,220	6,117
GLS Auto Receivables Trust			Oscar US Funding Trust VIII LLC		
2016-1A, B 144A, 4.390%, 1/15/21 ⁽³⁾	10,500	10,598	2018-1A, A2A 144A, 2.910%, 4/12/21 ⁽³⁾	10,000	9,996
2017-1A, B 144A, 2.980%, 12/15/21 ⁽³⁾	15,005	14,907	Prestige Auto Receivables Trust		
2018-1A, A 144A, 2.820%, 7/15/22 ⁽³⁾	3,229	3,216	2014-1A, C 144A, 2.390%, 5/15/20 ⁽³⁾	6,530	6,527
2017-1A, C 144A, 3.500%, 7/15/22 ⁽³⁾	11,090	10,988	2017-1A, C 144A, 2.810%, 1/17/23 ⁽³⁾	8,355	8,210
2018-1A, B 144A, 3.520%, 8/15/23 ⁽³⁾	11,975	11,911	Santander Drive Auto Receivables Trust		
GM Financial Consumer Automobile Receivables Trust			2014-3, C, 2.130%, 8/17/20	704	704
2017-1A, B 144A, 2.300%, 6/16/23 ⁽³⁾	4,185	4,111	2016-2, B, 2.080%, 2/16/21	8,250	8,230
Hertz Vehicle Financing II LP			2017-1, C, 2.580%, 5/16/22	9,830	9,764
2015-2A, A 144A, 2.020%, 9/25/19 ⁽³⁾	4,845	4,827	2017-2, C, 2.790%, 8/15/22	3,795	3,780
2016-1A, A 144A, 2.320%, 3/25/20 ⁽³⁾	8,800	8,753	2017-3, C, 2.760%, 12/15/22	4,510	4,467
2015-1A, A 144A, 2.730%, 3/25/21 ⁽³⁾	28,000	27,786	Skopos Auto Receivables Trust		
2015-3A, A 144A, 2.670%, 9/25/21 ⁽³⁾	25,000	24,657	2018-1A, A 144A, 3.190%, 9/15/21 ⁽³⁾	10,000	9,997
2016-4A, A 144A, 2.650%, 7/25/22 ⁽³⁾	12,335	12,051	2018-1A, B 144A, 3.930%, 5/16/22 ⁽³⁾	2,465	2,465
Hyundai Auto Lease Securitization Trust			TCF Auto Receivables Owner Trust		
2018-A, A2A 144A, 2.550%, 8/17/20 ⁽³⁾	17,175	17,154	2014-1A, B 144A, 2.330%, 5/15/20 ⁽³⁾	1,733	1,732
Hyundai Auto Receivables Trust			2014-1A, C 144A, 3.120%, 4/15/21 ⁽³⁾	2,035	2,035
2014-B, D, 2.510%, 12/15/20	9,675	9,664	2016-PT1A, C 144A, 3.210%, 1/17/23 ⁽³⁾	10,900	10,705

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
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	PAR VALUE	VALUE		PAR VALUE	VALUE
ASSET-BACKED SECURITIES (continued)			Manufactured Housing—0.0%		
Automobiles (continued)			Associates		
Tesla Auto Lease Trust			Manufactured		
2018-A, A 144A,			Housing Pass-		
2.320%, 12/20/19 ⁽³⁾	\$ 2,034	\$ 2,030	Through Certificates		
2018-A, B 144A,			1996-1, B1		
2.750%, 2/20/20 ⁽³⁾	2,500	2,495	8.000%, 3/15/27 ⁽²⁾	\$ 401	\$ 407
2018-A, C 144A,			Other—7.9%		
2.970%, 4/20/20 ⁽³⁾	2,000	1,995	Ajax Mortgage Loan		
2018-A, D 144A,			Trust 2017-B, A		
3.300%, 3/20/20 ⁽³⁾	1,845	1,841	144A,		
Tidewater Auto			3.163%, 9/25/56 ⁽²⁾⁽³⁾		
Receivables Trust			10,318		
2016-AA, B 144A,			10,171		
3.130%, 3/15/20 ⁽³⁾	2,472	2,472	Aqua Finance Trust		
United Auto Credit			2017-A, A 144A,		
Securitization Trust			3.720%, 11/15/35 ⁽³⁾		
2016-2, C 144A,			14,022		
2.480%, 3/10/20 ⁽³⁾	9,425	9,418	13,809		
Westlake Automobile			Ascentium Equipment		
Receivables Trust			Receivables Trust		
2016-2A, C 144A,			2017-1A, B 144A,		
2.830%, 5/17/21 ⁽³⁾	3,190	3,192	2.850%, 10/10/21 ⁽³⁾		
2015-3A, D 144A,			7,764		
4.400%, 5/17/21 ⁽³⁾	10,000	10,062	7,602		
2017-1A, B 144A,			AXIS Equipment		
2.300%, 10/17/22 ⁽³⁾	10,000	9,967	Finance		
2017-2A, C 144A,			Receivables IV LLC		
2.590%, 12/15/22 ⁽³⁾	16,230	16,073	2018-1A, A2 144A,		
2018-1A, C 144A,			3.240%, 12/20/23 ⁽³⁾		
2.920%, 5/15/23 ⁽³⁾	22,494	22,376	12,425		
		<u>1,027,690</u>	12,407		
Consumer Discretionary—0.1%			BRE Grand Islander		
Avid Automobile			Timeshare Issuer		
Receivables Trust			LLC 2017-1A, A		
2018-1, B 144A,			144A,		
3.850%, 7/15/24 ⁽³⁾	4,000	3,971	2.940%, 5/25/29 ⁽³⁾		
			9,068		
Home Equity Loans—0.0%			8,898		
Structured Asset			BXG Receivables Note		
Securities Corp.			Trust		
Mortgage Pass-			2012-A, A 144A,		
Through Certificates			2.660%, 12/2/27 ⁽³⁾		
2001-SB1, A2			1,843		
3.375%, 8/25/31	961	951	1,810		
			4,207		
			4,163		
			3,805		
			3,751		
			8,202		
			8,041		
			4,875		
			4,858		
			3,569		
			3,576		

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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
ASSET-BACKED SECURITIES (continued)			Other (continued)		
Other (continued)			Foundation Finance		
CLUB Credit Trust			Trust 2017-1A, A		
2017-NP1, A 144A,			144A,		
2.390%, 4/17/23 ⁽³⁾	\$ 185	\$ 185	3.300%, 7/15/33 ⁽³⁾	\$ 12,171	\$ 12,009
2017-NP1, B 144A,			2016-1A, A 144A,		
3.170%, 4/17/23 ⁽³⁾	10,185	10,176	3.960%, 6/15/35 ⁽³⁾	1,744	1,749
2017-P1, B 144A,			Gold Key Resorts LLC		
3.560%, 9/15/23 ⁽³⁾	4,565	4,546	2014-A, A 144A,		
2017-P2, A 144A,			3.220%, 3/17/31 ⁽³⁾	4,401	4,352
2.610%, 1/15/24 ⁽³⁾	8,605	8,578	GreatAmerica Leasing		
Conn's Receivables			Receivables Funding		
Funding LLC			LLC 2017-1, A4		
2017-B, B 144A,			144A,		
4.520%, 1/15/20 ⁽³⁾	8,550	8,613	2.360%, 1/20/23 ⁽³⁾	18,010	17,823
Consumer Installment			Hilton Grand Vacations		
Loan Trust			Trust 2013-A, A		
2016-LD1, A 144A,			144A,		
3.960%, 7/15/22 ⁽³⁾	981	982	2.280%, 1/25/26 ⁽³⁾	3,781	3,740
CoreVest American			2014-AA, A 144A,		
Finance Trust			1.770%, 11/25/26 ⁽³⁾	5,639	5,537
2017-1, A 144A,			2017-AA, A 144A,		
2.968%, 10/15/49 ⁽³⁾	4,747	4,659	2.660%, 12/26/28 ⁽³⁾	5,735	5,658
DB Master Finance			HOA Funding LLC		
LLC 2015-1A, A211			2014-1A, A2 144A,		
144A,			4.846%, 8/20/44 ⁽³⁾	11,992	11,689
3.980%, 2/20/45 ⁽³⁾	2,765	2,788	Leaf Receivables		
2017-1A, A21 144A,			Funding 12 LLC		
3.629%, 11/20/47 ⁽³⁾	16,189	16,117	2017-1, B 144A,		
Diamond Resorts			2.650%, 2/15/22 ⁽³⁾	9,145	8,974
Owner Trust			Mariner Finance		
2014-1, A 144A,			Issuance Trust		
2.540%, 5/20/27 ⁽³⁾	4,605	4,585	2017-AA, A 144A,		
2017-1A, A 144A,			3.620%, 2/20/29 ⁽³⁾	7,335	7,361
3.270%, 10/22/29 ⁽³⁾	7,260	7,114	Marlette Funding Trust		
Drug Royalty II LP 2			2018-1A, A 144A,		
2014-1, A2 144A,			2.610%, 3/15/28 ⁽³⁾	9,227	9,212
3.484%, 7/15/23 ⁽³⁾	8,236	8,185	Marriott Vacation Club		
Drug Royalty III LP 1			Owner Trust		
2016-1A, A 144A,			2012-1A, A 144A,		
3.979%, 4/15/27 ⁽³⁾	7,961	7,911	2.510%, 5/20/30 ⁽³⁾	6,887	6,850
2017-1A, A1 144A,			MVV Owner Trust		
(3 month LIBOR +			2015-1A, B 144A,		
2.500%) 4.222%,			2.960%, 12/20/32 ⁽³⁾	861	845
4/15/27 ⁽²⁾⁽³⁾	3,191	3,191	2016-1A, A 144A,		
Fairway Outdoor			2.250%, 12/20/33 ⁽³⁾	4,153	4,056
Funding LLC			2017-1A, A 144A,		
2012-1A, A2 144A,			2.420%, 12/20/34 ⁽³⁾	3,741	3,656
4.212%, 10/15/42 ⁽³⁾	13,177	13,221			

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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	
ASSET-BACKED SECURITIES (continued)			Other (continued)			
Other (continued)			2016-1A, A 144A, 3.080%, 3/21/33 ⁽³⁾	\$ 3,566	\$ 3,574	
NextGear Floorplan Master Owner Trust			2016-2A, A 144A, 2.330%, 7/20/33 ⁽³⁾	3,355	3,316	
2018-1A, A2144A, 3.220%, 2/15/23 ⁽³⁾	\$ 4,290	\$ 4,296	Silverleaf Finance LLC XVIII			
OneMain Financial Issuance Trust			2014-A, A 144A, 2.810%, 1/15/27 ⁽³⁾	699	696	
2015-2A, A 144A, 2.570%, 7/18/25 ⁽³⁾		5,321	5,314	SoFi Consumer Loan Program LLC		
2015-1A, A 144A, 3.190%, 3/18/26 ⁽³⁾		21,108	21,154	2016-3, A 144A, 3.050%, 12/26/25 ⁽³⁾	11,108	11,099
2018-1A, A 144A, 3.300%, 3/14/29 ⁽³⁾		17,015	17,047	2017-1, A 144A, 3.280%, 1/26/26 ⁽³⁾	14,688	14,714
2017-1A, A1 144A, 2.370%, 9/14/32 ⁽³⁾		5,500	5,407	2017-3, A 144A, 2.770%, 5/25/26 ⁽³⁾	10,714	10,640
Oportun Funding VIII LLC			2017-5, A2 144A, 2.780%, 9/25/26 ⁽³⁾	14,080	13,873	
2018-A, A 144A, 3.610%, 3/8/24 ⁽³⁾		8,745	8,735	2017-6, A2 144A, 2.820%, 11/25/26 ⁽³⁾	12,870	12,727
Orange Lake Timeshare Trust			2018-1, A2 144A, 3.140%, 2/25/27 ⁽³⁾	10,685	10,628	
2012-AA, A 144A, 3.450%, 3/10/27 ⁽³⁾		1,535	1,535	Springleaf Funding Trust		
2015-AA, A 144A, 2.880%, 9/8/27 ⁽³⁾		3,961	3,891	2016-AA, A 144A, 2.900%, 11/15/29 ⁽³⁾	11,590	11,539
2014-AA, A 144A, 2.290%, 7/9/29 ⁽³⁾		1,727	1,694	SVO VOI Mortgage Corp.		
2018-A, A 144A, 3.100%, 11/8/30 ⁽³⁾		6,831	6,803	2012-AA, A 144A, 2.000%, 9/20/29 ⁽³⁾	4,885	4,806
Prosper Marketplace Issuance Trust			Taco Bell Funding LLC			
2017-1A, B 144A, 3.650%, 6/15/23 ⁽³⁾		17,008	17,065	2016-1A, A21 144A, 3.832%, 5/25/46 ⁽³⁾	7,006	7,045
2017-2A, B 144A, 3.480%, 9/15/23 ⁽³⁾		16,905	16,855	TGIF Funding LLC		
2018-1A, A 144A, 3.110%, 6/17/24 ⁽³⁾		7,570	7,569	2017-1A, A2 144A, 6.202%, 4/30/47 ⁽³⁾	20,345	20,444
Sierra Receivables Funding Co., LLC			TRIP Rail Master Funding LLC			
2017-1A, A 144A, 2.910%, 3/20/34 ⁽³⁾		6,182	6,116	2017-1A, A1 144A, 2.709%, 8/15/47 ⁽³⁾	9,317	9,206
Sierra Timeshare Receivables Funding LLC			Volvo Financial Equipment LLC			
2014-1A, A 144A, 2.070%, 3/20/30 ⁽³⁾		1,114	1,110	2017-1A, B 144A, 2.400%, 1/18/22 ⁽³⁾	3,600	3,546
2014-2A, A 144A, 2.050%, 6/20/31 ⁽²⁾⁽³⁾		1,556	1,547	VSE VOI Mortgage LLC		
				2016-A, A 144A, 2.540%, 7/20/33 ⁽³⁾	4,742	4,660

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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)			Student Loans (continued)		
Other (continued)			SoFi Professional		
2017-A, A 144A, 2.330%, 3/20/35 ⁽³⁾	\$ 9,159	\$ 8,930	Loan Program LLC		
Welk Resorts LLC			2014-B, A2 144A, 2.550%, 8/27/29 ⁽³⁾	\$ 479	\$ 475
2013-AA, A 144A, 3.100%, 3/15/29 ⁽³⁾	1,860	1,847	2015-A, A2 144A, 2.420%, 3/25/30 ⁽³⁾	1,996	1,981
2015-AA, A 144A, 2.790%, 6/16/31 ⁽³⁾	3,751	3,696	2016-A, A2 144A, 2.760%, 12/26/36 ⁽³⁾	1,328	1,316
Wendy's Funding LLC			2017-B, A1FX 144A, 1.830%, 5/25/40 ⁽³⁾	5,650	5,615
2015-1A, A2II 144A, 4.080%, 6/15/45 ⁽³⁾	9,353	9,486	2017-C, A2A 144A, 1.750%, 7/25/40 ⁽³⁾	4,913	4,872
2018-1A, A2I 144A, 3.573%, 3/15/48 ⁽³⁾	9,451	9,336	2017-E, A2B 144A, 2.720%, 11/26/40 ⁽³⁾	4,135	4,063
Westgate Resorts LLC					48,439
2016-1A, A 144A, 3.500%, 12/20/28 ⁽³⁾	6,112	6,121			
		<u>591,515</u>			
			TOTAL ASSET-BACKED SECURITIES		
			(Identified Cost \$1,692,934)		1,685,225
Student Loans—0.6%			CORPORATE BONDS AND NOTES—32.8%		
Commonbond Student			Consumer Discretionary—2.1%		
Loan Trust			Alibaba Group Holding		
2017-AGS, A1 144A, 2.550%, 5/25/41 ⁽³⁾	7,552	7,403	Ltd.		
DRB Prime Student			2.500%, 11/28/19		
Loan Trust			6,600		
2015-D, A3 144A, 2.500%, 1/25/36 ⁽³⁾	2,165	2,157	6,554		
Earnest Student Loan			Alicie France S.A.		
Program LLC			144A,		
2017-A, A2 144A, 2.650%, 1/25/41 ⁽³⁾	4,852	4,759	7.375%, 5/1/26 ⁽³⁾		
Laurel Road Prime			7,075		
Student Loan Trust			6,739		
2017-B, A2FX 144A, 2.770%, 8/25/42 ⁽³⁾	6,745	6,636	Alicie US Finance I		
Navient Private			Corp.		
Education Loan Trust			144A,		
2017-A, A2A 144A, 2.880%, 12/16/58 ⁽³⁾	3,150	3,105	5.375%, 7/15/23 ⁽³⁾		
SLM Private Education			8,250		
Loan Trust			8,357		
2013-B, A2A 144A, 1.850%, 6/17/30 ⁽³⁾	3,293	3,269	Aptiv plc		
2013-C, A2A 144A, 2.940%, 10/15/31 ⁽³⁾	2,780	2,788	3.150%, 11/19/20		
			15,000		
			14,970		
			Clear Channel		
			Worldwide Holdings, Inc. Series B		
			7.625%, 3/15/20		
			7,910		
			7,900		
			CSC Holdings LLC		
			5.250%, 6/1/24		
			11,500		
			10,939		
			Delphi Corp.		
			4.150%, 3/15/24		
			3,665		
			3,757		
			Discovery		
			Communications LLC		
			2.200%, 9/20/19		
			7,185		
			2.950%, 3/20/23		
			10,295		
			9,917		
			DISH DBS Corp.		
			5.875%, 7/15/22		
			7,150		
			6,828		

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
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	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Consumer Staples (continued)		
Consumer Discretionary (continued)			Kraft Heinz Foods Co. (The)		
General Motors Financial Co., Inc. 3.500%, 7/10/19	\$ 9,715	\$ 9,777	3.500%, 7/15/22	\$ 4,543	\$ 4,533
4.200%, 3/1/21	7,300	7,439	MARB BondCo plc 144A, 7.000%, 3/15/24 ⁽³⁾	18,700	17,578
Horton (D.R.), Inc. 4.750%, 2/15/23	10,550	11,067			97,401
International Game Technology plc 144A, 6.250%, 2/15/22 ⁽³⁾	5,190	5,437	Energy—5.7% Afren plc 144A, 11.500%, 2/1/16 ⁽³⁾⁽⁹⁾⁽¹⁰⁾	4,674	2
Lennar Corp. 144A, 2.950%, 11/29/20 ⁽³⁾	17,355	16,923	Anadarko Finance Co. Series B 7.500%, 5/1/31	3,000	3,830
Newell Brands, Inc. 3.150%, 4/1/21	6,553	6,492	Anadarko Petroleum Corp. 4.850%, 3/15/21	3,845	3,997
Scientific Games International, Inc. 144A, 5.000%, 10/15/25 ⁽³⁾	7,150	6,953	5.550%, 3/15/26	5,455	5,952
TRI Pointe Group, Inc. 5.875%, 6/15/24	10,130	10,279	Blue Racer Midstream LLC 144A, 6.125%, 11/15/22 ⁽³⁾	6,070	6,176
Wyndham Worldwide Corp. 4.150%, 4/1/24	915	912	Callon Petroleum Co. 6.125%, 10/1/24	9,266	9,477
		158,351	Carrizo Oil & Gas, Inc. 6.250%, 4/15/23	11,090	11,090
			Cheniere Corpus Christi Holdings LLC 7.000%, 6/30/24	7,155	7,915
Consumer Staples—1.3%			Cimarex Energy Co. 4.375%, 6/1/24	11,490	11,819
Anheuser-Busch InBev Worldwide, Inc. (3 month LIBOR + 0.740%)			CNOOC Finance Property Ltd. 2.625%, 5/5/20	5,800	5,735
3.052%, 1/12/24 ⁽²⁾	4,943	4,972	Continental Resources, Inc. 5.000%, 9/15/22	5,035	5,104
3.500%, 1/12/24	4,321	4,350	4.500%, 4/15/23	6,535	6,609
BAT Capital Corp. 144A, 2.297%, 8/14/20 ⁽³⁾	7,230	7,088	Ecopetrol S.A. 5.875%, 9/18/23	16,725	17,896
144A, 2.764%, 8/15/22 ⁽³⁾	14,195	13,726	Enbridge Energy Partners LP 4.375%, 10/15/20	3,930	4,017
144A, 3.222%, 8/15/24 ⁽³⁾	7,160	6,900	Encana Corp. 3.900%, 11/15/21	7,960	8,061
Campbell Soup Co. 3.300%, 3/15/21	4,613	4,639	8.125%, 9/15/30	8,110	10,568
3.650%, 3/15/23	11,370	11,389	Energy Transfer Equity LP 4.250%, 3/15/23	6,430	6,253
CVS Health Corp. (3 month LIBOR + 0.720%)			5.875%, 1/15/24	10,155	10,485
2.777%, 3/9/21 ⁽²⁾	6,510	6,559			
3.700%, 3/9/23	15,619	15,667			

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Energy (continued)		
Energy (continued)					
Energy Transfer Partners LP			Sinopec Capital Ltd. 144A, 1.875%, 4/24/18 ⁽³⁾	\$ 11,750	\$ 11,744
5.000%, 10/1/22	\$ 17,910	\$ 18,614	Southern Gas Corridor CJSC 144A, 6.875%, 3/24/26 ⁽³⁾	6,435	7,092
4.500%, 11/1/23	4,855	4,916	Sunoco LP 144A, 4.875%, 1/15/23 ⁽³⁾	9,610	9,262
EP Energy LLC 144A, 9.375%, 5/1/24 ⁽³⁾	7,130	5,071	Transocean, Inc. 144A, 9.000%, 7/15/23 ⁽³⁾	3,680	3,915
144A, 8.000%, 11/29/24 ⁽³⁾	7,660	7,698	6.800%, 3/15/38	7,800	6,084
Gazprom OAO (Gaz Capital SA) 144A, 6.510%, 3/7/22 ⁽³⁾⁽⁶⁾	16,560	17,814	Ultra Resources, Inc. 144A, 6.875%, 4/15/22 ⁽³⁾	1,258	1,094
Kinder Morgan, Inc. 144A, 5.625%, 11/15/23 ⁽³⁾	20,300	21,725	Weatherford International Ltd. 9.875%, 2/15/24	4,795	4,375
Lukoil International Finance BV 144A, 3.416%, 4/24/18 ⁽³⁾	6,000	6,000	YPF S.A. 144A, 8.500%, 3/23/21 ⁽³⁾	5,369	5,857
MPLX LP 3.375%, 3/15/23	4,542	4,486	144A, 8.750%, 4/4/24 ⁽³⁾	1,630	1,805
Petrobras Global Finance BV 8.375%, 5/23/21	9,305	10,594			<u>422,732</u>
144A, 5.299%, 1/27/25 ⁽³⁾	10,890	10,754	Financials—10.6%		
Petroleos de Venezuela S.A. 144A, 6.000%, 5/16/24 ⁽³⁾⁽⁹⁾	9,545	2,601	AerCap Ireland Capital Ltd. 3.950%, 2/1/22	3,670	3,684
Petroleos Mexicanos 4.875%, 1/24/22	62,580	64,138	Air Lease Corp. 2.625%, 9/4/18	5,495	5,489
6.500%, 3/13/27	14,165	15,128	American Express Co. 3.400%, 2/27/23	18,176	18,135
PTTEP Treasury Center Co., Ltd. 144A, (U.S. Treasury Yield Curve CMT 5 year + 3.177%) 4.875% ⁽³⁾⁽⁵⁾	3,007	3,018	Ares Capital Corp. 3.625%, 1/19/22	4,475	4,412
Range Resources Corp. 5.000%, 3/15/23	5,235	5,019	3.500%, 2/10/23	11,230	10,907
4.875%, 5/15/25	15,135	14,038	4.250%, 3/1/25	7,500	7,283
RSP Permian, Inc. 5.250%, 1/15/25	7,125	7,365	Australia & New Zealand Banking Group Ltd. 144A, 4.400%, 5/19/26 ⁽³⁾	14,195	14,247
Sabine Pass Liquefaction LLC 5.625%, 2/1/21	8,000	8,410	Aviation Capital Group Corp. 144A, 2.875%, 9/17/18 ⁽³⁾	4,415	4,413
6.250%, 3/15/22	8,415	9,129	Banco de Credito del Peru 144A, 4.250%, 4/1/23 ⁽³⁾	6,284	6,400
			Bank of America Corp. 5.490%, 3/15/19	2,868	2,935

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Financials (continued)		
Financials (continued)			Fifth Third Bancorp		
(3 month LIBOR + 1.180%)			4.500%, 6/1/18	\$ 6,745	\$ 6,763
2.925%, 10/21/22 ⁽²⁾	\$ 10,735	\$ 10,900	First Tennessee Bank N.A.		
(3 month LIBOR + 1.000%)			2.950%, 12/1/19	4,500	4,489
2.741%, 4/24/23 ⁽²⁾	14,445	14,548	FS Investment Corp.		
4.200%, 8/26/24	10,473	10,618	4.250%, 1/15/20	7,725	7,795
Bank of Baroda 144A, 4.875%, 7/23/19 ⁽³⁾	11,775	11,986	Goldman Sachs Group, Inc. (The)		
Bank of India 144A, 3.625%, 9/21/18 ⁽³⁾	10,200	10,195	2.350%, 11/15/21	4,425	4,266
Barclays plc 3.200%, 8/10/21	10,345	10,222	4.250%, 10/21/25	24,315	24,427
BBVA Banco Continental S.A. RegS			Guanay Finance Ltd. 144A,		
5.000%, 8/26/22 ⁽⁴⁾	16,280	17,057	6.000%, 12/15/20 ⁽³⁾	17,986	18,352
Bonos del Banco Central de Chile			HBOS plc 144A,		
4.500%, 6/1/20	4,570,000 ^{CLP}	7,861	6.750%, 5/21/18 ⁽³⁾	685	689
Brookfield Finance LLC			HSBC Holdings plc		
4.000%, 4/1/24	15,475	15,583	2.950%, 5/25/21	10,000	9,898
Capital One N.A.			(3 month LIBOR + 1.500%)		
2.400%, 9/5/19	5,000	4,953	3.196%, 1/5/22 ⁽²⁾	6,524	6,719
2.950%, 7/23/21	14,425	14,209	HSBC USA, Inc.		
Citigroup, Inc.			2.625%, 9/24/18	9,485	9,483
(3 month LIBOR + 0.960%)			Huntington Bancshares, Inc.		
2.705%, 4/25/22 ⁽²⁾	18,055	18,159	7.000%, 12/15/20	17,065	18,585
(3 month LIBOR + 1.430%)			ICAHN Enterprises LP		
3.436%, 9/1/23 ⁽²⁾	10,755	11,017	6.250%, 2/1/22	17,330	17,633
3.200%, 10/21/26	7,335	6,978	Industrial & Commercial Bank of China Ltd.		
Corp Financiera de Desarrollo SA 144A,			3.231%, 11/13/19	6,275	6,275
4.750%, 7/15/25 ⁽³⁾	6,000	6,105	(3 month LIBOR + 0.750%)		
Development Bank of Kazakhstan JSC 144A,			2.541%, 11/8/20 ⁽²⁾	630	630
4.125%, 12/10/22 ⁽³⁾	13,805	13,759	2.957%, 11/8/22	14,880	14,519
Discover Bank			International Lease Finance Corp.		
8.700%, 11/18/19	1,750	1,895	3.875%, 4/15/18	7,635	7,636
Drawbridge Special Opportunities Fund LP 144A,			Jefferies Group LLC		
5.000%, 8/1/21 ⁽³⁾	14,685	14,888	5.125%, 1/20/23	3,725	3,940
			JPMorgan Chase & Co.		
			2.295%, 8/15/21	4,495	4,370
			(3 month LIBOR + 0.900%)		
			2.645%, 4/25/23 ⁽²⁾	18,055	18,123

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

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	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)					
Health Care (continued)					
Anthem, Inc.			Alfa SAB de CV 144A, 5.250%, 3/25/24 ⁽³⁾	\$ 6,775	\$ 7,038
2.950%, 12/1/22	\$ 7,557	\$ 7,365	America West Airlines Pass-Through-Trust 2001-1, G		
3.350%, 12/1/24	5,452	5,291	7.100%, 4/2/21	28,521	30,232
Becton Dickinson & Co. (3 month LIBOR + 0.875%)			Bombardier, Inc. 144A,		
2.944%, 12/29/20 ⁽²⁾	6,257	6,264	6.125%, 1/15/23 ⁽³⁾	11,420	11,391
2.894%, 6/6/22	11,831	11,476	British Airways Pass- Through-Trust		
3.363%, 6/6/24	7,740	7,447	2013-1, B 144A,		
Cardinal Health, Inc.			5.625%, 6/20/20 ⁽³⁾	5,793	5,956
2.616%, 6/15/22	10,985	10,616	CNH Industrial N.V.		
3.079%, 6/15/24	11,180	10,661	4.500%, 8/15/23	15,130	15,398
Community Health Systems, Inc.			Continental Airlines Pass-Through-Trust		
6.250%, 3/31/23	7,185	6,619	1999-2, C2		
Endo Dac 144A, 6.000%, 7/15/23 ⁽³⁾	720	544	6.236%, 3/15/20	4,505	4,557
Fresenius U.S. Finance II, Inc. 144A, 4.500%, 1/15/23 ⁽³⁾	2,590	2,663	Doric Nimrod Air Alpha Pass-Through- Trust 2013-1, A 144A,		
Mylan NV			5.250%, 5/30/23 ⁽³⁾	14,452	14,958
3.150%, 6/15/21	4,065	4,011	Doric Nimrod Air Finance Alpha Pass- Through-Trust		
Mylan, Inc. 144A, 3.125%, 1/15/23 ⁽³⁾	14,815	14,331	2012-1, A 144A,		
Owens & Minor, Inc.			5.125%, 11/30/22 ⁽³⁾	10,210	10,480
3.875%, 9/15/21	2,485	2,465	Embraer Overseas Ltd. 144A,		
Shire Acquisitions Investments Ireland DAC			5.696%, 9/16/23 ⁽³⁾	3,460	3,689
2.400%, 9/23/21	9,275	8,953	Hawaiian Airlines Pass-Through Certificates		
Tenet Healthcare Corp. 144A, 4.625%, 7/15/24 ⁽³⁾	4,350	4,181	2013-1, B		
144A, 5.125%, 5/1/25 ⁽³⁾	4,765	4,580	4.950%, 1/15/22	6,160	6,266
Teva Pharmaceutical Finance Netherlands III BV 144A, 6.000%, 4/15/24 ⁽³⁾	800	777	JSL Europe S.A. 144A, 7.750%, 7/26/24 ⁽³⁾	5,540	5,630
Valeant Pharmaceuticals International, Inc. 144A, 6.500%, 3/15/22 ⁽³⁾	2,190	2,261	Latam Finance Ltd. 144A, 6.875%, 4/11/24 ⁽³⁾	18,525	19,382
Zimmer Biomet Holdings, Inc.			Masco Corp.		
3.150%, 4/1/22	25,115	24,748	5.950%, 3/15/22	13,945	15,087
		<u>167,922</u>	Penske Truck Leasing Co., LP RegS, 2.500%, 6/15/19 ⁽⁴⁾	3,470	3,453

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Materials (continued)		
Industrials (continued)			Equate Petrochemical		
144A, 3.375%, 2/1/22 ⁽³⁾	\$ 8,365	\$ 8,317	BV 144A, 3.000%, 3/3/22 ⁽³⁾	\$ 9,535	\$ 9,201
Pitney Bowes, Inc. 4.125%, 5/15/22	10,523	9,944	Fibria Overseas Finance Ltd. 4.000%, 1/14/25	17,621	17,004
SCF Capital Designated Activity Co. 144A, 5.375%, 6/16/23 ⁽³⁾	8,460	8,600	FMG Resources August 2006 Pty Ltd. 144A, 5.125%, 3/15/23 ⁽³⁾	9,330	9,266
Standard Industries, Inc. 144A, 5.500%, 2/15/23 ⁽³⁾	6,590	6,821	Glencore Funding LLC 144A, 4.125%, 5/30/23 ⁽³⁾	17,615	17,730
TransDigm, Inc. 6.500%, 7/15/24	11,820	12,116	GTL Trade Finance, Inc. 144A, 5.893%, 4/29/24 ⁽³⁾	13,625	14,519
		<u>199,315</u>	James Hardie International Finance DAC 144A, 4.750%, 1/15/25 ⁽³⁾	12,975	12,716
Information Technology—1.5%			NOVA Chemicals Corp. 144A, 4.875%, 6/1/24 ⁽³⁾		
Analog Devices, Inc. 2.950%, 1/12/21	18,570	18,506	144A, 5.000%, 5/1/25 ⁽³⁾	16,890	16,209
Broadcom Corp. 2.375%, 1/15/20	10,660	10,510	OCP SA 144A, 5.625%, 4/25/24 ⁽³⁾	17,090	18,030
3.000%, 1/15/22	7,550	7,406	Rusal Capital DAC 144A, 5.125%, 2/2/22 ⁽³⁾	17,980	17,724
2.650%, 1/15/23	9,730	9,261	Teck Resources Ltd. 144A, 8.500%, 6/1/24 ⁽³⁾	5,145	5,717
3.625%, 1/15/24	7,360	7,237			<u>164,539</u>
Dell International LLC 144A, 5.450%, 6/15/23 ⁽³⁾	10,540	11,169	Real Estate—1.4%		
Dun & Bradstreet Corp. (The) 4.250%, 6/15/20	4,660	4,713	American Tower Corp. 3.000%, 6/15/23		
Hewlett Packard Enterprise Co. 2.850%, 10/5/18	9,690	9,700	Brixmor Operating Partnership LP 3.875%, 8/15/22		
4.400%, 10/15/22	7,070	7,315	Education Realty Operating Partnership LP 4.600%, 12/1/24		
Radiate Holdco LLC 144A, 6.875%, 2/15/23 ⁽³⁾	3,635	3,517	2,040		
Tencent Holdings Ltd. 144A, 2.985%, 1/19/23 ⁽³⁾	4,550	4,433	2,069		
VMware, Inc. 2.300%, 8/21/20	4,567	4,441			
2.950%, 8/21/22	11,670	11,180			
		<u>109,388</u>			
Materials—2.2%					
Anglo American Capital plc 144A, 3.625%, 9/11/24 ⁽³⁾	18,490	17,805			

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			Telecommunication Services (continued)		
Real Estate (continued)			Frontier		
Government Properties			Communications Corp.		
Income Trust			8.500%, 4/15/20	\$ 3,200	\$ 3,220
3.750%, 8/15/19	\$ 2,905	\$ 2,917	8.875%, 9/15/20	3,380	3,405
4.000%, 7/15/22	7,345	7,321	7.125%, 1/15/23	9,065	6,116
Healthcare Trust of			Level 3 Financing, Inc.		
America Holdings LP			5.375%, 1/15/24	14,170	13,807
2.950%, 7/1/22	17,890	17,496	Sprint Corp.		
Hospitality Properties			7.875%, 9/15/23	10,000	10,212
Trust			Sprint Spectrum Co., LLC		
4.500%, 6/15/23	4,445	4,540	144A,		
Kilroy Realty LP			3.360%, 9/20/21 ⁽³⁾	16,406	16,304
3.450%, 12/15/24	2,645	2,565	144A,		
Select Income REIT			4.738%, 3/20/25 ⁽³⁾	11,355	11,412
4.150%, 2/1/22	18,910	18,904	Telefonica Emisiones SAU		
Senior Housing			3.192%, 4/27/18	2,805	2,806
Properties Trust			Verizon		
3.250%, 5/1/19	6,685	6,690	Communications, Inc.		
Ventas Realty LP			3.125%, 3/16/22	9,017	8,935
2.700%, 4/1/20	2,948	2,923			
Welltower, Inc.					143,824
4.125%, 4/1/19	4,100	4,149			
West Europe Finance			Utilities—1.3%		
LLC 144A,			Eskom Holdings SOC Ltd. 144A,		
3.250%, 10/5/20 ⁽³⁾	19,265	19,285	5.750%, 1/26/21 ⁽³⁾	13,900	13,771
		102,741	Exelon Corp.		
Telecommunication Services—1.9%			2.850%, 6/15/20	18,845	18,673
AT&T, Inc.			3.497%, 6/1/22	8,261	8,179
2.800%, 2/17/21	18,700	18,514	Ferrelgas Partners LP		
3.200%, 3/1/22	1,910	1,899	6.750%, 6/15/23	11,560	10,520
(3 month LIBOR + 0.890%)			Majapahit Holding BV		
2.723%, 2/14/23 ⁽²⁾	8,918	9,042	144A,		
3.800%, 3/1/24	1,860	1,862	7.750%, 1/20/20 ⁽³⁾	8,800	9,440
3.400%, 8/14/24	3,820	3,837	PNM Resources, Inc.		
4.125%, 2/17/26	6,955	6,968	3.250%, 3/9/21	11,070	11,057
Axtel SAB de C.V.			State Grid Overseas Investment Ltd.		
144A,			144A,		
6.375%, 11/14/24 ⁽³⁾	9,450	9,592	1.750%, 5/22/18 ⁽³⁾	5,000	4,992
Digicel Group Ltd.			TerraForm Power Operating LLC 144A,		
144A,			4.250%, 1/31/23 ⁽³⁾	18,640	17,918
8.250%, 9/30/20 ⁽³⁾	10,365	8,914	Texas Competitive Electric Holdings Co.		
Digicel Ltd. 144A,			144A, 11.500%,		
6.750%, 3/1/23 ⁽³⁾	7,745	6,979	10/1/20 ⁽³⁾⁽⁹⁾⁽¹²⁾	5,925	4

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VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

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	PAR VALUE	VALUE		PAR VALUE	VALUE
CORPORATE BONDS AND NOTES (continued)			LEVERAGED LOANS⁽²⁾ (continued)		
Utility (continued)			Consumer Durables—0.1%		
Toledo Edison Co. (The)			Global Appliance, Inc. Tranche B, (1 month LIBOR + 4.000%)		
7.250%, 5/1/20	\$ 224	\$ 240	5.880%, 9/29/24	\$ 10,651	\$ 10,771
		94,794			
TOTAL CORPORATE BONDS AND NOTES (Identified Cost \$2,477,178)			Consumer Non-Durables—0.2%		
		2,455,859	Coty, Inc. Tranche B, (3 month LIBOR + 2.250%)	5,595	5,581
LEVERAGED LOANS⁽²⁾—12.1%			0.000%, 3/29/25 ⁽¹¹⁾		
Aerospace—0.7%			Galleria Co. Tranche B, (1 month LIBOR + 3.000%)	5,495	5,495
American Airlines, Inc. 2017, Tranche B, (1 month LIBOR + 2.000%)	15,904	15,900	4.688%, 9/29/23		
3.877%, 4/28/23			HLF Financing S.a.r.l. Senior Lien, (1 month LIBOR + 5.500%)	3,446	3,478
TransDigm, Inc. Tranche F, (3 month LIBOR + 2.750%)	18,166	18,212	7.377%, 2/15/23		14,554
4.839%, 6/9/23					
Tranche G, (3 month LIBOR + 2.500%)	1,548	1,553	Energy—0.5%		
4.589%, 8/22/24			Medallion Midland Acquisition LLC, (1 month LIBOR + 3.250%)		
United Airlines, Inc. Tranche B, (3 month LIBOR + 2.000%)	13,845	13,900	5.127%, 10/30/24	7,461	7,443
3.772%, 4/1/24		49,565	Paragon Offshore Finance Co., (3 month LIBOR + 2.750%)		
Chemicals—0.2%			0.000%, 7/16/21 ⁽⁹⁾⁽¹¹⁾⁽¹²⁾	81	— ⁽¹⁵⁾
Ineos U.S. Finance LLC 2024, (1 month LIBOR + 2.000%)	5,960	5,972	Seadrill Operating LP, (3 month LIBOR + 6.000%)	8,679	7,254
3.877%, 4/1/24			8.302%, 2/21/21		
IPS Acquisition LLC First Lien, (1 month LIBOR + 3.250%)	1,805	1,817	Traverse Midstream Partners LLC, (3 month LIBOR + 4.000%)	10,580	10,633
5.127%, 11/7/24			5.850%, 9/27/24		
New Arclin U.S. Holding Corp. First Lien, (3 month LIBOR + 3.500%)	5,491	5,530	Ultra Resources, Inc., (1 month LIBOR + 3.000%)	9,915	9,803
5.802%, 2/14/24			4.765%, 4/12/24		35,133
PQ Corp. Tranche B-1, (3 month LIBOR + 2.500%)	549	551			
4.291%, 2/8/25		13,870			

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	PAR VALUE	VALUE		PAR VALUE	VALUE
LEVERAGED LOANS⁽²⁾ (continued)			Food and Drug—0.3%		
Financial—0.4%			Albertson's LLC		
Asurion LLC			2017-1, Tranche B-4,		
Tranche B-6,			(1 month LIBOR +		
(1 month LIBOR +			2.750%)		
4.627%, 11/3/23	\$ 6,960	\$ 7,004	\$ 23,105	\$ 22,809	
Delos Finance S.a r.l.			2017-1, Tranche B-5,		
2018, (3 month			(3 month LIBOR +		
LIBOR + 1.750%)			3.000%)		
4.052%, 10/6/23	16,529	16,595	2,150	2,126	
FinCo I LLC, (1 month			5.292%, 12/21/22		
LIBOR + 2.750%)					
4.627%, 12/27/22	5,212	5,270			
iStar, Inc., (1 month					
LIBOR + 3.000%)					
4.766%, 10/1/21	2,273	2,288			
		<u>31,157</u>			
Food / Tobacco—0.5%			Forest Prod / Containers—0.1%		
Aramark Intermediate HoldCo Corp.			Berry Global Group, Inc.		
Tranche B, (1 month			Tranche Q, (1 month		
LIBOR + 2.000%)			LIBOR + 2.000%)		
3.877%, 3/28/24	6,054	6,090	6,504	6,533	
Tranche B-1,			Tranche R, (1 month		
(1 month LIBOR +			LIBOR + 2.000%)		
2.000%)			3.740%, 1/19/24		
3.877%, 3/11/25	7,721	7,769	1,035	1,038	
CHG PPC Parent LLC			Spectrum Holdings III		
First Lien, (3 month			Corp. First Lien,		
LIBOR + 2.750%)			(3 month LIBOR +		
0.000%, 3/21/25 ⁽¹¹⁾	1,165	1,166	267	267	
Chobani LLC First			5.127%, 1/31/25 ⁽¹³⁾		
Lien, (1 month			(1 month LIBOR +		
LIBOR + 3.500%)			3.250%)		
5.377%, 10/10/23	6,354	6,381	2,703	2,706	
Hostess Brands LLC			5.127%, 1/31/25		
2017 Refinancing,					
Tranche B, (1 month					
LIBOR + 2.250%)					
4.127%, 8/3/22	14,534	14,593			
JBS USA Lux S.A.,					
(3 month LIBOR +					
2.500%)					
4.678%, 10/30/22	4,772	4,755			
		<u>40,754</u>			
			Gaming / Leisure—1.4%		
			Caesars Resort		
			Collection LLC		
			Tranche B, (1 month		
			LIBOR + 2.750%)		
			14,334	14,425	
			4.627%, 12/23/24		
			El Dorado Resorts,		
			Inc., (2 month		
			LIBOR + 2.250%)		
			4,794	4,806	
			4.125%, 4/17/24		
			GVC Holdings PLC,		
			(3 month LIBOR +		
			2.500%)		
			0.000%, 3/15/24 ⁽¹¹⁾		
			10,515	10,526	
			Hilton Worldwide		
			Finance LLC		
			Tranche B-2,		
			(1 month LIBOR +		
			2.000%)		
			12,309	12,368	
			3.872%, 10/25/23		

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
LEVERAGED LOANS⁽²⁾ (continued)			Healthcare (continued)		
Gaming / Leisure (continued)			Endo Luxembourg Finance Co. S.a.r.l., (1 month LIBOR + 4.250%)		
Las Vegas Sands LLC			6.188%, 4/29/24	\$ 3,672	\$ 3,661
2017 Refinancing, (1 month LIBOR + 1.750%)			Envision Healthcare Corp., (1 month LIBOR + 3.000%)		
3.627%, 3/27/25	\$ 8,161	\$ 8,174	4.880%, 12/1/23	7,237	7,259
MGM Growth Properties Operation Partnership LP			INC Research Holdings, Inc. Tranche B, (1 month LIBOR + 2.250%)		
Tranche B, (1 month LIBOR + 2.000%)			4.127%, 8/1/24	7,501	7,523
3.877%, 3/24/25	7,023	7,037	Parexel International Corp., (1 month LIBOR + 2.750%)		
Playa Resorts Holding B.V., (3 month LIBOR + 3.250%)			4.627%, 9/27/24	6,383	6,383
5.000%, 4/29/24	19,334	19,426	Prospect Medical Holdings, Inc. Tranche B-1, (1 month LIBOR + 5.500%)		
Scientific Games International, Inc. Tranche B-5, (2 month LIBOR + 2.750%)			7.188%, 2/22/24	6,905	6,905
4.686%, 8/14/24	745	747	Quintiles IMS, Inc. Tranche B-2, (3 month LIBOR + 2.000%)		
Seminole Tribe of Florida Tranche B, (1 month LIBOR + 2.000%)			4.302%, 1/17/25	771	775
3.877%, 7/8/24	11,860	11,896	Surgery Partners LLC, (1 month LIBOR + 3.250%)		
UFC Holdings, LLC First Lien, (1 month LIBOR + 3.250%)			5.130%, 9/2/24	8,821	8,812
5.130%, 8/18/23	9,033	9,074	U.S. Renal Care, Inc. First Lien, (3 month LIBOR + 4.250%)		
VICI Properties, Inc. Tranche B, (1 month LIBOR + 2.000%)			6.552%, 12/30/22	3,893	3,906
3.854%, 12/20/24	2,453	2,460	Valeant Pharmaceuticals International, Inc. Series F-4, Tranche B, (1 month LIBOR + 3.500%)		
Wyndham Hotels & Resorts, Inc. Tranche B, (3 month LIBOR + 1.750%)			5.240%, 4/1/22	7,520	7,596
0.000%, 3/28/25 ⁽¹¹⁾	3,010	3,018			<u>57,919</u>
		<u>103,957</u>			
Healthcare—0.8%					
Change Healthcare Holdings, Inc., (1 month LIBOR + 2.750%)					
4.627%, 3/1/24	5,089	5,099			

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
LEVERAGED LOANS⁽²⁾ (continued)			Information Technology (continued)		
Housing—0.6%			Presidio Holdings, Inc.		
Beacon Roofing Supply, Inc., (1 month LIBOR + 2.250%)			Tranche B, (3 month LIBOR + 2.750%)		
3.936%, 1/2/25	\$ 17,200	\$ 17,274	\$ 6,430	\$ 6,443	
Capital Automotive LP			Rackspace Hosting, Inc. Tranche B, First Lien, (3 month LIBOR + 3.000%)		
Tranche B-2, First Lien, (1 month LIBOR + 6.000%)			11,501		11,453
4.380%, 3/25/24	829	831	SS&C Technologies Holdings, Inc. Tranche B-3, (3 month LIBOR + 2.500%)		
Tranche B, Second Lien, (1 month LIBOR + 6.000%)			16,765		16,840
7.880%, 3/24/25	4,144	4,177	Tranche B-4, (3 month LIBOR + 2.500%)		
CPG International LLC, (3 month LIBOR + 3.750%)			5,980		6,007
5.593%, 5/5/24	12,031	12,116	Veritas US, Inc. Tranche B, (3 month LIBOR + 4.500%)		
Quikrete Holdings, Inc. First Lien, (1 month LIBOR + 2.750%)			4,174		4,154
4.627%, 11/15/23	10,684	10,725			75,178
		<u>45,123</u>	Manufacturing—0.2%		
Information Technology—1.0%			CPI Acquisition, Inc. First Lien, (3 month LIBOR + 4.500%)		
Blackboard, Inc. Tranche B-4, First Lien, (3 month LIBOR + 5.000%)			11,746		8,022
6.734%, 6/30/21	4,047	3,768	Pro Mach Group, Inc. First Lien, (3 month LIBOR + 3.000%)		
Kronos, Inc. First Lien, (1 month LIBOR + 3.000%)			975		976
4.880%, 11/1/23	17,676	17,780	Titan Acquisition Ltd., (3 month LIBOR + 3.000%)		
Second Lien, (3 month LIBOR + 8.250%)			3,540		3,533
10.023%, 11/1/24	3,287	3,405	Zodiac Pool Solutions LLC Tranche B, (3 month LIBOR + 2.250%)		
Leidos Innovations Corp. Tranche B, (1 month LIBOR + 1.750%)			3,605		3,622
3.688%, 8/16/23	5,299	5,328			<u>16,153</u>

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
LEVERAGED LOANS⁽²⁾ (continued)			Media / Telecom - Diversified Media (continued)		
Media / Telecom - Broadcasting—0.4%			Crown Finance US, Inc., (1 month LIBOR + 2.500%) 4.377%, 2/28/25 \$ 12,185 \$ 12,164		
Sinclair Television Group, Inc. Tranche B, (1 month LIBOR + 2.250%) 4.130%, 1/3/24	\$ 11,342	\$ 11,380	Formula One Management Ltd. Tranche B-3, (1 month LIBOR + 2.500%) 4.377%, 2/1/24	6,931	6,913
Tranche B, (3 month LIBOR + 2.500%) 0.000%, 12/12/24 ⁽¹¹⁾	14,825	14,881	McGraw-Hill Global Education Holdings LLC Tranche B, First Lien, (1 month LIBOR + 4.000%) 5.877%, 5/4/22	8,671	8,556
		<u>26,261</u>	Meredith Corp., (1 month LIBOR + 3.000%) 4.877%, 1/31/25	10,870	10,930
					<u>52,875</u>
Media / Telecom - Cable/Wireless Video—0.8%			Media / Telecom - Telecommunications—1.3%		
Altice US Finance I Corp. 2017 Refinancing, (1 month LIBOR + 2.250%) 4.127%, 7/28/25	12,678	12,649	CenturyLink, Inc. Tranche B, (1 month LIBOR + 2.750%) 4.627%, 1/31/25	17,157	16,860
Charter Communications Operating LLC Tranche B, (1 month LIBOR + 2.000%) 3.880%, 4/30/25	29,207	29,304	Frontier Communications Corp. Tranche B-1, (1 month LIBOR + 3.750%) 5.630%, 6/15/24	11,652	11,485
CSC Holdings LLC 2017 Refinancing, (1 month LIBOR + 2.250%) 4.036%, 7/17/25	10,908	10,870	Level 3 Financing, Inc. 2024, Tranche B, (1 month LIBOR + 2.250%) 4.111%, 2/22/24	28,944	28,994
Telenet Financing USD LLC, (3 month LIBOR + 2.500%) 0.000%, 3/1/26 ⁽¹¹⁾	690	693	Numericable U.S. LLC, (3 month LIBOR + 3.000%) 4.720%, 1/31/26	13,915	13,498
Virgin Media Bristol LLC Tranche K, (1 month LIBOR + 2.500%) 4.277%, 1/15/26	6,845	6,879	Securus Technologies Holdings, Inc. First Lien, (1 month LIBOR + 4.500%) 6.377%, 11/1/24	16,384	16,558
		<u>60,395</u>			
Media / Telecom - Diversified Media—0.7%					
CDS US Intermediate Holdings, Inc. Tranche B, First Lien, (3 month LIBOR + 3.750%) 6.052%, 7/8/22	14,317	14,312			

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE
LEVERAGED LOANS⁽²⁾ (continued)		
Utility (continued)		
Tranche C, (1 month LIBOR + 2.500%) 4.377%, 8/4/23	\$ 1,056	\$ 1,063
		36,402
TOTAL LEVERAGED LOANS (Identified Cost \$909,007)		902,875
	SHARES	
PREFERRED STOCKS—0.5%		
Financial—0.5%		
Bank of New York Mellon Corp. (The) Series E, 4.950%	12,070 ⁽⁸⁾	12,358
Huntington Bancshares, Inc. Series E, 5.700% ⁽⁶⁾	7,740 ⁽⁸⁾	7,779
JPMorgan Chase & Co. Series Z, 5.300%	3,985 ⁽⁸⁾	4,092
Wells Fargo & Co. Series K, 5.895% ⁽²⁾	16,155 ⁽⁸⁾	16,387
TOTAL PREFERRED STOCKS (Identified Cost \$39,993)		40,616
COMMON STOCKS—0.0%		
Energy—0.0%		
Frontiera Energy Corp. ⁽¹⁾	75,733	2,115
TOTAL COMMON STOCKS (Identified Cost \$2,654)		2,115
AFFILIATED MUTUAL FUND⁽¹⁴⁾—0.9%		
Virtus Newfleet Credit Opportunities Fund Class R6	6,989,143	67,445
TOTAL AFFILIATED MUTUAL FUND (Identified Cost \$69,865)		67,445
RIGHTS—0.0%		
Utilities—0.0%		
Vistra Energy Corp. ⁽¹⁰⁾	\$ 98,787	51
TOTAL RIGHTS (Identified Cost \$84)		51
TOTAL LONG TERM INVESTMENTS—99.1% (Identified Cost \$7,464,791)		7,412,852⁽¹⁶⁾

	SHARES	VALUE
SHORT-TERM INVESTMENT—1.3%		
Money Market Mutual Fund⁽¹⁴⁾—1.3%		
Dreyfus Government Cash Management Fund—Institutional Shares (seven-day effective yield 1.540%)	98,612,403	\$ 98,612
TOTAL SHORT-TERM INVESTMENT (Identified Cost \$98,612)		98,612
TOTAL INVESTMENTS—100.4% (Identified Cost \$7,563,403)		
Other assets and liabilities, net—(0.4)%		(32,693)
NET ASSETS—100.0%		\$7,478,771

Abbreviations:

LIBOR London Interbank Offered Rate
REIT Real Estate Investment Trust

Footnote Legend:

- ⁽¹⁾ Non-income producing.
- ⁽²⁾ Variable rate security. Rate disclosed is as of March 31, 2018. For loan agreements, the rate shown may represent a weighted average interest rate. Information in parenthesis represents benchmark and reference rate for each security. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions, or, for mortgage-backed securities, are impacted by the individual mortgages which are paying off over time. These securities do not indicate a reference rate and spread in their descriptions.
- ⁽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, 2018, these securities amounted to a value of \$3,540,233 or 47.3% of net assets.

For information regarding the abbreviations, See Key Investment Terms starting on page 4

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

- (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.
- (5) No contractual maturity date.
- (6) 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.
- (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) The value of this security was determined using significant unobservable inputs and is reported as a Level 3 security in the Fair Value Hierarchy table located at the end of the Schedule of Investments.
- (11) This loan will settle after March 31, 2018, at which time the interest rate, based on the LIBOR and the agreed upon spread on trade date, will be reflected.
- (12) 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 Fair Value Hierarchy table located after the Schedule of Investments.
- (13) Represents all, or partial unfunded portion of security and commitment fee earned on this portion.
- (14) Shares of this fund are publicly offered, and its prospectus and annual report are publicly available.
- (15) Amount is less than \$500.
- (16) All or a portion of the Fund's assets have been segregated for delayed delivery security.

Foreign Currencies:

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

Country Weightings †

United States	81%
Argentina	2
Canada	1
Cayman Islands	1
Mexico	1
Netherlands	1
United Kingdom	1
Other	12
Total	100%
† % of total investments as of March 31, 2018	

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

The following table provides a summary of inputs used to value the Fund's investments as of March 31, 2018 (See Security Valuation Note 2A in the Notes to Financial Statements):

	Total Value at March 31, 2018	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Debt Securities:				
Asset-Backed Securities	\$1,685,225	\$ —	\$1,675,229	\$ 9,996
Corporate Bonds And Notes	2,455,859	—	2,455,853	6
Foreign Government Securities	479,665	—	479,665	—
Leveraged Loans	902,875	—	890,615	12,260
Mortgage-Backed Securities	1,544,318	—	1,528,293	16,025
Municipal Bonds	4,376	—	4,376	—
U.S. Government Securities	230,307	—	230,307	—
Equity Securities:				
Affiliated Mutual Fund	67,445	67,445	—	—
Common Stocks	2,115	2,115	—	—
Preferred Stocks	40,616	—	40,616	—
Rights	51	—	—	51
Short-Term Investment	98,612	98,612	—	—
Total Investments	<u>\$7,511,464</u>	<u>\$168,172</u>	<u>\$7,304,954</u>	<u>\$38,338</u>

There were no transfers between Level 1 and Level 2 related to securities held as of March 31, 2018.

Securities with an end of period value of \$2,288 were transferred from Level 2 to Level 3 due to a decrease in trading activities at period end.

Some of the Fund's investments that were 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.

Management has determined that the amount of Level 3 securities compared to total net assets is de minimis; therefore, the roll forward of Level 3 securities and assumptions are not shown for the period ended March 31, 2018.

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
STATEMENT OF ASSETS AND LIABILITIES (Unaudited)
MARCH 31, 2018

(Reported in thousands except shares and per share amounts)

Assets	
Investment in securities at value ⁽¹⁾	\$ 7,444,019
Investments in affiliated securities at value ⁽²⁾	67,445
Cash	32,897
Receivables	
Investment securities sold	18,313
Fund shares sold	12,577
Dividends and interest	41,258
Prepaid expenses	152
Prepaid trustee retainer	89
Other assets	369
Total assets	7,617,119
Liabilities	
Overdraft Foreign Currency ⁽³⁾	443
Payables	
Fund shares repurchased	15,963
Investment securities purchased	113,829
Dividend distributions	1,487
Investment advisory fees	2,960
Distribution and service fees	987
Administration fees	728
Transfer agent and sub-transfer agent fees and expenses	1,112
Trustees' fees and expenses	3
Professional fees	22
Trustee deferred compensation plan	369
Other accrued expenses	446
Total liabilities	138,348
Net Assets	\$ 7,478,771
Net Assets Consist of:	
Capital paid in on shares of beneficial interest	\$ 7,644,725
Accumulated undistributed net investment income (loss)	(3,969)
Accumulated undistributed net realized gain (loss) from investments	(110,094)
Net unrealized appreciation (depreciation) on investments	(51,891)
Net Assets	\$ 7,478,771
Net Assets:	
Class A	\$ 852,353
Class C	1,198,778
Class C1	340,410
Class I	5,084,015
Class R6	3,215
Shares Outstanding (unlimited number of shares authorized, no par value):	
Class A	181,095,416
Class C	251,261,946
Class C1	71,570,720
Class I	1,078,538,192
Class R6	683,020
Net Asset Value and Redemption Price Per Share:	
Class A	\$ 4.71
Class C	4.77
Class C1	4.76
Class I	4.71
Class R6	4.71
Offering Price Per Share NAV/(1-2.25%):	
Class A	\$ 4.82
⁽¹⁾ Investment in securities at cost	\$ 7,493,538
⁽²⁾ Investments in affiliated securities at cost	\$ 69,865
⁽³⁾ Foreign currency at cost	\$ (443)

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
STATEMENT OF OPERATIONS (Unaudited)
SIX MONTHS ENDED MARCH 31, 2018

(\$ reported in thousands)

Investment Income

Dividends	\$ 7
Dividend income from affiliated funds	2,015
Interest	138,772
Foreign taxes withheld	(910)
Total investment income	139,884

Expenses

Investment advisory fees	17,436
Distribution and service fees, Class A	1,129
Distribution and service fees, Class C	3,093
Distribution and service fees, Class C1	1,795
Administration fees	3,542
Transfer agent fees and expenses	1,643
Sub-transfer agent fees and expenses, Class A	368
Sub-transfer agent fees and expenses, Class C	358
Sub-transfer agent fees and expenses, Class C1	116
Sub-transfer agent fees and expenses, Class I	1,597
Sub-administration fees	482
Registration fees	167
Printing fees and expenses	206
Custodian fees	111
Professional fees	79
Trustees' fees and expenses	301
Miscellaneous expenses	334
Total expenses	32,757
Less expenses reimbursed and/or waived by investment adviser	(153)
Low balance account fees	(1)
Net expenses	32,603

Net investment income (loss) **107,281**

Net Realized and Unrealized Gain (Loss) on Investments:

Net Realized Gain (Loss) from:	
Unaffiliated investments	5,963
Foreign currency transactions	60
Net Change in Unrealized Appreciation (Depreciation) from:	
Affiliated investments	(979)
Unaffiliated investments	(117,702)
Foreign currency transactions	50

Net Realized and Unrealized Gain (Loss) on Investments **(112,608)**

Net increase (decrease) in net assets resulting from operations **\$ (5,327)**

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Reported in thousands)

	Six Months Ended March 31, 2018 (Unaudited)	Year Ended September 30, 2017
INCREASE/(DECREASE) IN NET ASSETS		
From Operations		
Net investment income (loss)	\$ 107,281	\$ 223,499
Net realized gain (loss)	6,023	(32,143)
Net change in unrealized appreciation (depreciation)	(118,631)	34,057
Increase (decrease) in net assets resulting from operations	(5,327)	225,413
Dividends and Distributions to Shareholders		
Net investment income, Class A	(12,700)	(32,514)
Net investment income, Class B	—	(1)
Net investment income, Class C	(15,748)	(34,979)
Net investment income, Class C1	(3,681)	(9,748)
Net investment income, Class I	(75,649)	(144,718)
Net investment income, Class R6	(42)	(28)
Dividends and distributions to shareholders	(107,820)	(221,988)
Change in Net Assets from Capital Transactions		
Sale of shares		
Class A (22,449 and 63,152 shares, respectively)	106,587	300,534
Class C (28,194 and 61,033 shares, respectively)	135,724	294,339
Class C1 (1,872 and 4,748 shares, respectively)	8,986	22,813
Class I (203,306 and 419,667 shares, respectively)	965,954	1,997,963
Class R6 (212 and 545 shares, respectively)	1,003	2,604
Reinvestment of distributions		
Class A (2,333 and 6,104 shares, respectively)	11,062	29,029
Class B (0 and — ⁽²⁾ shares, respectively)	—	1
Class C (3,255 and 7,133 shares, respectively)	15,644	34,399
Class C1 (548 and 1,352 shares, respectively)	2,626	6,495
Class I (13,979 and 26,523 shares, respectively)	66,343	126,422
Class R6 (9 and 6 shares, respectively)	41	28
Conversion of shares⁽¹⁾		
To Class A (0 and 4 shares, respectively)	—	18
From Class B (0 and 4 shares, respectively)	—	(18)
Shares repurchased		
Class A (37,394 and 149,168 shares, respectively)	(177,243)	(708,133)
Class B (0 and 19 shares, respectively)	—	(90)
Class C (41,663 and 79,694 shares, respectively)	(200,369)	(384,088)
Class C1 (9,101 and 29,376 shares, respectively)	(43,637)	(141,194)
Class I (144,121 and 283,905 shares, respectively)	(684,587)	(1,352,667)
Class R6 (68 and 21 shares, respectively)	(323)	(101)
Increase (decrease) in net assets from share transactions	207,811	228,354
Net increase (decrease) in net assets	94,664	231,779
Net Assets		
Beginning of period	7,384,107	7,152,328
End of period	\$7,478,771	\$7,384,107
Accumulated undistributed net investment income (loss) at end of period	\$ (3,969)	\$ (3,430)

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

⁽²⁾ Amount is less than 500 shares.

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

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	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							
10/1/17 to 3/31/18 ⁽¹²⁾	\$4.78	0.07	(0.07)	—	(0.07)	—	—
10/1/16 to 9/30/17	4.78	0.14	—	0.14	(0.14)	—	—
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⁾
Class C							
10/1/17 to 3/31/18 ⁽¹²⁾	\$4.84	0.06	(0.07)	(0.01)	(0.06)	—	—
10/1/16 to 9/30/17	4.84	0.13	—	0.13	(0.13)	—	—
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⁾
Class C1							
10/1/17 to 3/31/18 ⁽¹²⁾	\$4.83	0.05	(0.07)	(0.02)	(0.05)	—	—
10/1/16 to 9/30/17	4.83	0.11	—	0.11	(0.11)	—	—
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⁾

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 ⁽²⁾⁽⁶⁾	Net Assets, End of Period (000's)	Ratio of Net Expenses to Average Net Assets ⁽⁵⁾⁽⁷⁾	Ratio of Gross Expenses to Average Net Assets ⁽⁵⁾⁽⁷⁾	Ratio of Net Investment Income to Average Net Assets ⁽⁷⁾	Portfolio Turnover Rate ⁽⁸⁾
(0.07)	(0.07)	\$4.71	(0.07)%	\$ 852,353	0.98%	0.99%	2.78%	27%
(0.14)	—	4.78	3.07 ⁽⁹⁾	925,677	1.00 ⁽⁹⁾	1.01	3.04 ⁽⁹⁾	69
(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
(0.06)	(0.07)	\$4.77	(0.19)%	\$1,198,778	1.21%	1.21%	2.56%	27%
(0.13)	—	4.84	2.78 ⁽⁹⁾	1,266,378	1.25 ⁽⁹⁾	1.25	2.80 ⁽⁹⁾	69
(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
(0.05)	(0.07)	\$4.76	(0.44)%	\$ 340,410	1.72%	1.72%	2.05%	27%
(0.11)	—	4.83	2.28 ⁽⁹⁾	377,835	1.75 ⁽⁹⁾	1.75	2.30 ⁽⁹⁾	69
(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

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

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Return of Capital
Class I							
10/1/17 to 3/31/18 ⁽¹²⁾	\$4.79	0.07	(0.08)	(0.01)	(0.07)	—	—
10/1/16 to 9/30/17	4.78	0.16	0.01	0.17	(0.16)	—	—
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⁾
Class R6							
10/1/17 to 3/31/18 ⁽¹²⁾	\$4.78	0.07	(0.07)	—	(0.07)	—	—
11/3/16 ⁽¹⁰⁾ to 9/30/17	4.76	0.15	0.02	0.17	(0.15)	—	—

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 ⁽²⁾⁽⁶⁾	Net Assets, End of Period (000's)	Ratio of Net Expenses to Average Net Assets ⁽⁹⁾⁽⁷⁾	Ratio of Gross Expenses to Average Net Assets ⁽⁹⁾⁽⁷⁾	Ratio of Net Investment Income to Average Net Assets ⁽⁷⁾	Portfolio Turnover Rate ⁽⁸⁾
(0.07)	(0.08)	\$4.71	(0.15)%	\$5,084,015	0.72%	0.72%	3.06%	27%
(0.16)	0.01	4.79	3.54 ⁽⁹⁾	4,811,684	0.75 ⁽⁹⁾	0.76	3.30 ⁽⁹⁾	69
(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
(0.07)	(0.07)	\$4.71	0.09%	\$ 3,215	0.65% ⁽¹³⁾	0.65%	3.13% ⁽¹¹⁾	27%
(0.15)	0.02	4.78	3.54 ⁽⁹⁾	2,533	0.70 ⁽⁹⁾	0.71	3.05 ⁽⁹⁾	69 ⁽⁵⁾

Footnote Legend

- ⁽¹⁾ Calculated using average shares outstanding.
⁽²⁾ Sales charges, where applicable, are not reflected in the total return calculation.
⁽³⁾ The Fund will also indirectly bear its prorated share of expenses of any 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.
⁽⁶⁾ Net expense ratio includes extraordinary proxy expenses.
⁽⁷⁾ Annualized for periods less than one year.
⁽⁸⁾ Not annualized for periods less than one year.
⁽⁹⁾ 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. Custody fees reimbursed were excluded from the Ratio of Net Expenses to Average Net Assets and the Ratio of Net Investment Income (Loss) to Average Net Assets. If it was included the impact would have been to lower the Ratio of Net Expenses and increase the Ratio of Net Investment Income (Loss) as follows:

Class A	Class C	Class C1	Class I	Class R6
0.01	0.01	0.01	0.01	0.01

Custody fees reimbursed were included in Total Return. If excluded the impact would have been to lower the Total Return as follows:

Class A	Class C	Class C1	Class I	Class R6
0.01	0.01	0.01	0.01	0.01

- ⁽¹⁰⁾ Inception date.
⁽¹¹⁾ Due to a change in expense cap, the ratio shown is a blended expense ratio.
⁽¹²⁾ Unaudited.
⁽¹³⁾ Represents a blended ratio.

See Notes to Financial Statements

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited)
MARCH 31, 2018

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, 28 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 C1 shares and Class I shares. Effective March 6, 2017, Class B shares were converted to Class A shares. Prior to conversion, Class B shares were only available to existing shareholders through qualifying transactions. Effective April 10, 2017, Class T shares of the Fund were renamed Class C1 shares.

Class A shares are sold with a front-end sales charge of up to 2.25% with some exceptions. 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 12 months. The CDSC period begins on the last day of the month preceding the month in which the purchase was made.

Class C shares are sold without a sales charge. Class C1 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 available only to the following investors without a minimum initial investment or minimum additional purchases: certain employer-sponsored retirement plans, including Section 401(k), 403(b) and 457, profit-sharing, money purchase pension and defined benefit plans and nonqualified deferred compensation plans, in each case provided that plan level or omnibus accounts are held on the books of the fund. Other institutional investors may be permitted to purchase Class R6 shares subject to the Fund's determination of eligibility and may be subject to a minimum initial investment requirement. 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.

The Fund 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 any expenses attributable specifically to that class ("class-specific expenses") and has exclusive voting rights with respect to any Rule 12b-1 and/or shareholder service plan ("12b-1 Plan") approved by the Board. Class I shares and Class R6 shares are not subject to a 12b-1 Plan. Class-specific

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

expenses may include shareholder servicing fees, sub-transfer agency fees, and fees under a 12b-1 Plan, as well as certain other expenses as designated by the Funds' Treasurer and approved by the Board. Investment income, common operating expenses and realized and unrealized gains and losses of each Fund are borne pro-rata by the holders of each class of shares.

Note 2. Significant Accounting Policies

The Trust is an investment company that follows the accounting and reporting guidance of Accounting Standards Topic 946 applicable to Investment Companies. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The preparation of financial statements in 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 by the Board at least quarterly.

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 illiquid, or are internally fair valued by the Valuation Committee, are generally categorized as Level 3 in the hierarchy.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

Certain non-U.S. securities may be fair valued in cases where closing prices are not readily available or are deemed not reflective of readily available market prices. For example, significant events (such as movement in the U.S. securities market, or other regional and local developments) may occur between the time that non-U.S. markets close (where the security is principally traded) and the time that the Fund calculates its net asset value ("NAV") (at the close of regular trading on the New York Stock Exchange ("NYSE"), generally 4 p.m. Eastern time) that may impact the value of securities traded in these non-U.S. markets. In such cases, the Fund fair values non-U.S. securities using an independent pricing service which considers the correlation of the trading patterns of the non-U.S. security to the intraday trading in the U.S. markets for investments such as 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 internally fair valued by the Valuation Committee are generally categorized as Level 3 in the hierarchy.

Claims are valued by brokers based on pricing models that take into account, among other factors, both cash and non-cash assets. The valuation is derived from expected cash flow of the claims and the non-cash assets, which include all real estate, private equity or other securities within the estate. To the extent that these inputs are observable, the values of the claims are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

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.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

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 funds.

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.

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, 2018, 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 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 Transactions

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

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

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 delayed delivery securities on the trade date. The Fund maintains collateral for the securities purchased. Securities purchased on a when-issued or forward commitments basis begin earning interest on the settlement date.

H. Leveraged loans

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.

Leveraged loans 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. Leveraged loans 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 leveraged loans 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 the LIBOR, the prime rate offered by one or more U.S. banks or the certificate of deposit rate. When a leveraged loan 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 leveraged loan. Prepayment penalty fees are received upon the

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

prepayment of a loan agreement by a borrower. Prepayment penalty, facility, commitment, consent and amendment fees are recorded to income as earned or paid.

As of March 31, 2018, the Newfleet Multi-Sector Short Term Bond Fund had unfunded loan commitments as follows:

<u>Borrower</u>	<u>Unfunded Loan Commitment</u>
Spectrum Holdings III Corp.	\$267

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 Virtus Newfleet Credit Opportunities Fund. For the period covered by these financial statements, the waiver amounted to \$153. 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 it 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:

<u>Class A</u>	<u>Class C</u>	<u>Class C1</u>	<u>Class I</u>	<u>Class R6</u>	<u>Through Date</u>
1.10% **	1.35% **	1.85% **	0.85% **	0.55% ⁽¹⁾⁽²⁾	01/31/19

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

** Share class is currently below its expense cap.

- (1) Effective March 29, 2018 For Class R6. For the period of October 1, 2017 through March 28, 2018 Class R6 expense cap was 0.78%
- (2) Class R6 has recapture balance less than \$500, expiring in 2021.

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, 2018, it retained net commissions of \$3 for Class A shares and CDSC of \$—⁽¹⁾, \$1 and \$0 for Class A shares, Class C shares and Class C1 shares, respectively.

⁽¹⁾ Amount is less than \$500.

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 rates as follows: 0.25% for Class A shares, 0.50% for Class C shares, and 1.00% for Class C1 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, 2018, the Fund incurred administration fees totaling \$3,542 which are included in the Statement of Operations within the line item “Administration fees.”

For the period ended March 31, 2018, the Fund incurred transfer agent fees totaling \$4,024 which are included in the Statement of Operations within the line items “Transfer agent fees and expenses” and “Sub-transfer agent fees and expenses”. A portion of these fees is paid to outside entities that also provide services to the Trust.

F. Affiliated Shareholders

At March 31, 2018, 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	21,833	\$103

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

G. Investments in Affiliates

A summary of the total long-term and short-term purchases and sales of the affiliated underlying fund, during the period ended March 31, 2018, is as follows:

	Value, beginning of period	Purchases	Sales Proceeds	Net realized gain (loss) on affiliated fund	Net change in unrealized appreciation (depreciation) on affiliated fund	Shares	Value, end of period	Dividend Income	Distributions of Realized Gains
Affiliated Mutual Fund 0.9%									
Virtus Newfleet Credit Opportunities Fund Class R6 ⁽¹⁾ . . .	\$68,424	\$—	\$—	\$—	\$(979)	6,989,143	\$67,445	\$2,015	\$—

⁽¹⁾ *Shares of this fund are publicly offered, and its prospectus and annual report are publicly available.*

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, 2018, the Fund was the owner of record of approximately 78% 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 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, 2018.

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, 2018, were as follows:

<u>Purchases</u>	<u>Sales</u>
\$2,004,587	\$1,761,286

Purchases and sales of long-term U.S. Government and agency securities during the period ended March 31, 2018, were as follows:

<u>Purchases</u>	<u>Sales</u>
\$264,951	\$263,865

Note 5. Borrowings

(\$ reported in thousands)

On September 18, 2017, the Fund and certain other affiliated funds entered into a \$150,000 unsecured line of credit. This Credit Agreement, as amended, is with a commercial bank

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

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 terms of the agreement. This Credit Agreement has a term of 364 days. Interest is charged at the higher of the LIBOR 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 lending bank has the ability to require repayment of outstanding borrowings under this Credit Agreement upon certain circumstances such as an event of default.

The Fund had no borrowings at any time during the period ended March 31, 2018.

Note 6. 10% Shareholders

As of March 31, 2018, 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>
33%	2

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.

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.

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

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

At March 31, 2018, the Fund's aggregate value of illiquid securities was \$56 or 0.00% of the Fund's net assets.

At March 31, 2018, the Fund did not hold any securities that are 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 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, 2018, 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>
\$7,566,764	\$49,646	\$(109,946)	\$(55,300)

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>
\$37,683	\$66,146	\$103,829

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. Regulatory Matters and Litigation

From time to time, the Trust, the Adviser and/or the 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 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

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

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 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. Discovery has since been completed. On October 6, 2017, the defendants moved for summary judgment. Briefing on the motion for summary judgment was completed on December 22, 2017, and oral argument was held on January 18, 2018, where the Court reserved decision. Virtus and its affiliates, including the Adviser, believe that the suit is without merit. Nevertheless, on February 6, 2018, Virtus reached an agreement in principle with the plaintiffs, subject to Court approval settling all claims in the litigation, in order to avoid the cost, distraction, disruption and inherent litigation uncertainty. Upon approval by the Court, which Virtus believes is likely, the resolution of this matter will not have a material impact on the results of operations, cash flows or its consolidated financial condition for Virtus. Whether or not the settlement is approved by the Court the Trust believes the risk of loss to the Fund as a result of the suit is remote. Whether or not the settlement is approved by the Court 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

VIRTUS NEWFLEET MULTI-SECTOR SHORT TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

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. On December 4, 2017, the Court denied the plaintiffs' motion seeking leave to amend their complaint, to address deficiencies identified by the Court in its orders dismissing, in part, plaintiffs' Second Amended Complaint and denying class certification. On December 22, 2017, the plaintiffs voluntarily dismissed all remaining claims against the remaining defendants with prejudice and waived all rights to appeal.

Note 12. Recent Accounting Pronouncement

In March 2017, the Financial Accounting Standards Board issued an Accounting Standards Update, ASU 2017-08, Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20), Premium Amortization on Purchased Callable Debt Securities (the "ASU") which amends the amortization period for certain purchased callable debt securities held at a premium, shortening such period to the earliest call date. The ASU does not require any accounting change for debt securities held at a discount; the discount continues to be amortized to maturity. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. At this time, management is evaluating the implications of these changes on the financial statements

Note 13. 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 there are no subsequent events requiring recognition or disclosure in these financial statements.

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 Newfleet Multi-Sector Short Term Bond Fund (the "Fund"). At in-person meetings held on November 3, 2017 and November 15-16, 2017 (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 completed questionnaires, each 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

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

among other items, VIA's history, investment process, investment strategies, personnel, 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 subadvisers; (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, 2017.

The Board noted that the Fund outperformed the median of its Performance Universe and its benchmark for the 1-, 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.

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.

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

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 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

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

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.

Conclusion

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 Newfleet Multi-Sector Short Term Bond Fund, a series of Virtus Opportunities Trust

Supplement dated March 19, 2018 to the Summary Prospectus
and the Virtus Opportunities Trust Statutory Prospectus,
dated January 29, 2018, each as supplemented

IMPORTANT NOTICE TO INVESTORS

Effective March 29, 2018, the changes described below will be made to the fund's prospectuses.

Under "Fees and Expenses" in the fund's summary prospectus and the summary section of the statutory prospectus, the information for Class R6 Shares in the "Annual Fund Operating Expenses" table and associated footnotes will be replaced with the following:

Annual Fund Operating Expenses (<i>expenses that you pay each year as a percentage of the value of your investment</i>)	Class R6
Management Fees	0.47%
Distribution and Shareholder Servicing (12b-1) Fees	None
Other Expenses	0.23% ^(b)
Acquired Fund Fees and Expenses	0.01%
Total Annual Fund Operating Expenses ^(d)	0.71%
Less: Fee Waiver and/or Expense Reimbursement ^(e)	(0.15%)
Total Annual Fund Operating Expenses After Expense Reimbursement ^{(d)(e)}	0.56%

^(b) Restated to reflect certain contract and expense allocation changes.

^(d) The Total Annual Fund Operating Expenses do not correlate to the ratio of expenses to average net assets appearing in the Financial Highlights tables, which tables reflect only the operating expenses of the fund and do not include acquired fund fees and expenses.

^(e) The fund's investment adviser has contractually agreed to limit the fund's total operating expenses (excluding certain expenses, such as front-end or contingent deferred sales charges, 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 1.10% for Class A Shares, 1.35% for Class C Shares, 1.85% for Class C1 Shares, 0.85% for Class I Shares, 0.55% for Class R6 Shares and 1.10% for Class T Shares through January 31, 2019. Following the contractual period, the adviser may discontinue these expense reimbursement arrangements at any time. Under certain conditions, the adviser may recapture operating expenses reimbursed under these arrangements for a period of three years after the date on which it was incurred or waived by Virtus.

Under "Fees and Expense" in the fund's summary prospectus and the summary section of the statutory prospectus, the row showing Class R6 Shares in the "Example" table will be replaced with the following:

	Share Status	1 Year	3 Years	5 Years	10 Years
Class R6	Sold or Held	\$57	\$212	\$380	\$868

In the first table in the section “More Information About Fund Expenses” on page 133 of the statutory prospectus, the row corresponding to the fund will be replaced with the following.

	Class A Shares	Class C Shares	Class C1 Shares	Class I Shares	Class R6 Shares	Class T Shares
Virtus Newfleet Multi-Sector Short Term Bond Fund	1.10%	1.35%	1.85%	0.85%	0.55%	1.10%

Investors should retain this supplement with the Prospectuses for future reference.

VOT 8020/NMSSTBF NewR6ExpCap (3/2018)

VIRTUS OPPORTUNITIES TRUST

101 Munson Street
Greenfield, MA 01301-9668

Trustees

George R. Aylward
Thomas J. Brown
Donald C. Burke
Roger A. Gelfenbien
Sidney E. Harris
John R. Mallin
Hassell H. McClellan
Connie D. McDaniel
Philip R. McLoughlin, Chairman
Geraldine M. McNamara
James M. Oates
Richard E. Segerson

Officers

George R. Aylward, President
Peter Batchelar, Senior Vice President
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How to Contact Us

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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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