



## ANNUAL REPORT

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### Virtus Real Estate Securities Fund

September 30, 2016

TRUST NAME: VIRTUS OPPORTUNITIES TRUST

**Not FDIC Insured**  
**No Bank Guarantee**  
**May Lose Value**



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## Virtus Real Estate Securities Fund

(“Real Estate Securities Fund”)

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

The subadviser votes proxies relating to portfolio securities in accordance with procedures that have been approved by the Board of Trustees of the Trust (“Trustees,” or the “Board”). You may obtain a description of these procedures, along with information regarding how the Fund voted proxies during the most recent 12-month period ended June 30, free of charge, by calling toll-free 1-800-243-1574. This information is also available through the Securities and Exchange Commission’s (“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 Virtus Real Estate Securities 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 annual report that reviews the performance of your fund for the 12 months ended September 30, 2016.

During the first half of the fiscal year, global equity markets were challenged by falling oil prices, China's slowdown, and concerns over the Federal Reserve's ("the Fed") first rate hike in nine years, which occurred in December 2015. Equities plummeted in early 2016, but stabilizing oil prices and the Fed's softened stance on further rate hikes for 2016 sparked a rally in mid-February that lasted until June. The U.K.'s June 23 "Brexit" decision to leave the European Union triggered a selloff that was largely short-lived. Calm was restored by better-than-expected corporate earnings, an improving global economic picture, and reassurance that the world's central banks would continue to provide monetary stimulus. By

the end of September, U.S. equity markets had recovered much of their losses, and the 12-month period was positive for many asset classes.

For the 12 months ended September 30, 2016, U.S. small-cap stocks kept pace with U.S. large-cap stocks, as measured by the 15.47% and 15.43% returns of the Russell 2000® Index and S&P 500® Index, respectively. Within international equities, emerging markets significantly outperformed their developed peers, with the MSCI Emerging Markets Index (net) up 16.78%, while the MSCI EAFE® Index (net) returned 6.52%.

Demand for U.S. Treasuries remained strong, driven by foreign investors seeking safe havens and yield in light of the negative interest rate environment in many international economies. On September 30, 2016, the benchmark 10-year U.S. Treasury yielded 1.60% compared with 2.06% one year earlier. For the 12 months ended September 30, 2016, 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, gained 5.19%, while non-investment grade bonds rose 12.73%, as measured by the Bloomberg Barclays U.S. Corporate High Yield Bond Index.

The strength of the global economy will likely remain a leading concern for markets in the months ahead, and investors will watch with great interest the actions of the Fed and other major central banks. The U.S. economy's continued growth, as evidenced by recent strong jobs, housing, and consumer spending data, should give investors reason for optimism, but future market direction will be determined largely by the ability of corporations to continue to produce robust earnings.

Market uncertainty is an ever-present reminder of the importance of portfolio diversification, including exposure to both 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.

As always, thank you for entrusting Virtus with your assets. Should you have questions about your account or require assistance, please visit our website at [Virtus.com](http://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

October 2016

*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 REAL ESTATE SECURITIES FUND**  
**DISCLOSURE OF FUND EXPENSES (Unaudited)**  
**FOR THE SIX-MONTH PERIOD OF APRIL 1, 2016 TO SEPTEMBER 30, 2016**

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 Virtus Real Estate Securities 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 B and Class C shares; and (2) ongoing costs, including investment advisory fees, distribution and service fees, and other expenses. Class I shares and Class R6 shares are sold without a sales charge and do not incur distribution and service fees. For further information regarding applicable sales charges, see Note 1 in the Notes to Financial Statements. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. These examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire six-month period. The following Expense Table illustrates your Fund's costs in two ways.

**Actual Expenses**

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

**Hypothetical Example for Comparison Purposes**

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

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

**VIRTUS REAL ESTATE SECURITIES FUND**  
**DISCLOSURE OF FUND EXPENSES (Unaudited) (Continued)**  
**FOR THE SIX-MONTH PERIOD OF APRIL 1, 2016 TO SEPTEMBER 30, 2016**

**Expense Table**

	Beginning Account Value April 1, 2016	Ending Account Value September 30, 2016	Annualized Expense Ratio	Expenses Paid During Period*
<b>Actual</b>				
Class A	\$1,000.00	\$1,039.70	1.41%	\$7.19
Class B	1,000.00	1,035.70	2.16	10.99
Class C	1,000.00	1,035.40	2.16	10.99
Class I	1,000.00	1,041.10	1.16	5.92
Class R6	1,000.00	1,041.70	0.99	5.05
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,017.95	1.41	7.11
Class B	1,000.00	1,014.20	2.16	10.88
Class C	1,000.00	1,014.20	2.16	10.88
Class I	1,000.00	1,019.20	1.16	5.86
Class R6	1,000.00	1,020.05	0.99	5.00

\* 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 (183) expenses were accrued in the most recent fiscal half-year, then divided by 366 to reflect the one-half year period.

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

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

**VIRTUS REAL ESTATE SECURITIES FUND**  
**KEY INVESTMENT TERMS**  
**SEPTEMBER 30, 2016 (Unaudited)**

***Bank of England***

The Bank of England is the United Kingdom's Central Bank.

***Bank of Japan***

The Bank of Japan is the Japanese Central Bank.

***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.

***European Central Bank ("ECB")***

The European Central Bank (ECB) is responsible for conducting monetary policy for the euro area. The ECB was established as the core of the Eurosystem and the European System of Central Banks (ESCB). The ESCB comprises the ECB and the National Central Banks (NCBs) of all 17 EU Member States whether they have adopted the Euro or not.

***Federal Reserve (the "Fed")***

The Central Bank of the United States, responsible for controlling the money supply, interest rates and credit with the goal of keeping the U.S. economy and currency stable.

Governed by a seven-member board, the system includes 12 regional Federal Reserve Banks, 25 branches and all national and state banks that are part of the system.

***FTSE NAREIT Equity REITs Index***

The FTSE NAREIT Equity REITs Index is a free-float market capitalization index measuring equity tax-qualified real estate investment trusts, which meet minimum size and liquidity criteria, that are listed on the New York Stock Exchange, the American Stock Exchange and the NASDAQ National Market System. 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.

***Global Industry Classification Standard (GICS)***

The Global Industry Classification Standard (GICS) is a standardized classification system for equities that was developed by, and is the exclusive property and a service mark of, MSCI Inc. (MSCI) and Standard & Poor's, a division of the McGraw-Hill Companies, Inc. (S&P). As of September 1, 2016, the GICS structure comprises 11 sectors, 24 industry groups, 68 industries, and 157 subindustries.

***MSCI EAFE® Index (net)***

The MSCI EAFE® Index (net) is a free float-adjusted market capitalization-weighted index that measures developed foreign market equity performance, excluding the U.S. and Canada. The

**VIRTUS REAL ESTATE SECURITIES FUND**  
**KEY INVESTMENT TERMS (Continued)**  
**SEPTEMBER 30, 2016 (Unaudited)**

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 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 is not available for direct investment.

***REIT (Real Estate Investment Trust)***

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

***Russell 2000® Index***

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

# REAL ESTATE SECURITIES FUND

## Fund Summary

### Portfolio Manager Commentary by Duff & Phelps Investment Management Co.

**Ticker Symbols:**  
Class A: PHRAX  
Class B: PHRBX  
Class C: PHRCX  
Class I: PHRIX  
Class R6: VRREX

- The Fund is diversified and has investment objectives of capital appreciation and income with approximately equal emphasis.
- For the fiscal year ended September 30, 2016, the Fund's Class A shares at NAV returned 15.58%, Class B shares returned 14.70%, Class C shares returned 14.70%, Class I shares returned 15.85% and Class R6 shares returned 16.06%. For the fiscal year, the S&P 500® Index, a broad-based equity index, returned 15.43%, and the FTSE NAREIT Equity REITs Index, the Fund's style-specific index appropriate for comparison, returned 19.86%.

***All performance figures assume reinvestment of distributions and exclude the effect of sales charges. Past performance is no guarantee of future results, and current performance may be higher or lower than the performance shown above.***

#### How did the markets perform during the Fund's fiscal year?

U.S. real estate equities outperformed U.S. equities during the 12 months ended September 30, 2016, as measured by the 19.86% increase in the FTSE NAREIT Equity REITs Index versus the 15.43% increase in the S&P 500® Index.

In many ways the macro environment during the Fund's fiscal year came full circle. While global central banks remained rather dovish over the course of the fiscal year, at the outset in December 2015, the U.S. Federal Reserve ("the Fed") announced an increase in the target range for the federal funds rate to 0.25% to 0.50% after seven years in the 0% to 0.25% range. While admittedly this was a small move, it was the first time the Fed increased rates in over nine years. At that time the Fed also appeared to be signaling that several more rate increases would be coming in the next year.

The likelihood of further rate increases quickly faded as policy uncertainty out of China and concerns regarding global economic growth sent

global equity markets into a tailspin in early 2016. Also of note during the first quarter of 2016 were further monetary policy actions by the Bank of Japan ("BOJ") and European Central Bank ("ECB") seeking to stimulate economic growth and inflation. The BOJ embraced for the first time a negative interest rate policy and the ECB extended its negative interest rate policy.

During the second quarter of 2016, voters in the U.K. delivered a shocking result on June 23 to leave the European Union ("EU"). Despite polls indicating that the result would be close, very few observers actually believed that the "Brexit" camp would carry the day. Volatility in the global equity and currency markets spiked dramatically following the vote, with the British pound falling 11.1% in the first two days. The U.K. political situation also became more uncertain as Prime Minister Cameron announced his resignation, and Theresa May was appointed as his successor on July 11. It became apparent that Article 50, a two-year negotiating process for the U.K. to leave the EU, would not be engaged anytime soon. As of the end of the Fund's fiscal year, the ultimate implications of Brexit on the U.K. and the broader European Union remained very uncertain and would likely take months, if not years, to gain greater clarity. In the meantime, U.K. risk premiums increased and the British pound experienced increased pressure.

As the Fund's fiscal year came to a close, the Fed appeared once again to be contemplating an increase in the federal funds rate after not raising it since December 2015. Based on the rhetoric leading up to their respective September policy meetings and the meetings themselves, major global central banks seemed to be questioning to varying degrees the efficacy of current monetary policy to achieve their medium term inflation goals. More than ever, central bankers appeared to be indicating that it would be difficult to achieve their inflation goals without an assist from fiscal policy and structural economic reforms.

For information regarding the indexes and certain investment terms, see the Key Investment Terms on page 4.



## REAL ESTATE SECURITIES FUND (Continued)

To provide further support of these events on the bond market, the 10-Year U.S. Treasury started the Fund's fiscal year with a yield of 2.04%, sold off to a peak yield in November 2015 of 2.34%, then rallied on and off again to a low yield of 1.36% post the Brexit vote in the U.K., to finally finish the fiscal year at 1.59%.

Thematically, real estate companies remained active on the capital raising front, particularly in the U.S., Europe excluding the U.K., and Japan as they looked to fund redevelopment, development, and acquisitions of companies or portfolios of assets. In addition, it was a common occurrence for companies to lock in long-term, inexpensive fixed-rate debt. Portfolio pruning and asset recycling were additional sources of capital and were more evident in the U.S. than in other markets, as is often the case. We also witnessed ongoing mergers and acquisition activity. Our global travels during the period brought us to numerous countries and cities in the U.S., Europe, and Asia Pacific regions and were helpful in providing timely updates on the space and asset markets in each locale. Additionally, quality time was spent visiting existing REIT holdings in the Fund and conducting due diligence on potential new investment opportunities. At a high level, the strong appetite for high-quality commercial real estate from a wide and deep pool of institutional capital sources was evident across most locations as reflected in recent asset market pricing trends.

From our time spent in London, it was difficult to detect negative ramifications from the fallout of the Brexit vote. On the contrary, the anecdotal observations were positive as it related to tourist activity and retail spending, both of which have benefited from the dramatic fall in the British pound since the June vote. However, based on the limited amount of commercial real estate transaction activity since the vote, we know there has been a small negative impact to real estate values, particularly city-oriented offices, and that rental levels have softened a bit. While we have yet to witness a Brexit-related benefit to other

cities, it could be an incremental future demand driver for the likes of Paris, Frankfurt, Dublin, and New York, should possible relocations from London occur. For the time being, decision making, as it relates to London office space, has slowed. As a whole, new office development would be needed in any of the European cities mentioned to accommodate a significant move, were it to occur, from London. New York would also be in a position to absorb demand from London.

After the market closed on August 31, real estate became the eleventh sector of the Global Industry Classification Standard ("GICS") – the first sector added since the classification system was created in 1999. Importantly, we believe this decision reflects the views of industry participants that real estate is a separate asset class with distinct investment characteristics, particularly relative to other financial companies.

### **What factors affected the Fund's performance during its fiscal year?**

For the one-year period ended September 30, 2016, the Fund demonstrated solid performance, yet lagged its style-specific benchmark. The Fund's relative performance to the benchmark was driven by security selection and sector allocation, as both detracted from performance over the period.

On the whole, central banks remained dovish throughout the fiscal year, as witnessed by the Fed, ECB, BOJ, and Bank of England ("BOE"), and global bonds rallied. Although early in the Fund's fiscal year, the Fed was predicting three to four staggered increases in the federal funds rate for 2016, it did not raise rates further after December 2015. As a result, any portfolio management steps taken to position for such moves, while one could suggest were prudent, were, in fact, premature. In fact, in the U.S., the best performing property sector was freestanding retail, a property sector with the longest lease durations, and the most bond-like in the benchmark.

For information regarding the indexes and certain investment terms, see the Key Investment Terms on page 4.

## REAL ESTATE SECURITIES FUND (Continued)

Within U.S. property sectors, freestanding retail, data centers (which became a new property sector late in 2015), and industrial demonstrated the best total returns over the last 12 months. Lodging, self-storage, and apartments were the laggards, yet all property sectors delivered positive returns.

Based on both property sector allocation and security selection, the largest positive contributors to the Fund's relative performance during the fiscal year were the industrial sector, as a result of an overweight allocation and strong performance; health care, as a result of an underweight allocation; and diversified, due to an underweight allocation.

The most significant detractors from the Fund's relative performance during the fiscal year were lodging, due to an overweight allocation during its period of underperformance and security selection; freestanding retail, due to an underweight allocation and its top performance among property sectors in an environment that favored the bond-like qualities of the sector; and the office sector, resulting from an overweight allocation and security selection.

*The preceding information is the opinion of portfolio management only through the end of the period stated on the cover. Any such opinions are subject to change at any time based upon market or other conditions and should not be relied upon as investment advice. Past performance is no guarantee of future results, and there is no guarantee that market forecasts will be realized.*

*There is no guarantee that the Fund will meet its objectives.*

**Equity Securities:** *The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk.*

**Real Estate:** *The fund may be negatively affected by factors specific to the real estate market, including interest rates, leverage, property, and management.*

**Industry/Sector Concentration:** *A fund that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated fund.*

**Prospectus:** *For additional information on risks, please see the fund's prospectus.*

### Asset Allocations

The following table presents asset allocations within certain sectors as a percentage of total investments at September 30, 2016.

Office	14%
Apartments	12
Shopping Centers	11
Industrials	11
Data Centers	11
Regional Malls	11
Self Storage	8
Other	22
Total	<u>100%</u>

## REAL ESTATE SECURITIES FUND (Continued)

### Average Annual Total Returns<sup>1</sup> for periods ended 9/30/16

	1 Year	5 Years	10 Years	Since Inception	Inception Date
<b>Class A Shares at NAV<sup>2</sup></b>	<b>15.58%</b>	<b>14.79%</b>	<b>5.86%</b>	—	—
<b>Class A Shares at POP<sup>3,4</sup></b>	<b>8.93</b>	<b>13.44</b>	<b>5.24</b>	—	—
<b>Class B Shares at NAV<sup>2</sup></b>	<b>14.70</b>	<b>13.93</b>	<b>5.06</b>	—	—
<b>Class B Shares with CDSC<sup>4</sup></b>	<b>10.87</b>	<b>13.93</b>	<b>5.06</b>	—	—
<b>Class C Shares with NAV<sup>2</sup> and with CDSC<sup>4</sup></b>	<b>14.70</b>	<b>13.93</b>	<b>5.07</b>	—	—
<b>Class I Shares at NAV<sup>2</sup></b>	<b>15.85</b>	<b>15.08</b>	—	<b>5.28%</b>	<b>12/29/06</b>
<b>Class R6 Shares at NAV<sup>2</sup></b>	<b>16.06</b>	—	—	<b>9.10</b>	<b>11/12/14</b>
<b>S&amp;P 500<sup>®</sup> Index</b>	<b>15.43</b>	<b>16.37</b>	<b>7.24</b>	— <sup>5</sup>	—
<b>FTSE NAREIT Equity REITs Index</b>	<b>19.86</b>	<b>15.91</b>	<b>6.35</b>	— <sup>6</sup>	—

**Fund Expense Ratios<sup>7</sup>: A Shares: 1.36%, B Shares: 2.11%, C Shares: 2.11%, I Shares: 1.11%, R6 Shares 0.93%.**

*All returns represent past performance which is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The above table and graph below do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. Please visit [Virtus.com](http://Virtus.com) for performance data current to the most recent month-end.*

<sup>1</sup> Total returns are historical and include changes in share price and the reinvestment of both dividends and capital gains distributions.

<sup>2</sup> "NAV" (Net Asset Value) total returns do not include the effect of any sales charge.

<sup>3</sup> "POP" (Public Offering Price) total returns include the effect of the maximum front-end 5.75% sales charge.

<sup>4</sup> CDSC (contingent deferred sales charge) is applied to redemptions of certain classes of shares that do not have a sales charge applied at the time of purchase. CDSC charges for Class B shares decline from 5% to 0% over a five-year period. CDSC charges for certain redemptions of Class A shares made within 18 months of purchases on which a finder's fee was paid and all redemptions of Class C shares are 1% within the first year and 0% thereafter.

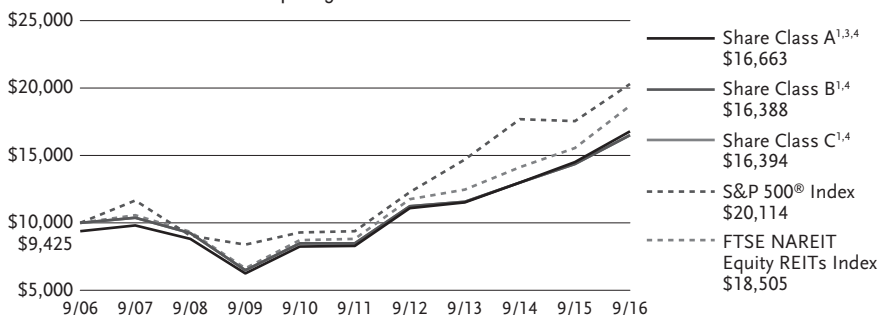
<sup>5</sup> The index returned 6.71% for Class I shares and 5.56% for Class R6 shares since the inception date of the respective class.

<sup>6</sup> The index returned 5.53% for Class I shares and 10.30% for Class R6 shares since the inception date of the respective class.

<sup>7</sup> The expense ratios of the Fund are set forth according to the prospectus for the Fund effective January 28, 2016, as supplemented and revised, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report. See the Financial Highlights for more current expense ratios.

### Growth of \$10,000 for periods ended 9/30

This chart assumes an initial investment of \$10,000 made on September 30, 2006, for Class A, Class B, and Class C shares including any applicable sales charges or fees. Performance assumes reinvestment of dividends and capital gain distributions.



*The indexes are unmanaged and not available for direct investment; therefore, their performance does not reflect the expenses associated with active management of an actual portfolio.*

**VIRTUS REAL ESTATE SECURITIES FUND**  
**SCHEDULE OF INVESTMENTS**  
**SEPTEMBER 30, 2016**

(\$ reported in thousands)

	<u>SHARES</u>	<u>VALUE</u>		<u>SHARES</u>	<u>VALUE</u>
<b>COMMON STOCKS—98.8%</b>			<b>RESIDENTIAL—15.5%</b>		
<b>REAL ESTATE INVESTMENT TRUSTS—98.8%</b>			<b>Apartments—11.7%</b>		
<b>DATA CENTERS—10.7%</b>			American Campus		
Coresite Realty Corp.	270,900	\$ 20,057	Communities, Inc.	349,117	\$ 17,760
CyrusOne, Inc.	196,000	9,324	Apartment Investment &		
Digital Realty Trust, Inc.	512,850	49,808	Management Co.		
Equinix, Inc.	148,500	53,497	Class A	243,800	11,193
		<u>132,686</u>	AvalonBay Communities,		
			Inc.	176,290	31,351
<b>DIVERSIFIED—4.1%</b>			Equity Residential	473,145	30,438
Vornado Realty Trust	506,700	51,283	Essex Property Trust,		
		<u>51,283</u>	Inc.	245,740	54,726
					<u>145,468</u>
<b>HEALTH CARE—7.7%</b>			<b>Manufactured Homes—2.6%</b>		
Healthcare Realty Trust,			Equity LifeStyle		
Inc.	627,775	21,382	Properties, Inc.	216,053	16,675
Healthcare Trust of			Sun Communities, Inc.	189,300	14,856
America, Inc. Class A	948,200	30,931			<u>31,531</u>
Ventas, Inc.	390,361	27,571	<b>Single Family Homes—1.2%</b>		
Welltower, Inc.	212,241	15,869	American Homes 4 Rent		
		<u>95,753</u>	Class A	682,300	14,765
<b>INDUSTRIAL/OFFICE—24.4%</b>					<u>14,765</u>
<b>Industrial—10.9%</b>			<b>Total Residential</b>		<b><u>191,764</u></b>
DCT Industrial Trust, Inc.	979,303	47,545	<b>RETAIL—24.5%</b>		
Duke Realty Corp.	1,613,952	44,109	<b>Free Standing—2.8%</b>		
Prologis, Inc.	802,752	42,980	STORE Capital Corp.	1,182,843	34,858
		<u>134,634</u>			<u>34,858</u>
<b>Office—13.5%</b>			<b>Regional Malls—10.6%</b>		
Boston Properties, Inc.	108,983	14,853	General Growth		
Cousins Properties, Inc.	1,219,170	12,728	Properties, Inc.	1,057,575	29,189
Douglas Emmett, Inc.	820,829	30,067	Simon Property Group,		
Highwoods Properties,			Inc.	493,541	102,168
Inc.	654,942	34,135			<u>131,357</u>
Kilroy Realty Corp.	667,942	46,322	<b>Shopping Centers—11.1%</b>		
Paramount Group, Inc.	1,808,236	29,637	Brixmor Property Group,		
		<u>167,742</u>	Inc.	1,153,696	32,061
<b>Total Industrial/Office</b>		<b><u>302,376</u></b>	Federal Realty		
<b>LODGING/RESORTS—3.6%</b>			Investment Trust	223,200	34,357
Host Hotels & Resorts,			Regency Centers Corp.	447,700	34,693
Inc.	808,986	12,596			
Pebblebrook Hotel Trust	573,363	15,251			
RLJ Lodging Trust	801,652	16,859			
		<u>44,706</u>			

See Notes to Financial Statements

**VIRTUS REAL ESTATE SECURITIES FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**SEPTEMBER 30, 2016**

(\$ reported in thousands)

	<u>SHARES</u>	<u>VALUE</u>
<b>Shopping Centers (continued)</b>		
Tanger Factory Outlet Centers, Inc.	923,432	\$ 35,977
		<u>137,088</u>
<b>Total Retail</b>		<b><u>303,303</u></b>
<b>SELF STORAGE—8.3%</b>		
CubeSmart	1,264,650	34,474
Extra Space Storage, Inc.	394,183	31,302
Public Storage	165,692	36,973
		<u>102,749</u>
<b>TOTAL COMMON STOCKS</b> <b>(Identified Cost \$795,302)</b>		<b><u>1,224,620</u></b>
<b>TOTAL LONG TERM INVESTMENTS—98.8%</b> <b>(Identified Cost \$795,302)</b>		<b><u>1,224,620</u></b>
<b>TOTAL INVESTMENTS—98.8%</b> <b>(Identified Cost \$795,302)</b>		<b><u>1,224,620</u></b> <sup>(1)</sup>
Other assets and liabilities, net—1.2%		<u>14,677</u>
<b>NET ASSETS—100.0%</b>		<b><u><u>\$1,239,297</u></u></b>

**FOOTNOTE LEGEND:**

<sup>(1)</sup> Federal Income Tax Information: For tax information at September 30, 2016, see Note 9 Federal Income Tax Information in the Notes to Financial Statements.

The following table provides a summary of inputs used to value the Fund's investments as of September 30, 2016 (See Security Valuation Note 2A in the Notes to Financial Statements):

	<u>Total Value at September 30, 2016</u>	<u>Level 1 Quoted Prices</u>
Equity Securities:		
Common Stocks	\$1,224,620	\$1,224,620
Total Investments	<u>\$1,224,620</u>	<u>\$1,224,620</u>

There are no Level 2 (significant observable inputs) or Level 3 (significant unobservable inputs) priced securities.

There were no transfers between Level 1 and Level 2 related to securities held at September 30, 2016.

See Notes to Financial Statements

**VIRTUS REAL ESTATE SECURITIES FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**SEPTEMBER 30, 2016**

(\$ Reported in thousands except shares and per share amounts)

<b>Assets</b>	
Investment in securities at value <sup>(1)</sup> .....	\$ 1,224,620
Cash .....	9,588
Receivables	
Investment securities sold .....	11,000
Fund shares sold .....	3,996
Dividends and interest receivable .....	5,136
Prepaid expenses .....	57
Prepaid trustee retainer .....	27
Other assets .....	17
Total assets .....	<u>1,254,441</u>
<b>Liabilities</b>	
Payables	
Fund shares repurchased .....	5,351
Investment securities purchased .....	8,231
Investment advisory fees .....	762
Distribution and service fees .....	168
Administration fees .....	126
Transfer agent fees and expenses .....	381
Professional fees .....	13
Trustee fees and expenses .....	29
Trustee deferred compensation plan .....	17
Other accrued expenses .....	66
Total liabilities .....	<u>15,144</u>
<b>Net Assets</b> .....	<b><u>\$ 1,239,297</u></b>
<b>Net Assets Consist of:</b>	
Capital paid in on shares of beneficial interest .....	\$ 654,957
Accumulated undistributed net investment income (loss) .....	—
Accumulated undistributed net realized gain (loss) .....	155,022
Net unrealized appreciation (depreciation) on investments .....	429,318
<b>Net Assets</b> .....	<b><u>\$ 1,239,297</u></b>
<b>Class A</b>	
Net asset value (net assets/shares outstanding) per share .....	\$ 36.87
Maximum offering price per share NAV/(1-5.75%) .....	\$ 39.12
Shares of beneficial interest outstanding, no par value, unlimited authorization .....	14,378,976
Net Assets .....	\$ 530,135
<b>Class B</b>	
Net asset value (net assets/shares outstanding) and offering price per share .....	\$ 36.28
Shares of beneficial interest outstanding, no par value, unlimited authorization .....	14,437
Net Assets .....	\$ 524
<b>Class C</b>	
Net asset value (net assets/shares outstanding) and offering price per share .....	\$ 36.77
Shares of beneficial interest outstanding, no par value, unlimited authorization .....	1,827,766
Net Assets .....	\$ 67,216
<b>Class I</b>	
Net asset value (net assets/shares outstanding) and offering price per share .....	\$ 36.83
Shares of beneficial interest outstanding, no par value, unlimited authorization .....	16,830,219
Net Assets .....	\$ 619,818
<b>Class R6</b>	
Net asset value (net assets/shares outstanding) and offering price per share .....	\$ 36.84
Shares of beneficial interest outstanding, no par value, unlimited authorization .....	586,517
Net Assets .....	\$ 21,604
<sup>(1)</sup> Investment in securities at cost .....	\$ 795,302

See Notes to Financial Statements

**VIRTUS REAL ESTATE SECURITIES FUND**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED SEPTEMBER 30, 2016**

(\$ reported in thousands)

<b>Investment Income</b>	
Dividends .....	\$ 34,640
Interest .....	31
Total investment income .....	<u>34,671</u>
<b>Expenses</b>	
Investment advisory fees .....	9,561
Service fees, Class A .....	1,462
Distribution and service fees, Class B .....	9
Distribution and service fees, Class C .....	669
Administration fees .....	1,629
Transfer agent fees and expenses .....	2,862
Registration fees .....	131
Printing fees and expenses .....	318
Trustees' fees and expenses .....	127
Professional fees .....	47
Custodian fees .....	26
Miscellaneous expenses .....	93
Total expenses .....	<u>16,934</u>
Low balance account fees .....	— <sup>(1)</sup>
Net expenses .....	<u>16,934</u>
<b>Net investment income (loss) .....</b>	<b><u>17,737</u></b>
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	
Net realized gain (loss) on investments .....	207,975
Net change in unrealized appreciation (depreciation) on investments .....	(35,860)
<b>Net gain (loss) on investments .....</b>	<b><u>172,115</u></b>
<b>Net increase (decrease) in net assets resulting from operations .....</b>	<b><u><u>\$189,852</u></u></b>

<sup>(1)</sup> Amount is less than \$500

See Notes to Financial Statements

**VIRTUS REAL ESTATE SECURITIES FUND**  
**STATEMENTS OF CHANGES IN NET ASSETS**

(Reported in thousands)

	Year Ended September 30, 2016	Year Ended September 30, 2015
<b>INCREASE/(DECREASE) IN NET ASSETS</b>		
<b>From Operations</b>		
Net investment income (loss) .....	\$ 17,737	\$ 21,459
Net realized gain (loss) .....	207,975	197,947
Net change in unrealized appreciation (depreciation) .....	(35,860)	(43,973)
<b>Increase (decrease) in net assets resulting from operations</b> .....	<b>189,852</b>	<b>175,433</b>
<b>From Distributions to Shareholders</b>		
Net investment income, Class A .....	(7,500)	(9,863)
Net investment income, Class B .....	(4)	(10)
Net investment income, Class C .....	(382)	(399)
Net investment income, Class I .....	(9,664)	(11,111)
Net investment income, Class R6 .....	(251)	(12)
Net realized short-term gains, Class A .....	(4,959)	(2,206)
Net realized short-term gains, Class B .....	(9)	(7)
Net realized short-term gains, Class C .....	(548)	(189)
Net realized short-term gains, Class I .....	(5,095)	(1,983)
Net realized short-term gains, Class R6 .....	(91)	(—) <sup>(1)</sup>
Net realized long-term gains, Class A .....	(92,687)	(36,741)
Net realized long-term gains, Class B .....	(183)	(122)
Net realized long-term gains, Class C .....	(10,113)	(3,144)
Net realized long-term gains, Class I .....	(93,730)	(33,016)
Net realized long-term gains, Class R6 .....	(1,630)	(5)
<b>Decrease in net assets from distributions to shareholders</b> .....	<b>(226,846)</b>	<b>(98,808)</b>
<b>From Share Transactions</b>		
<b>Sale of shares</b>		
Class A (3,093 and 5,635 shares, respectively) .....	113,074	229,447
Class B (1 and — <sup>(2)</sup> shares, respectively) .....	18	14
Class C (184 and 249 shares, respectively) .....	6,659	10,111
Class I (4,851 and 3,839 shares, respectively) .....	174,976	156,081
Class R6 (562 and 55 shares, respectively) .....	21,137	2,219
<b>Reinvestment of distributions</b>		
Class A (2,973 and 1,152 shares, respectively) .....	100,358	46,862
Class B (5 and 3 shares, respectively) .....	177	124
Class C (300 and 83 shares, respectively) .....	10,097	3,363
Class I (3,135 and 1,103 shares, respectively) .....	105,792	44,771
Class R6 (58 and — <sup>(2)</sup> shares, respectively) .....	1,972	17
<b>Shares repurchased</b>		
Class A (7,850 and 10,962 shares, respectively) .....	(285,777)	(439,189)
Class B (29 and 43 shares, respectively) .....	(1,038)	(1,694)
Class C (377 and 330 shares, respectively) .....	(13,622)	(13,174)
Class I (8,024 and 6,450 shares, respectively) .....	(293,340)	(260,654)
Class R6 (77 and 12 shares, respectively) .....	(2,763)	(489)
<b>Increase (decrease) in net assets from share transactions</b> .....	<b>(62,280)</b>	<b>(222,191)</b>
<b>Net increase (decrease) in net assets</b> .....	<b>(99,274)</b>	<b>(145,566)</b>
<b>Net Assets</b>		
Beginning of period .....	1,338,571	1,484,137
<b>End of period</b> .....	<b>\$1,239,297</b>	<b>\$1,338,571</b>
Accumulated undistributed net investment income (loss) at end of period .....	—	\$ 64

<sup>(1)</sup> Amount is less than \$500.

<sup>(2)</sup> Amount is less than 500 shares.

See Notes to Financial Statements



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**VIRTUS REAL ESTATE SECURITIES 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) <sup>(b)</sup>	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions
<b>Class A</b>							
10/1/15 to 9/30/16	\$38.45	0.47	4.80	5.27	(0.48)	(6.37)	(6.85)
10/1/14 to 9/30/15	36.65	0.51	3.76	4.27	(0.53)	(1.94)	(2.47)
10/1/13 to 9/30/14	35.10	0.29	3.86	4.15	(0.29)	(2.31)	(2.60)
10/1/12 to 9/30/13	34.19	0.36	0.91	1.27	(0.36)	—	(0.36)
10/1/11 to 9/30/12	26.05	0.21	8.24	8.45	(0.31)	—	(0.31)
<b>Class B</b>							
10/1/15 to 9/30/16	\$37.90	0.17	4.75	4.92	(0.17)	(6.37)	(6.54)
10/1/14 to 9/30/15	36.13	0.17	3.74	3.91	(0.20)	(1.94)	(2.14)
10/1/13 to 9/30/14	34.62	(0.01)	3.84	3.83	(0.01)	(2.31)	(2.32)
10/1/12 to 9/30/13	33.72	0.10	0.89	0.99	(0.09)	—	(0.09)
10/1/11 to 9/30/12	25.71	0.02	8.06	8.08	(0.07)	—	(0.07)
<b>Class C</b>							
10/1/15 to 9/30/16	\$38.37	0.20	4.78	4.98	(0.21)	(6.37)	(6.58)
10/1/14 to 9/30/15	36.59	0.22	3.73	3.95	(0.23)	(1.94)	(2.17)
10/1/13 to 9/30/14	35.04	0.01	3.87	3.88	(0.02)	(2.31)	(2.33)
10/1/12 to 9/30/13	34.14	0.08	0.92	1.00	(0.10)	—	(0.10)
10/1/11 to 9/30/12	26.02	(0.03)	8.22	8.19	(0.07)	—	(0.07)

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

See Notes to Financial Statements

**VIRTUS REAL ESTATE SECURITIES FUND**  
**FINANCIAL HIGHLIGHTS**  
**SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING**  
**THROUGHOUT EACH PERIOD**

Change in Net Asset Value	Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (000's)	Ratio of Expenses to Average Net Assets <sup>(6)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
(1.58)	\$36.87	15.58%	\$530,135	1.39% <sup>(7)</sup>	1.29%	31%
1.80	38.45	11.34	621,507	1.36	1.26	22
1.55	36.65	12.75	745,473	1.38	0.79	28
0.91	35.10	3.70	745,631	1.40	1.00	30
8.14	34.19	32.49	789,925	1.41	0.67	24
(1.62)	\$36.28	14.70%	\$ 524	2.14% <sup>(7)</sup>	0.48%	31%
1.77	37.90	10.51	1,418	2.11	0.42	22
1.51	36.13	11.91	2,770	2.13	(0.02)	28
0.90	34.62	2.92	3,978	2.15	0.29	30
8.01	33.72	31.49	6,761	2.16	0.07	24
(1.60)	\$36.77	14.70%	\$ 67,216	2.15% <sup>(7)</sup>	0.55%	31%
1.78	38.37	10.49	66,023	2.11	0.56	22
1.55	36.59	11.91	62,889	2.13	0.04	28
0.90	35.04	2.93	63,005	2.15	0.23	30
8.12	34.14	31.48	60,941	2.16	(0.10)	24

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

See Notes to Financial Statements

**VIRTUS REAL ESTATE SECURITIES 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) <sup>(2)</sup>	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions
<b>Class I</b>							
10/1/15 to 9/30/16	\$38.42	0.56	4.80	5.36	(0.58)	(6.37)	(6.95)
10/1/14 to 9/30/15	36.62	0.62	3.75	4.37	(0.63)	(1.94)	(2.57)
10/1/13 to 9/30/14	35.07	0.39	3.86	4.25	(0.39)	(2.31)	(2.70)
10/1/12 to 9/30/13	34.16	0.43	0.92	1.35	(0.44)	—	(0.44)
10/1/11 to 9/30/12	26.03	0.30	8.22	8.52	(0.39)	—	(0.39)
<b>Class R6</b>							
10/1/15 to 9/30/16	\$38.42	0.70	4.73	5.43	(0.64)	(6.37)	(7.01)
11/12/14 <sup>(4)</sup> to 9/30/15	40.32	0.79	(0.06)	0.73	(0.69)	(1.94)	(2.63)

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

See Notes to Financial Statements

**VIRTUS REAL ESTATE SECURITIES FUND**  
**FINANCIAL HIGHLIGHTS (Continued)**  
**SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING**  
**THROUGHOUT EACH PERIOD**

Change in Net Asset Value	Net Asset Value, End of Period	Total Return <sup>(1)</sup>	Net Assets, End of Period (000 \$)	Ratio of Expenses to Average Net Assets <sup>(3)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
(1.59)	\$36.83	15.85%	\$619,818	1.14% <sup>(7)</sup>	1.52%	31%
1.80	38.42	11.63	647,976	1.11	1.55	22
1.55	36.62	13.04	673,005	1.13	1.07	28
0.91	35.07	3.96	494,963	1.15	1.21	30
8.13	34.16	32.80	422,374	1.16	0.93	24
(1.58)	\$36.84	16.06%	\$ 21,604	0.98% <sup>(7)</sup>	1.93%	31%
(1.90)	38.42	1.54 <sup>(6)</sup>	1,647	0.94 <sup>(6)</sup>	2.30 <sup>(6)</sup>	22

**Footnote Legend**

- <sup>(1)</sup> Sales charges, where applicable, are not reflected in the total return calculation.
- <sup>(2)</sup> Computed using average shares outstanding.
- <sup>(3)</sup> The Fund may invest in other funds, and the annualized expense ratios do not reflect fees and expenses associated with the underlying funds.
- <sup>(4)</sup> Inception date of class.
- <sup>(5)</sup> Annualized.
- <sup>(6)</sup> Not annualized.
- <sup>(7)</sup> Expense ratios include extraordinary proxy expenses

See Notes to Financial Statements

**VIRTUS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2016**

**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, 31 funds of the Trust are offered for sale, of which the Real Estate Securities Fund (the "Fund") is reported in this annual report. The Fund's investment objectives are outlined in the Fund Summary Page. *There is no guarantee the Fund will achieve its objective.*

The Fund offers Class A shares, Class C shares, Class I shares and Class R6 shares for sale. Class B shares are no longer available for purchase by new or existing shareholders, except by existing shareholders through Qualifying Transactions. (For information regarding Qualifying Transactions, refer to the Fund's prospectus.)

Class A shares are sold with a front-end sales charge of up to 5.75% with some exceptions. Generally, Class A shares are not subject to any charges by the Fund when redeemed; however, a 1% contingent deferred sales charge ("CDSC") may be imposed on certain redemptions made within a certain period following purchases on which a finder's fee has been paid. The period for which the CDSC applies for the Fund is 18 months. The CDSC period begins on the last day of the month preceding the month in which the purchase was made.

Class B shares were generally sold with a CDSC which declines from 5% to zero depending on the period of time the shares are held.

Class C shares are generally sold with a 1% CDSC, applicable if redeemed within one year of purchase. Class I shares are sold without a front-end sales charge or CDSC.

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

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

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

**Note 2. Significant Accounting Policies**

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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

**VIRTUS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2016**

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 such as bi-weekly unchanged price, monthly secondary source and transaction analysis, have been approved by the Board of Trustees (the "Board", or the "Trustees"). All internally fair valued securities are approved by a valuation committee (the "Valuation Committee") appointed by the Board. 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. Quarterly fair valuations are reviewed by the Board.

The Fund utilizes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. It is the Fund's policy to recognize transfers at the end of the reporting period.

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

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

Equity securities are valued at the official closing price (typically last sale) on the exchange on which the securities are primarily traded or, if no closing price is available, at the last bid price and are categorized as Level 1 in the hierarchy. Restricted equity securities and private placements that are not widely traded, are illiquid, or are internally fair valued by the Valuation Committee, are generally categorized as Level 3 in the hierarchy.

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

**VIRTUS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2016**

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

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

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

**B. Security Transactions and Investment Income**

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

Dividend income from REIT investments is recorded using management's estimate of the income included in distributions received from the REIT investments. Distributions received in excess of this estimated amount are recorded as a reduction of the cost of investments or reclassified to capital gains. The actual amounts of income, return of capital, and capital gains are only determined by each REIT after its fiscal year-end, and may differ from the estimated amounts.

**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 September 30, 2016, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations are from the year 2013 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 accounting principles generally accepted in the United States of America. These differences may include the treatment of non-taxable dividends, market premium and discount, non-deductible expenses, expiring capital loss carryovers, foreign currency gain or loss, gain or loss on futures contracts, partnerships, operating losses



**VIRTUS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2016**

and losses deferred due to wash sales. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications to capital paid in on shares of beneficial interest.

**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 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. Earnings Credit and Interest**

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

**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 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 through \$2 Billion</u>	<u>\$2+ Billion</u>
0.75%	0.70%	0.65%

**B. Subadviser**

Duff & Phelps Investment Management Co. (the "Subadviser"), an indirect wholly owned subsidiary of Virtus, is the subadviser to the Fund. The subadviser manages the investments of the Fund for which the Subadviser is paid a fee by the Adviser.

**C. 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 fiscal year (the "period") ended September 30, 2016, it retained net commissions of \$16 for Class A shares and deferred sales charges of \$4 for Class C shares.

In addition, the Fund pays VP Distributors distribution and/or service fees under a 12b-1 plan as a percentage of the daily average net assets of each respective class at

**VIRTUS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2016**

the annual rates as follows: 0.25% for Class A shares, 1.00% for Class B shares, and 1.00% for Class C shares. Class R6 shares and Class I 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.

**D. Administrator and Transfer Agent**

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

For the period ended September 30, 2016, the Fund incurred administration fees totaling \$1,266 which are included in the Statement of Operations.

For the period ended September 30, 2016, the Fund incurred transfer agent fees totaling \$2,786 which are included in the Statement of Operations. A portion of these fees was paid to outside entities that also provide services to the Trust.

**E. Affiliated Shareholders**

At September 30, 2016, 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 I .....	118,789	\$4,375
Class R6 .....	3,200	118

**F. 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" on the Statement of Assets and Liabilities at September 30, 2016.

**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 September 30, 2016, were as follows:

<u>Purchases</u>	<u>Sales</u>
\$402,144	\$663,310

There were no purchases or sales of long-term U.S. Government and agency securities for the period ended September 30, 2016.

**VIRTUS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2016**

**Note 5. Borrowings**

**(\$ reported in thousands)**

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

The Fund had no outstanding borrowings at any time during the period ended September 30, 2016.

**Note 6. 10% Shareholders**

As of September 30, 2016, 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>
22%	2*

\* The shareholders are not affiliated with Virtus.

**Note 7. Credit Risk and Asset Concentrations**

The Fund may invest a high percentage of its assets in specific sectors of the market in its 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. Indemnifications**

Under the Trust's organizational documents, its Trustees and officers are indemnified against certain liabilities arising out of the performance of their duties to the Fund. Each Trustee has also entered into an indemnification agreement with the Trust. 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.

**VIRTUS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2016**

**Note 9. Federal Income Tax Information**

(\$ reported in thousands)

At September 30, 2016, 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>
\$814,521	\$420,256	\$(10,157)	\$410,099

The components of distributable earnings on a tax basis (excluding unrealized appreciation (depreciation) (which are disclosed above) consist of the following:

<u>Undistributed Ordinary Income</u>	<u>Undistributed Long-term Capital Gains</u>
\$6,457	\$167,784

The differences between the book and tax basis components of distributable earnings relate principally to the timing of recognition of income and gains for federal income tax purposes. Short-term gain distributions reported in the Statements of Changes in Net Assets, if any, are reported as ordinary income for federal tax purposes. Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes.

The tax character of dividends and distributions paid during the years ended September 30, 2016 and 2015 was as follows:

	<u>Year Ended</u>	
	<u>2016</u>	<u>2015</u>
Ordinary Income . . . . .	\$ 28,503	\$25,780
Long-Term Capital Gains . . . .	198,343	73,028
Total . . . . .	<u>\$226,846</u>	<u>\$98,808</u>

**Note 10. Regulatory Matters and Litigation**

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

On February 20, 2015, a putative class action complaint (*In re Virtus Investment Partners, Inc. Securities Litigation; formerly styled as Tom Cummins v. Virtus Investment Partners Inc. et al.*) alleging violation of the federal securities laws was filed by an individual shareholder against Virtus and certain of its officers (the "defendants") in the United States District Court for the Southern District of New York. On August 21, 2015, the lead plaintiff filed a Consolidated Class Action Complaint (the "Consolidated Complaint") amending the originally filed complaint and adding the Trust as a defendant. The Consolidated Complaint

**VIRTUS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2016**

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, claims under Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 thereunder survive the motion. The defendants filed an Answer to the Consolidated Complaint on August 5, 2016. Virtus and its affiliates, including the Adviser, believe that the suit is without merit and intend to defend it vigorously. The Trust believes that the risk of loss to the Fund as a result of this suit is remote. The Adviser does not believe that the suit will have any impact on its ability to provide services to the Fund.

On May 8, 2015, a putative class action complaint (*Mark Youngers v. Virtus Investment Partners, Inc. et al.*) alleging violations of certain provisions of the federal securities laws was filed in the United States District Court for the Central District of California. The complaint, which was purportedly filed on behalf of purchasers of certain Virtus Funds previously subadvised by F-Squared between May 8, 2010 and December 22, 2014, inclusive (the "Class Period"), alleged claims against Virtus, certain Virtus officers and affiliates (including the Adviser, Euclid Advisors LLC ("Euclid") and VP Distributors, LLC), the trustees and certain officers of the Trust, and certain other parties (the "defendants"). The complaint alleges that during the Class Period the defendants disseminated materially false and misleading statements and concealed or omitted material facts necessary to make the statements made not misleading. On October 1, 2015, the plaintiff 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, Plaintiffs filed a Second Amended Complaint. Motions to dismiss were filed on behalf of Virtus, its officers and affiliates and the independent trustees on February 1, 2016. An Opinion & Order ("Order") granting in part and denying in part the defendants' motions to dismiss was issued on July 1, 2016. The Order dismissed all claims against the Adviser, Euclid, the independent trustees and certain of the other individual defendants and narrowed the claims asserted against the remaining defendants. The remaining defendants filed an Answer to the Second Amended Complaint on August 5, 2016. The 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. Oral argument on the motion is scheduled for October 7, 2016. Virtus and its affiliates, including the Adviser, believe that the suit has no basis in law or fact and intend to defend it vigorously. The Trust believes that the risk of loss to the Fund as a result of this suit is remote. The Adviser does not believe that the suit will have any impact on its ability to provide services to the Fund.

**Note 11. 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 the financial statements.



## Report of Independent Registered Public Accounting Firm

To the Board of Trustees of  
Virtus Opportunities Trust and Shareholders of  
Virtus Real Estate Securities Fund:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of the Virtus Real Estate Securities Fund (one of the funds constituting Virtus Opportunities Trust, hereafter referred to as the "Fund") at September 30, 2016, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the periods indicated, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at September 30, 2016 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

*PricewaterhouseCoopers LLP*

Philadelphia, Pennsylvania  
November 22, 2016

**VIRTUS REAL ESTATE SECURITIES FUND**  
**TAX INFORMATION NOTICE (Unaudited)**  
**SEPTEMBER 30, 2016**

For the fiscal year ended September 30, 2016, the Fund makes the following disclosures for federal income tax purposes. Below is listed the percentage, or the maximum amount allowable, of its ordinary income dividends ("QDI") to qualify for the lower tax rates applicable to individual shareholders, and the percentage of ordinary income dividends earned by the Fund which qualifies for the dividends received deduction ("DRD") for corporate shareholders. The actual percentage of QDI and DRD for the calendar year will be designated in year-end tax statements. The Fund designates the amount below as long-term capital gains dividends ("LTCG") taxable at a 20% rate, or lower depending on the shareholder's income (\$ reported in thousands). LTCG amount, if subsequently different, will be designated in the next annual report.

<u>QDI</u>	<u>DRD</u>	<u>LTCG</u>
—%	—%	\$196,075

**RESULTS OF SHAREHOLDER MEETING  
VIRTUS OPPORTUNITIES TRUST  
MAY 19, 2016 (Unaudited)**

At a special meeting of shareholders of all series of Virtus Equity Trust, Virtus Insight Trust and Virtus Opportunities Trust, held on May 19, 2016, shareholders of Virtus Opportunities Trust (the "Trust") voted on the following proposals:

**Proposal 1.**

	<b>Number of Eligible Votes:</b>		
	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
To elect six Trustees to serve on the Board of Trustees until the next meeting of shareholders at which Trustees are elected.			
George R. Aylward	1,145,056,198.477	24,756,597.221	0
Thomas J. Brown	1,144,160,222.050	25,652,573.650	0
Donald C. Burke	1,145,758,834.912	24,053,960.790	0
Roger A. Gelfenbien	1,144,297,795.833	25,514,999.865	0
John R. Mallin	1,144,938,076.292	24,874,719.410	0
Hassell H. McClellan	1,143,864,433.134	25,948,362.566	0

Shareholders of the Trust voted to approve the above proposal.

**Proposal 2.**

	<b>Number of Eligible Votes:</b>		
	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
To approve a proposal to permit Virtus Investment Advisers, Inc., as the investment adviser to all the Funds, to hire and replace subadvisers or to modify subadvisory agreements without shareholder approval.			
Virtus CA Tax Exempt Bond Fund	1,258,194.893	91,895.368	41,271.245
Virtus Emerging Markets Debt Fund	3,015,152.206	198.283	0
Virtus Emerging Markets Equity Income Fund	3,672,832.400	0	0
Virtus Emerging Markets Opportunities Fund	620,793,093.034	25,302,093.728	9,306,937.262
Virtus Emerging Markets Small-Cap Fund	494,281.793	0	0
Virtus Essential Resources Fund	504,931.913	0	0
Virtus Foreign Opportunities Fund	27,726,679.250	666,663.374	564,703.507
Virtus Greater European Opportunities Fund	818,457.900	37,502.974	15,676.215
Virtus International Small-Cap Fund	3,074,638.276	5,991.041	10,261.000
Virtus International Wealth Masters Fund	518,044.295	0	0
Virtus Low Duration Income Fund	10,449,114.393	779,684.940	311,840.943
Virtus Multi-Sector Intermediate Bond Fund	11,147,670.008	724,253.699	406,427.672
Virtus Multi-Sector Short Term Bond Fund	618,834,424.483	21,316,032.964	14,819,955.463

Shareholders of the Funds listed above voted to approve the above proposal.



**RESULTS OF SHAREHOLDER MEETING (Continued)**  
**VIRTUS OPPORTUNITIES TRUST**  
**MAY 19, 2016 (Unaudited)**

**Proposal 6.**

	<b>Number of Eligible Votes:</b>		
	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
To approve a proposal to amend the fundamental restrictions of the Fundamental Restriction Funds with respect to loans.			
Virtus Foreign Opportunities Fund . . .	27,568,524.708	741,409.046	648,118.377
Virtus Multi-Sector Short Term Bond Fund . . . . .	615,281,810.614	22,749,361.497	16,939,237.795

Shareholders of the Funds listed above voted to approve the above proposal.

**RESULTS OF SHAREHOLDER MEETING  
VIRTUS OPPORTUNITIES TRUST  
JULY 18, 2016 (Unaudited)**

At a special meeting of shareholders of Virtus Global Equity Trend Fund, Virtus Global Opportunities Fund, Virtus Herzfeld Fund, Virtus International Equity Fund, Virtus Low Volatility Equity Fund, Virtus Real Estate Securities Fund, Virtus Sector Trend Fund, Virtus Wealth Masters Fund, Virtus Alternatives Diversifier Fund, Virtus Equity Trend Fund, Virtus Multi-Asset Trend Fund and Virtus Tax-Exempt Bond Fund, held on July 18, 2016, shareholders of the Funds voted on the following proposals:

**Proposal 2.**

	Number of Eligible Votes:		
	FOR	AGAINST	ABSTAIN
To approve a proposal to permit Virtus Investment Advisers, Inc., as the investment adviser to all the Funds, to hire and replace subadvisers or to modify subadvisory agreements without shareholder approval.			
Virtus Global Equity Trend Fund . . . . .	2,071,338.688	221,721.989	61,016.655
Virtus Global Opportunities Fund . . . . .	6,475,669.315	399,601.579	221,211.057
Virtus Herzfeld Fund . . . . .	2,285,754.412	134,756.871	89,510.278
Virtus International Equity Fund . . . . .	347,976.498	45,434.960	4,980.529
Virtus Low Volatility Equity Fund . . . . .	234,510.520	7,334.000	90,835.796
Virtus Real Estate Securities Fund . . . . .	14,196,247.698	691,146.713	476,502.196
Virtus Sector Trend Fund . . . . .	14,380,526.646	1,274,297.224	1,097,176.679
Virtus Wealth Masters Fund . . . . .	2,759,756.937	182,003.481	154,822.394
Virtus Alternatives Diversifier Fund . . . . .	2,054,425.037	135,901.800	177,500.739
Virtus Equity Trend Fund . . . . .	47,080,228.694	3,814,318.119	2,960,680.324
Virtus Multi-Asset Trend Fund . . . . .	7,428,521.065	660,946.728	521,389.418
Virtus Tax-Exempt Bond Fund . . . . .	7,423,225.114	802,129.342	492,588.498

Shareholders of Virtus Global Equity Trend Fund, Virtus Global Opportunities Fund, Virtus Herzfeld Fund, Virtus International Equity Fund, Virtus Low Volatility Equity Fund, Virtus Real Estate Securities Fund, Virtus Sector Trend Fund and Virtus Wealth Masters Fund voted to approve the above proposal. Shareholders of Virtus Alternatives Diversifier Fund, Virtus Equity Trend Fund, Virtus Multi-Asset Trend Fund and Virtus Tax-Exempt Bond Fund did not approve the above proposal.

**Proposal 6.**

	Number of Eligible Votes:		
	FOR	AGAINST	ABSTAIN
To approve a proposal to amend the fundamental restrictions of the Fundamental Restriction Funds with respect to loans.			
Virtus Sector Trend Fund . . . . .	14,250,883.760	1,251,197.022	1,249,922.768
Virtus Real Estate Securities Fund . . . . .	13,928,178.018	864,726.603	570,992.984

Shareholders of Virtus Sector Trend Fund voted to approve the above proposal. Shareholders of Virtus Real Estate Securities Fund did not approve the above proposal.

**RESULTS OF SHAREHOLDER MEETING (Continued)**  
**VIRTUS OPPORTUNITIES TRUST**  
**JULY 18, 2016 (Unaudited)**

**Proposal 7.**

	Number of Eligible Votes:		
	FOR	AGAINST	ABSTAIN
To approve a proposal to amend the fundamental restrictions of the Fundamental Restriction Funds with respect to loans.			
Virtus Multi-Sector Short Term Bond Fund .....	238,431,276.605	411,212,271.419	20,011,935.573
Virtus Real Estate Securities Fund .....	9,635,396.247	5,113,977.185	614,521.174
Virtus Sector Trend Fund .....	9,706,807.226	5,648,494.88	1,396,703.437

Shareholders of the Funds listed above did not approve the above proposal.

## FUND MANAGEMENT TABLES (UNAUDITED)

Information pertaining to the Trustees and officers of the Trust as of September 30, 2016, is set forth below. The statement of additional information (SAI) includes additional information about the Trustees and is available without charge, upon request, by calling (800) 243-1574. The address of each individual, unless otherwise noted, is 100 Pearl Street, Hartford, CT 06103-4506. There is no stated term of office for Trustees of the Trust.

### Independent Trustees

Name, Year of Birth, Year Elected and Number of Funds Overseen	Principal Occupation(s) During Past 5 Years and Other Directorships Held by Trustee
Thomas J. Brown YOB: 1945 Elected: 2016 65 Portfolios	Retired. Trustee (since 2016), Virtus Mutual Fund Complex (52 portfolios) and Virtus Alternative Solutions Trust (4 portfolios); Trustee (since 2011), Virtus Variable Insurance Trust (9 portfolios); Director (since 2010), D'Youville Senior Care Center; and Director (since 2005), VALIC Company Funds (49 portfolios).
Burke, Donald C. YOB: 1961 Elected: 2016 69 Portfolios	Retired. Trustee (since 2016), Virtus Mutual Fund Complex (52 portfolios), Virtus Variable Insurance Trust (9 portfolios) and Virtus Alternative Solutions Trust (4 portfolios); Director (since 2014) closed-end funds managed by Duff & Phelps Investment Management Co. (4 funds); Director, Avista Corp. (energy company) (since 2011); Trustee, Goldman Sachs Fund Complex (2010 to 2014); and Director, BlackRock Luxembourg and Cayman Funds (2006 to 2010).
Roger A. Gelfenbien YOB: 1943 Elected: 2016 65 Portfolios	Retired. Trustee (since 2016), Virtus Mutual Fund Complex (52 portfolios) and Virtus Alternative Solutions Trust (4 portfolios); Trustee (since 2000), Virtus Variable Insurance Trust (9 portfolios); and Director (since 1999), USAllianz Variable Insurance Product Trust (42 portfolios).
John R. Mallin YOB: 1950 Elected: 2016 65 Portfolios	Partner/Attorney (since 2003), McCarter & English LLP (law firm), Real Property Practice Group; and Member (since 2014), Counselors of Real Estate. Trustee (since 2016), Virtus Mutual Fund Complex (52 portfolios) and Virtus Alternative Solutions Trust (4 portfolios); Director (since 2013), Horizon, Inc. (non-profit); and Trustee (since 1999), Virtus Variable Insurance Trust (9 portfolios).
McClellan, Hassell H. YOB: 1945 Elected: 2015 65 Portfolios	Retired (since 2013); and Professor (1984 to 2013), Wallace E. Carroll School of Management, Boston College. Trustee (since 2016), Virtus Alternative Solutions Trust (4 portfolios); Trustee (since 2015), Virtus Mutual Fund Complex (52 portfolios); and Director (since 2010), Barnes Group, Inc. (diversified global components manufacturer and logistical services company); Trustee, Virtus Variable Insurance Trust (9 portfolios) (since 2008); and Trustee, John Hancock Fund Complex (since 2000) (collectively, 228 portfolios).
McLoughlin, Philip YOB: 1946 Elected: 1999 74 Portfolios	Retired. Director and Chairman (since 2016), The Zweig Fund and Virtus Global Dividend & Income Fund Inc.; Trustee and Chairman (since 2013), Virtus Alternative Solutions Trust (4 portfolios); Trustee/Director and Chairman (since 2011), Virtus Closed-End Funds (3 funds); Chairman and Trustee (since 2003), Virtus Variable Insurance Trust (9 portfolios); Director (since 1995), closed-end funds managed by Duff & Phelps Investment Management Co. (4 funds); Director (since 1991) and Chairman (since 2010), Lazard World Trust Fund (closed-end investment firm in Luxembourg); and Trustee (since 1989) and Chairman (since 2002), Virtus Mutual Fund Complex (52 portfolios).
McNamara, Geraldine M. YOB: 1951 Elected: 2001 69 Portfolios	Retired. Trustee (since 2016) Virtus Alternative Solutions Trust (4 portfolios); Trustee (since 2015), Virtus Variable Insurance Trust (9 portfolios); Director (since 2003), closed-end funds managed by Duff & Phelps Investment Management Co. (4 funds); and Trustee (since 2001), Virtus Mutual Fund Complex (52 portfolios).

## FUND MANAGEMENT TABLES (UNAUDITED) (Continued)

### Independent Trustees (Continued)

Name, Year of Birth, Year Elected and Number of Funds Overseen	Principal Occupation(s) During Past 5 Years and Other Directorships Held by Trustee
Oates, James M. YOB: 1946 Elected: 2000 70 Portfolios	Managing Director (since 1994), Wydown Group (consulting firm). Director (since 2016), The Zweig Fund and Virtus Global Dividend & Income Fund Inc.; Trustee (since 2016) Virtus Variable Insurance Trust (9 portfolios); Trustee/Director (since 2013), Virtus Closed-End Funds (3 funds); Trustee (since 2013), Virtus Alternative Solutions Trust (4 portfolios); Chairman and Trustee (since 2005), John Hancock Fund Complex (228 portfolios); Director (2002 to 2014), New Hampshire Trust Company; Chairman (since 2000), Emerson Investment Management, Inc.; Non-Executive Chairman (2000 to 2014), Hudson Castle Group, Inc. (formerly IBEX Capital Markets, Inc.) (financial services) Chairman and Director (1999 to 2014), Connecticut River Bank; Director (since 1996), Stifel Financial; and Trustee (since 1987), Virtus Mutual Fund Complex (52 portfolios).
Segerson, Richard E. YOB: 1948 Elected: 2000 65 Portfolios	Retired; and Managing Director (1998 to 2013), Northway Management Company. Trustee (since 2016) Virtus Alternative Solutions Trust (4 portfolios) and Virtus Variable Insurance Trust (9 portfolios); and Trustee (since 1983), Virtus Mutual Fund Complex (52 portfolios).
Verdonck, Ferdinand L.J. YOB: 1942 Elected: 2005 65 Portfolios	Vice Chairman (since 2014), Affirmed Therapeutics (biotechnology); Director (1998 to 2015), The J.P. Morgan Continental European Investment Trust; Director (2005 to 2013), Galapagos N.V. (biotechnology); Director (1998 to 2015) Groupe SNEF; and Mr. Verdonck is also a director of several non-U.S. companies. Trustee (since 2016) Virtus Variable Insurance Trust (9 portfolios) and Virtus Alternative Solutions Trust (4 portfolios); and Trustee (since 2002), Virtus Mutual Fund Complex (52 portfolios).

### Interested Trustee

The individual listed below is an “interested person” of the Trust, as defined in Section 2(a)(19) of the 1940 Act, as amended, and the rules and regulations thereunder.

Name, Year of Birth, Year Elected and Number of Funds Overseen	Principal Occupation(s) During Past 5 Years and Other Directorships Held by Trustee
Aylward, George R.* Trustee and President YOB: 1964 Elected: 2006 70 Portfolios	Director, President and Chief Executive Officer (since 2008), Virtus Investment Partners, Inc. and/or certain of its subsidiaries; various senior officer positions with Virtus affiliates (since 2005). Chairman and Trustee (since 2015), Virtus ETF Trust II; Trustee and President (since 2013), Virtus Alternative Solutions Trust (4 portfolios); Director (since 2013), Virtus Global Funds, PLC (2 portfolios); Trustee (since 2012) and President (since 2010), Virtus Variable Insurance Trust (9 portfolios); Trustee and President (since 2011), Virtus Closed-End Funds (3 funds); Trustee (since 2006), Virtus Mutual Funds (52 portfolios); and Director, President and Chief Executive Officer (since 2006), The Zweig Fund and Virtus Global Dividend & Income Fund Inc.

## FUND MANAGEMENT TABLES (UNAUDITED) (Continued)

### Officers of the Trust Who Are Not Trustees

Name, Address and Year of Birth	Position(s) Held with Trust and Length of Time Served	Principal Occupation(s) During Past 5 Years
Bradley, W. Patrick YOB: 1972	Executive Vice President (since 2016); Senior Vice President (2013 to 2016); Vice President (2011 to 2013); Chief Financial Officer and Treasurer (since 2006).	Executive Vice President, Fund Services (since 2016), Senior Vice President, Fund Services (2010 to 2016), Virtus Investment Partners, Inc. and/or certain of its subsidiaries; various officer positions (since 2006) with Virtus affiliates; Executive Vice President (since 2016), Senior Vice President (2013 to 2016), Vice President (2011 to 2013), Chief Financial Officer and Treasurer (since 2004), Virtus Variable Insurance Trust; Executive Vice President (since 2016), Senior Vice President (2013 to 2016), Vice President (2011 to 2013), Chief Financial Officer and Treasurer (since 2006), Virtus Mutual Fund Complex; Executive Vice President (since 2016), Senior Vice President (2013 to 2016), Vice President (2012 to 2013) and Treasurer (Chief Financial Officer) (since 2007), The Zweig Fund and Virtus Global Dividend & Income Fund Inc.; Executive Vice President (since 2016), Senior Vice President (2013 to 2016), Vice President (2011 to 2013), Chief Financial Officer and Treasurer (since 2011), Virtus Closed-End Funds; Vice President and Assistant Treasurer (since 2011), Duff & Phelps Global Utility Income Fund Inc.; Director (since 2013), Virtus Global Funds, PLC; and Executive Vice President (since 2016), Senior Vice President, Chief Financial Officer and Treasurer (2013 to 2016), Virtus Alternative Solutions Trust.
Carr, Kevin J. YOB: 1954	Senior Vice President (since 2013); Vice President (2005 to 2013); Chief Legal Officer, Counsel and Secretary (since 2005).	Senior Vice President (since 2009), Vice President, Counsel and Secretary (2008 to 2009), Virtus Investment Partners, Inc. and/or certain of its subsidiaries; various senior officer positions (since 2005) with Virtus affiliates; Senior Vice President (since 2013), Vice President (2005 to 2013), Chief Legal Officer, Counsel and Secretary (since 2005), Virtus Mutual Fund Complex; Senior Vice President (2013 to 2014), Vice President (2012 to 2013) and Assistant Secretary (since 2012), Secretary and Chief Legal Officer (2005 to 2012), The Zweig Fund and Virtus Global Dividend & Income Fund Inc.; Assistant Secretary (since 2013), Vice President, Chief Legal Officer, Counsel and Secretary (2010 to 2013), Virtus Variable Insurance Trust; Vice President and Assistant Secretary (since 2011), Duff & Phelps Global Utility Income Fund Inc.; Senior Vice President and Assistant Secretary (2013 to 2014), Vice President and Assistant Secretary (2012 to 2013), Vice President, Chief Legal Officer, Counsel and Secretary (2011 to 2012), Virtus Closed-End Funds; and Assistant Secretary (since 2013), Virtus Alternative Solutions Trust.

## FUND MANAGEMENT TABLES (UNAUDITED) (Continued)

### Officers of the Trust Who Are Not Trustees (Continued)

Name, Address and Year of Birth	Position(s) Held with Trust and Length of Time Served	Principal Occupation(s) During Past 5 Years
Engberg, Nancy J. YOB: 1956	Vice President and Chief Compliance Officer since 2011.	Vice President (since 2008) and Chief Compliance Officer (2008 to 2011 and since 2016), Virtus Investment Partners, Inc. and/or certain of its subsidiaries; various officer positions (since 2003) with Virtus affiliates; Vice President and Chief Compliance Officer (since 2011), Virtus Mutual Fund Complex; Vice President (since 2010) and Chief Compliance Officer (since 2011), Virtus Variable Insurance Trust; Vice President and Chief Compliance Officer (since 2011), Virtus Closed-End Funds; Vice President and Chief Compliance Officer (since 2012), The Zweig Fund and Virtus Global Dividend & Income Fund Inc.; Vice President and Chief Compliance Officer (since 2013), Virtus Alternative Solutions Trust; Chief Compliance Officer (since 2015), ETFis Series Trust I; and Chief Compliance Officer (since 2015), Virtus ETF Trust II.
Waltman, Francis G. YOB: 1962	Executive Vice President (since 2013); Senior Vice President (2008-2013).	Executive Vice President, Product Development (since 2009), Virtus Investment Partners, Inc. and/or certain of its subsidiaries; various senior officer positions (since 2006) with Virtus affiliates; Executive Vice President (since 2013), Senior Vice President (2008 to 2013), Virtus Mutual Fund Complex; Executive Vice President (since 2013), Senior Vice President (2010 to 2013), Virtus Variable Insurance Trust; Executive Vice President (since 2013), Senior Vice President (2011 to 2013), Virtus Closed-End Funds; Director (since 2013), Virtus Global Funds PLC; and Executive Vice President (since 2013), Virtus Alternative Solutions Trust.

# VIRTUS OPPORTUNITIES TRUST

101 Munson Street  
Greenfield, MA 01301-9668

## Trustees

George R. Aylward  
Thomas J. Brown  
Donald C. Burke  
Roger A. Gelfenbein  
John R. Mallin  
Hassell H. McClellan  
Philip R. McLoughlin, Chairman  
Geraldine M. McNamara  
James M. Oates  
Richard E. Segerson  
Ferdinand L.J. Verdonck

## Officers

George R. Aylward, President  
Francis G. Waltman, Executive Vice  
President  
W. Patrick Bradley, Executive Vice  
President, Chief Financial Officer and  
Treasurer  
Kevin J. Carr, Senior Vice President, Chief  
Legal Officer, Counsel and Secretary  
Nancy J. Engberg, Vice President and  
Chief Compliance Officer

## Investment Adviser

Virtus Investment Advisers, Inc.  
100 Pearl Street  
Hartford, CT 06103-4506

## Principal Underwriter

VP Distributors, LLC  
100 Pearl Street  
Hartford, CT 06103-4506

## Administrator and Transfer Agent

Virtus Fund Services, LLC  
100 Pearl Street  
Hartford, CT 06103-4506

## Custodian

JPMorgan Chase Bank, NA  
1 Chase Manhattan Plaza  
New York, NY 10005-1401

## Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP  
2001 Market Street  
Philadelphia, PA 19103-7042

## How to Contact Us

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### Important Notice to Shareholders

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





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