

September 30, 2017

Virtus Duff & Phelps Real Estate Securities Fund

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



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(“Duff & Phelps 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 (the “SEC”) website at <http://www.sec.gov>.

### *FORM N-Q INFORMATION*

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

This report is not authorized for distribution to prospective investors in the Duff & Phelps 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 the annual report for your fund for the 12-month period ended September 30, 2017.

Over the past year, the Federal Reserve (“the Fed”) raised interest rates three times, and in October 2017 began the process of unwinding the balance sheet debt it had accumulated since 2008 in its efforts to stimulate the economy – a clear signal that it believes the U.S. is back on a growth path. Global economic growth also strengthened, with other major central banks preparing to taper their own stimulus policies. Rounding out the optimistic picture, corporate earnings were generally strong for the first three quarters of 2017.

Against this positive backdrop, equity markets have surged. U.S. large- and small-cap stocks returned 18.61% and 20.74%, as measured by the performance of the S&P 500® Index and Russell 2000® Index, respectively. Within international equities, emerging markets outperformed their developed peers, with the MSCI Emerging Markets Index (net) up 22.46%, compared with the MSCI EAFE® Index (net), which returned 19.10%.

Demand for U.S. Treasuries also remained strong, driven by foreign investors who favored their yield advantage and credit quality over many foreign government bonds. On September 30, 2017, the benchmark 10-year U.S. Treasury yielded 2.33%, compared with 1.60% one year earlier. The broader U.S. fixed income market, as represented by the Bloomberg Barclays U.S. Aggregate Bond Index, which tracks Treasuries and other investment-grade debt securities, increased 0.07% for the 12 months, while non-investment grade bonds gained 8.88%, as measured by the Bloomberg Barclays U.S. Corporate High Yield Bond Index.

Market uncertainty is an ever-present reminder of the importance of portfolio diversification, including exposure to traditional and alternative asset classes. While diversification cannot guarantee a profit or prevent a loss, owning a variety of asset classes may cushion your portfolio against inevitable market fluctuations. Your financial advisor can help you ensure that your portfolio is adequately diversified across asset classes and investment strategies. The Virtus Funds have even more investment options following Virtus Investment Partners’ (“Virtus”) acquisition of RidgeWorth Investments. We now offer 26 additional funds, including equity, fixed income, international, and asset allocation strategies from three new Virtus affiliates – Ceredex Value Advisors, Seix Investment Advisors, and Silvant Capital Management – and from subadvisers WCM Investment Management and Zevenbergen Capital Investments. I invite you to learn more about our growing family of managers and funds at [Virtus.com](http://Virtus.com).

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

A handwritten signature in black ink, appearing to read 'George R. Aylward', written in a cursive style.

George R. Aylward  
President, Virtus Mutual Funds

October 2017

*Performance data quoted represents past results. Past performance is no guarantee of future results, and current performance may be higher or lower than the performance shown above.*

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**DISCLOSURE OF FUND EXPENSES (Unaudited)**  
**FOR THE SIX-MONTH PERIOD OF APRIL 1, 2017 TO SEPTEMBER 30, 2017**

We believe it is important for you to understand the impact of costs on your investment. All mutual funds have operating expenses. As a shareholder of the Duff & Phelps 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 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 Annualized Expense Ratio may be different from the expense ratio in the Financial Highlights which is for the fiscal year ended September 30, 2017. 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 DUFF & PHELPS REAL ESTATE SECURITIES FUND  
DISCLOSURE OF FUND EXPENSES (Unaudited) (Continued)  
FOR THE SIX-MONTH PERIOD OF APRIL 1, 2017 TO SEPTEMBER 30, 2017**

**Expense Table**

	Beginning Account Value April 1, 2017	Ending Account Value September 30, 2017	Annualized Expense Ratio	Expenses Paid During Period*
<b>Actual</b>				
Class A	\$1,000.00	\$1,027.10	1.40%	\$7.11
Class C	1,000.00	1,023.60	2.12	10.75
Class I	1,000.00	1,028.90	1.13	5.75
Class R6	1,000.00	1,029.30	0.99	5.04
<b>Hypothetical (5% return before expenses)</b>				
Class A	1,000.00	1,018.05	1.40	7.08
Class C	1,000.00	1,014.44	2.12	10.71
Class I	1,000.00	1,019.40	1.13	5.72
Class R6	1,000.00	1,020.10	0.99	5.01

\* 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 365 to reflect the one-half year period.

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

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

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**KEY INVESTMENT TERMS (Unaudited)**  
**SEPTEMBER 30, 2017**

***American Depositary Receipt (“ADR”)***

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

***Bloomberg Barclays U.S. Aggregate Bond Index***

The Bloomberg Barclays U.S. Aggregate Bond Index measures the U.S. investment grade fixed rate bond market. The index is calculated on a total return basis. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and it is not available for direct investment.

***Bloomberg Barclays U.S. Corporate High Yield Bond Index***

The Bloomberg Barclays U.S. Corporate High Yield Bond Index measures the U.S. dollar-denominated, high yield, fixed-rate corporate bond market. The index is calculated on a total return basis. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and it is not available for direct investment.

***Brexit***

A combination of the words “Britain” and “exit” which refers to Britain’s withdrawal from the European Union.

***Exchange-Traded Funds (“ETFs”)***

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

***Federal Reserve (the “Fed”)***

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

***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.

***MSCI EAFE® Index (net)***

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

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**KEY INVESTMENT TERMS (Unaudited) (Continued)**  
**SEPTEMBER 30, 2017**

***MSCI Emerging Markets Index (net)***

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

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

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

***Russell 2000® Index***

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

***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.

# DUFF & PHELPS REAL ESTATE SECURITIES FUND

## Fund Summary (Unaudited)

### Portfolio Manager Commentary by

### Duff & Phelps Investment Management Co.

#### Ticker Symbols:

Class A: PHRAX

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

■ For the fiscal year ended September 30, 2017, the Fund's Class A shares at NAV returned 0.63%, Class C shares at NAV returned -0.09%, Class I shares at NAV returned 0.90% and Class R6 shares at NAV returned 1.06%. For the same period the FTSE NAREIT Equity REITs Index, the Fund's style-specific index appropriate for comparison, returned 0.67%.

***All performance figures assume reinvestment of distributions and exclude the effect of sales charges. 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. Investment return and principal value will fluctuate so your shares, when redeemed, may be worth more or less than their original cost. Please visit [Virtus.com](http://Virtus.com) for performance data current to the most recent month-end.***

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

■ Over the course of the fiscal year ended September 30, 2017, U.S. real estate equities trailed U.S. equities as demonstrated by the 0.7% increase in the FTSE NAREIT Equity REITs Index versus the 18.6% gain in the S&P 500® Index during the period. Relative to U.S. real estate equities, broader U.S. equities have benefited even more from the continued pickup in global economic growth, which has translated into superior earnings growth.

■ Taking a closer look at the individual property sectors that are represented within the FTSE NAREIT Equity REITs Index, the top-performing sectors during the fiscal year on a total return basis included data centers,

lodging/resorts, industrial, specialty and manufactured homes. The strong growth in information technology ("IT") infrastructure outsourcing and the rapid adoption of cloud computing continued to lift data center demand and the shares of companies exposed to this property sector. In particular, healthy demand was driven by hyperscale users such as Amazon's AWS and Microsoft's Azure. The shares of lodging/resorts real estate investment trusts ("REITs") lifted materially in the fourth quarter of 2016 following the U.S. presidential election, fueled by the expectation of higher economic growth. However, this rally faded as the fiscal year progressed, as doubts grew regarding the passage of growth-oriented legislation.

■ The five bottom-performing property sectors during the fiscal year were shopping centers, regional malls, freestanding retail, health care and diversified. Notably, four of these property sectors posted negative total returns during the period. Shopping centers were a material underperformer during the fiscal year alongside other retail-oriented property sectors such as regional malls and freestanding retail, as they were negatively impacted by the broader trends that were playing out across the retail landscape. Specifically, retail store closures accelerated to levels not seen since the great recession, increasing the threat of higher vacancy rates and rising capital needs to attract new tenants to backfill vacant space. However, it should be noted that the store closings were heavily skewed to department stores and private equity-backed specialty apparel retailers.

■ The significant amount of capital looking to find a home in global real estate, particularly from private real estate fund managers, large institutional investors, and sovereign wealth funds, is a theme we have highlighted many times in the past, and this fiscal year's activity continued to demonstrate its relevance. The



## DUFF & PHELPS REAL ESTATE SECURITIES FUND (Continued)

two largest real estate transactions that were announced during the fiscal year were both in logistics. The first was Blackstone's announced sale in early June 2017 of its pan-European logistics company, Logisor, to China Investment Company for 12.25 billion euros. The second was a privatization of Singapore-listed Global Logistic Properties (GLP), which came about after GLP announced it was pursuing a strategic review in December 2016 at the request of its largest shareholder, GIC Real Estate Ltd. The review ultimately led to numerous bidders expressing interest in the company, and a Chinese consortium being selected as the winner in July 2017 at a value of 16 billion Singapore dollars.

■ Separately, Blackstone also announced offers during June 2017 to take private Finnish real estate investment company Sponda for US\$2 billion and Singapore-based Japanese real estate company Croesus Retail Trust for US\$650 million. Additionally, on the last day of the second quarter of 2017, Canada Pension Plan Investment Board announced an offer to privatize Parkway, Inc., a large owner/operator of Houston office properties, for US\$973 million. Lastly, in the first week of July, a Greystar-led fund announced an offer to privatize Monogram Residential Trust, a high-end owner/operator of rental apartments in the U.S., for US\$2 billion.

■ At the individual property level, there were some record sales of office properties in the City of London during the fiscal year despite the ongoing concerns related to the U.K.'s plan to leave the European Union ("Brexit"). Of the transactions that have been announced, one included a property we toured during construction, 20 Fenchurch Street, better known as the "Walkie-Talkie." The property, which was developed by Land Securities and Canary Wharf Group and completed in 2014, was announced to be sold in July 2017 for 1.3 billion pounds.

■ While this is just a sample of the capital markets activity that took place during the fiscal

year, these deals clearly demonstrate the continued strong appetite for global real estate.

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

■ Overall, the Fund performed in line with the FTSE NAREIT Equity REITs Index over the course of the fiscal year ended September 30, 2017. Property sector allocation and security selection both contributed positively to relative performance for the period.

■ Combining property sector allocation and security selection, the top positive relative contributors to performance for the fiscal year were data centers, regional malls, and office. Property sector allocation and security selection both contributed positively to the relative performance of data centers and regional malls, and security selection drove the relative performance of office.

■ From a property sector allocation perspective, the Fund's overweight exposure to data centers was the largest positive driver of performance during the fiscal year. The next largest positive contributor to property sector allocation was the Fund's overweight exposure to industrial. This property sector continued to benefit fundamentally from strong secular-driven demand for supply chain reconfiguration and e-commerce, while new supply remained contained. The Fund's overweight exposure in industrial can be juxtaposed with its underweight exposure to regional malls, a property type that was challenged by some of the same trends benefiting the industrial sector.

■ At the security level, the Fund's lack of exposure to DDR Corp., a mid-cap U.S. shopping center REIT, was the largest positive contributor for the fiscal year. The company's shares performed poorly over the period following the announcement of store closings that plagued the overall retail industry and the negative impact on earnings associated with the expected time to find replacement tenants and get the stores open. One of the next most

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

## DUFF & PHELPS REAL ESTATE SECURITIES FUND (Continued)

meaningful positive contributors to security selection was the Fund's overweight to Coresite Realty, a mid-cap U.S. data center REIT. Shares of Coresite Realty, and the Fund's other data center holdings, significantly outperformed over the period, driven by strong fundamentals that reflected the growing demand for data center space from cloud service providers and corporate enterprises.

- Combining property sector allocation and security selection, the top detractors for the period were shopping centers, specialty and apartments. Property sector allocation and security selection hurt within shopping centers and apartments, and property sector allocation was the detractor relative to specialty.
- From a property sector allocation viewpoint, the Fund's overweight exposure to shopping centers was the largest detractor from performance during the fiscal year. Shopping center and all retail-oriented REITs underperformed during the period given poor sentiment across the retail industry from the ongoing competitive dynamics with e-commerce and the associated store closings. The second-largest property sector allocation detractor was specialty, given the Fund's lack of exposure and the sector's meaningful out-performance during the fiscal year.
- At the security level, the Fund's overweight exposure to Tanger Factory Outlet Centers, a mid-cap U.S. shopping center REIT, was the largest negative contributor to security selection for the fiscal year. The company's shares performed poorly along with other retail property companies. The Fund's overweight exposure to American Campus Communities, a mid-cap U.S. student housing REIT, was the second largest detractor to security selection. Shares of the company suffered as operating results disappointed for the current academic year, coming in below the company's previously guided budget. Higher expenses and concerns around capital deployment activities also weighed on the shares.

*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.*

**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 as of September 30, 2017.

Office	17%
Apartments	16
Industrials	14
Data Centers	12
Shopping Centers	8
Self Storage	7
Regional Malls	6
Other (includes short-term investment)	20
Total	<u>100%</u>

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

## DUFF & PHELPS REAL ESTATE SECURITIES FUND (Continued)

### Average Annual Total Returns<sup>1</sup> for periods ended 9/30/17

	1 Year	5 Years	10 Years	Since Inception	Inception Date
<b>Class A shares at NAV<sup>2</sup></b>	<b>0.63%</b>	<b>8.65%</b>	<b>5.46%</b>	—	—
<b>Class A shares at POP<sup>3,4</sup></b>	<b>-5.16</b>	<b>7.37</b>	<b>4.84</b>	—	—
<b>Class C shares at NAV<sup>2</sup> and with CDSC<sup>4</sup></b>	<b>-0.09</b>	<b>7.84</b>	<b>4.67</b>	—	—
<b>Class I shares at NAV<sup>2</sup></b>	<b>0.90</b>	<b>8.93</b>	<b>5.73</b>	—	—
<b>Class R6 shares at NAV<sup>2</sup></b>	<b>1.06</b>	—	—	<b>6.25%</b>	<b>11/12/14</b>
<b>S&amp;P 500<sup>®</sup> Index*</b>	<b>18.61</b>	<b>14.22</b>	<b>7.44</b>	<b>9.92<sup>5</sup></b>	—
<b>FTSE NAREIT Equity REITs Index*</b>	<b>0.67</b>	<b>9.69</b>	<b>5.83</b>	<b>6.87<sup>5</sup></b>	—

**Fund Expense Ratios<sup>6</sup>: Class A shares: 1.38%, Class C shares: 2.13%, Class I shares: 1.13%, Class R6 shares 0.96%.**

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 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 certain redemptions of Class A shares made within 18 months of a finder's fee being paid and all Class C shares are 1% within the first year and 0% thereafter.

<sup>5</sup> The index returns are from Class R6 shares' inception date.

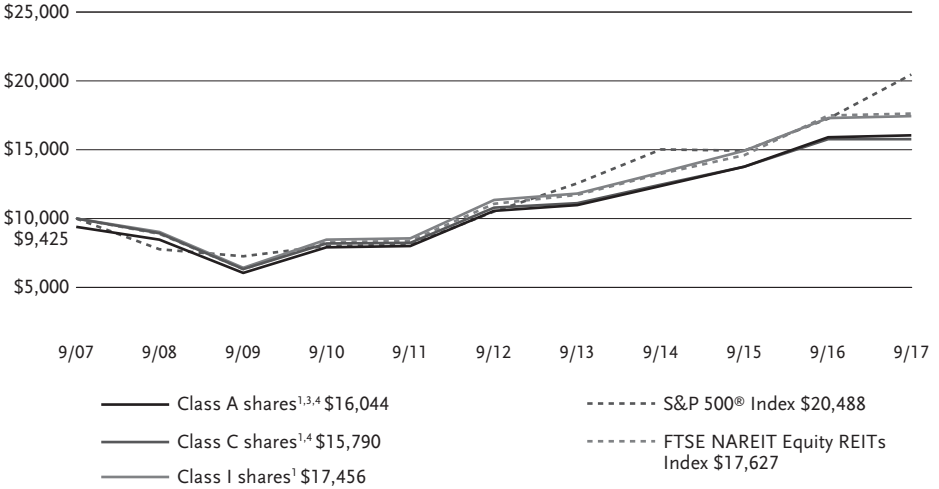
<sup>6</sup> The expense ratios of the Fund are set forth according to the prospectus for the Fund effective April 10, 2017, as supplemented and revised, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report. See the Financial Highlights table for more current expense ratios. Expense ratios include fees and expenses associated with underlying funds.

\* The FTSE NAREIT Equity REITs Index is an appropriate/index. The Fund is no longer using the S&P 500<sup>®</sup> Index.

# DUFF & PHELPS REAL ESTATE SECURITIES FUND (Continued)

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

This chart assumes an initial investment of \$10,000 made on September 30, 2007, for Class A shares, Class C shares and Class I shares including any applicable sales charges or fees. The performance of the other share Class may be greater or less than that shown based on differences in inception dates, fees, and sales charges. 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 DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**SCHEDULE OF INVESTMENTS**  
**SEPTEMBER 30, 2017**

(\$ reported in thousands)

	<u>SHARES</u>	<u>VALUE</u>		<u>SHARES</u>	<u>VALUE</u>
<b>COMMON STOCKS—99.4%</b>			<b>LODGING/RESORTS (continued)</b>		
<b>REAL ESTATE INVESTMENT TRUSTS—99.4%</b>			RLJ Lodging Trust		
<b>DATA CENTERS—11.9%</b>				865,802	\$ 19,047
CoreSite Realty Corp.	118,600	\$ 13,271			<u>30,266</u>
CyrusOne, Inc.	253,400	14,933	<b>RESIDENTIAL—23.9%</b>		
Digital Realty Trust, Inc.	365,450	43,244	<b>Apartments—16.0%</b>		
Equinix, Inc.	88,975	39,709	American Campus		
		<u>111,157</u>	Communities, Inc.		
			Apartment Investment &		
			Management Co. Class A		
<b>DIVERSIFIED—3.8%</b>			AvalonBay Communities,		
JBG SMITH Properties <sup>(2)</sup>	201,300	6,887	Inc.		
Vornado Realty Trust	376,600	28,953	Equity Residential		
		<u>35,840</u>	Essex Property Trust, Inc.		
			Mid-America Apartment		
			Communities, Inc.		
<b>HEALTH CARE—4.8%</b>			94,900		
Healthcare Realty Trust,			<u>10,143</u>		
Inc.	420,008	13,583	<u>149,494</u>		
Healthcare Trust of			<b>Manufactured Homes—4.5%</b>		
America, Inc. Class A	920,000	27,416	Equity LifeStyle Properties,		
Welltower, Inc.	52,641	3,700	Inc.		
		<u>44,699</u>	Sun Communities, Inc.		
			153,503		
			334,300		
<b>INDUSTRIAL/OFFICE—31.1%</b>			<u>28,643</u>		
			<u>41,703</u>		
<b>Industrial—13.8%</b>			<b>Single Family Homes—3.4%</b>		
DCT Industrial Trust, Inc.	593,993	34,404	American Homes 4 Rent		
Duke Realty Corp.	1,225,659	35,324	Class A		
Prologis, Inc.	929,452	58,983	1,469,700		
		<u>128,711</u>	<u>31,907</u>		
			<b>Total Residential</b>		
			<b>223,104</b>		
<b>Office—17.3%</b>			<b>RETAIL—14.0%</b>		
Alexandria Real Estate			<b>Regional Malls—6.0%</b>		
Equities, Inc.	251,400	29,909	Simon Property Group,		
Boston Properties, Inc.	157,483	19,351	Inc.		
Cousins Properties, Inc.	2,094,170	19,560	350,941		
Douglas Emmett, Inc.	596,529	23,515	<u>56,505</u>		
Highwoods Properties, Inc.	401,731	20,926	<b>Shopping Centers—8.0%</b>		
Kilroy Realty Corp.	335,666	23,873	Brixmor Property Group,		
Paramount Group, Inc.	1,552,874	24,846	Inc.		
		<u>161,980</u>	1,180,696		
			Federal Realty Investment		
			Trust		
<b>Total Industrial/Office</b>		<b>290,691</b>	135,700		
			492,700		
<b>LODGING/RESORTS—3.3%</b>			Tanger Factory Outlet		
Host Hotels & Resorts,			Centers, Inc.		
Inc.	435,786	8,058	200,407		
Pebblebrook Hotel Trust	87,463	3,161	<u>4,894</u>		
			<u>74,513</u>		
			<b>Total Retail</b>		
			<b>131,018</b>		

See Notes to Financial Statements

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**SEPTEMBER 30, 2017**

(\$ reported in thousands)

	<u>SHARES</u>	<u>VALUE</u>
<b>SELF STORAGE—6.6%</b>		
CubeSmart	1,251,650	\$ 32,493
Extra Space Storage, Inc.	300,584	24,023
Public Storage	22,792	4,877
		<u>61,393</u>
<b>TOTAL COMMON STOCKS</b>		
<b>(Identified Cost \$654,435)</b>		<b>928,168</b>
<b>TOTAL LONG TERM INVESTMENTS—99.4%</b>		
<b>(Identified Cost \$654,435)</b>		<b>928,168</b>
<b>SHORT-TERM INVESTMENT—0.3%</b>		
<b>Money Market Mutual Fund—0.3%</b>		
Dreyfus Government Cash Management Fund – Institutional Shares (seven-day effective yield 0.920%) <sup>(3)</sup>	3,319,406	3,319
<b>TOTAL SHORT-TERM INVESTMENT</b>		
<b>(Identified Cost \$3,319)</b>		<b>3,319</b>
<b>TOTAL INVESTMENTS—99.7%</b>		
<b>(Identified Cost \$657,754)</b>		<b>931,487<sup>(1)</sup></b>
Other assets and liabilities, net—0.3%		<u>2,667</u>
<b>NET ASSETS—100.0%</b>		<b><u>\$934,154</u></b>

**FOOTNOTE LEGEND:**

- <sup>(1)</sup> Federal Income Tax Information: For tax information at September 30, 2017, see Note 7 Federal Income Tax Information in the Notes to Financial Statements.
- <sup>(2)</sup> Non-income producing.
- <sup>(3)</sup> Shares of this fund are publicly offered and its prospectus and annual report are publicly available.

The following table provides a summary of inputs used to value the Fund's investments as of September 30, 2017 (See Security Valuation Note 2A in the Notes to Financial Statements):

	<u>Total Value at September 30, 2017</u>	<u>Level 1 Quoted Prices</u>
Equity Securities:		
Common Stocks	\$928,168	\$928,168
Short-Term Investments	3,319	3,319
Total Investments	<u>\$931,487</u>	<u>\$931,487</u>

There were 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, 2017.

See Notes to Financial Statements

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**SEPTEMBER 30, 2017**

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

<b>Assets</b>	
Investment in securities at value <sup>(1)</sup> .....	\$ 931,487
Receivables	
Investment securities sold .....	4,173
Fund shares sold .....	882
Dividends and interest receivable .....	3,069
Prepaid expenses .....	39
Prepaid trustee retainer .....	11
Other assets .....	33
	939,694
<b>Liabilities</b>	
Cash overdraft .....	— <sup>(2)</sup>
Payables	
Fund shares repurchased .....	1,191
Investment securities purchased .....	3,155
Investment advisory fees .....	598
Distribution and service fees .....	110
Administration fees .....	97
Transfer agent fees and expenses .....	273
Professional fees .....	25
Trustee deferred compensation plan .....	33
Other accrued expenses .....	58
	5,540
Total liabilities .....	5,540
<b>Net Assets</b> .....	<b>\$ 934,154</b>
<b>Net Assets Consist of:</b>	
Capital paid in on shares of beneficial interest .....	\$ 551,412
Accumulated undistributed net investment income (loss) .....	(44)
Accumulated undistributed net realized gain (loss) .....	109,053
Net unrealized appreciation (depreciation) on investments .....	273,733
	934,154
<b>Net Assets</b> .....	<b>\$ 934,154</b>
<b>Class A</b>	
Net asset value (net assets/shares outstanding) per share .....	\$ 30.43
Maximum offering price per share NAV/(1-5.75%) .....	\$ 32.29
Shares of beneficial interest outstanding, no par value, unlimited authorization .....	10,908,738
Net Assets .....	\$ 331,957
<b>Class C</b>	
Net asset value (net assets/shares outstanding) and offering price per share .....	\$ 30.35
Shares of beneficial interest outstanding, no par value, unlimited authorization .....	1,424,134
Net Assets .....	\$ 43,219
<b>Class I</b>	
Net asset value (net assets/shares outstanding) and offering price per share .....	\$ 30.39
Shares of beneficial interest outstanding, no par value, unlimited authorization .....	17,741,515
Net Assets .....	\$ 539,098
<b>Class R6</b>	
Net asset value (net assets/shares outstanding) and offering price per share .....	\$ 30.39
Shares of beneficial interest outstanding, no par value, unlimited authorization .....	654,133
Net Assets .....	\$ 19,880
<sup>(1)</sup> Investment in securities at cost .....	\$ 657,754
<sup>(2)</sup> Amount is less than \$500.	

See Notes to Financial Statements

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED SEPTEMBER 30, 2017**

(\$ reported in thousands)

**Investment Income**

Dividends .....	\$ 27,403
Interest .....	36
	27,439
Total investment income .....	27,439

**Expenses**

Investment advisory fees .....	7,861
Distribution and service fees, Class A .....	1,049
Distribution and service fees, Class B .....	2
Distribution and service fees, Class C .....	530
Administration fees .....	1,327
Transfer agent fees and expenses .....	2,133
Registration fees .....	104
Printing fees and expenses .....	173
Custodian fees .....	21
Professional fees .....	56
Trustees' fees and expenses .....	132
Miscellaneous expenses .....	96
	13,484
Total expenses .....	13,484
Custody fees reimbursed (Note 11) .....	(23)
Low balance account fees .....	— <sup>(1)</sup>
	13,461
Net expenses .....	13,461

**Net investment income (loss) .....** **13,978**

**Net Realized and Unrealized Gain (Loss) on Investments**

Net realized gain (loss) on investments .....	140,137
Net change in unrealized appreciation (depreciation) on investments .....	(155,585)

**Net realized and unrealized gain (loss) on investments .....** **(15,448)**

**Net increase (decrease) in net assets resulting from operations .....** **\$ (1,470)**

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



# VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND

## STATEMENTS OF CHANGES IN NET ASSETS

(Reported in thousands)

	Year Ended September 30, 2017	Year Ended September 30, 2016
<b>INCREASE/(DECREASE) IN NET ASSETS</b>		
<b>From Operations</b>		
Net investment income (loss) .....	\$ 13,978	\$ 17,737
Net realized gain (loss) .....	140,137	207,975
Net change in unrealized appreciation (depreciation) .....	<u>(155,585)</u>	<u>(35,860)</u>
<b>Increase (decrease) in net assets resulting from operations .....</b>	<b><u>(1,470)</u></b>	<b><u>189,852</u></b>
<b>From Distributions to Shareholders</b>		
Net investment income, Class A .....	(4,982)	(7,500)
Net investment income, Class B .....	(1)	(4)
Net investment income, Class C .....	(240)	(382)
Net investment income, Class I .....	(8,403)	(9,664)
Net investment income, Class R6 .....	(379)	(251)
Net realized short-term gains, Class A .....	(5,078)	(4,959)
Net realized short-term gains, Class B .....	(2)	(9)
Net realized short-term gains, Class C .....	(635)	(548)
Net realized short-term gains, Class I .....	(6,262)	(5,095)
Net realized short-term gains, Class R6 .....	(244)	(91)
Net realized long-term gains, Class A .....	(74,699)	(92,687)
Net realized long-term gains, Class B .....	(53)	(183)
Net realized long-term gains, Class C .....	(9,293)	(10,113)
Net realized long-term gains, Class I .....	(86,475)	(93,730)
Net realized long-term gains, Class R6 .....	<u>(3,382)</u>	<u>(1,630)</u>
<b>Decrease in net assets from distributions to shareholders .....</b>	<b><u>(200,128)</u></b>	<b><u>(226,846)</u></b>
<b>From Share Transactions</b>		
<b>Sale of shares</b>		
Class A (3,198 and 3,093 shares, respectively) .....	98,006	113,074
Class B (0 and 1 shares, respectively) .....	9	18
Class C (81 and 184 shares, respectively) .....	2,483	6,659
Class I (6,727 and 4,851 shares, respectively) .....	204,608	174,976
Class R6 (287 and 562 shares, respectively) .....	8,936	21,137
<b>Reinvestment of distributions</b>		
Class A (2,756 and 2,973 shares, respectively) .....	80,809	100,358
Class B (2 and 5 shares, respectively) .....	46	177
Class C (322 and 300 shares, respectively) .....	9,397	10,097
Class I (3,384 and 3,135 shares, respectively) .....	99,159	105,792
Class R6 (137 and 58 shares, respectively) .....	4,005	1,972
<b>Conversion of shares<sup>(1)</sup></b>		
To Class A (9 and 0 shares, respectively) .....	275	—
From Class B (9 and 0 shares, respectively) .....	<u>(275)</u>	<u>—</u>
<b>Shares repurchased</b>		
Class A (9,424 and 7,850 shares, respectively) .....	(289,076)	(285,777)
Class B (16 and 29 shares, respectively) .....	(508)	(1,038)
Class C (806 and 377 shares, respectively) .....	(24,952)	(13,622)
Class I (9,200 and 8,024 shares, respectively) .....	(285,514)	(293,340)
Class R6 (356 and 77 shares, respectively) .....	<u>(10,953)</u>	<u>(2,763)</u>
<b>Increase (decrease) in net assets from share transactions .....</b>	<b><u>(103,545)</u></b>	<b><u>(62,280)</u></b>
<b>Net increase (decrease) in net assets .....</b>	<b>(305,143)</b>	<b>(99,274)</b>
<b>Net Assets</b>		
Beginning of period .....	<u>1,239,297</u>	<u>1,338,571</u>
<b>End of period .....</b>	<b><u>\$ 934,154</u></b>	<b><u>\$1,239,297</u></b>
Accumulated undistributed net investment income (loss) at end of period .....	\$ (44)	—

<sup>(1)</sup> See Note 1 in Notes to Financial Statements for more information.

See Notes to Financial Statements

**VIRTUS DUFF & PHELPS 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>(e)</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>							
10/1/16 to 9/30/17	\$36.87	0.38	(0.48)	(0.10)	(0.40)	(5.94)	(6.34)
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)
<b>Class C</b>							
10/1/16 to 9/30/17	\$36.77	0.15	(0.47)	(0.32)	(0.16)	(5.94)	(6.10)
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)

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

See Notes to Financial Statements

**VIRTUS DUFF & PHELPS 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 (in thousands)	Ratio of Expenses to Average Net Assets <sup>(3)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
(6.44)	\$30.43	0.63% <sup>(6)</sup>	\$331,957	1.39% <sup>(6)</sup>	1.21% <sup>(6)</sup>	20%
(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
(6.42)	\$30.35	(0.09)% <sup>(6)</sup>	\$ 43,219	2.13% <sup>(6)</sup>	0.48% <sup>(6)</sup>	20%
(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

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

See Notes to Financial Statements

**VIRTUS DUFF & PHELPS 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>(6)</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>							
10/1/16 to 9/30/17	\$36.83	0.46	(0.48)	(0.02)	(0.48)	(5.94)	(6.42)
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)
<b>Class R6</b>							
10/1/16 to 9/30/17	\$36.84	0.50	(0.48)	0.02	(0.53)	(5.94)	(6.47)
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 DUFF & PHELPS 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 (in thousands)	Ratio of Expenses to Average Net Assets <sup>(3)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets	Portfolio Turnover Rate
(6.44)	\$30.39	0.90% <sup>(8)</sup>	\$539,098	1.13% <sup>(8)</sup>	1.49% <sup>(8)</sup>	20%
(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
(6.45)	\$30.39	1.06% <sup>(8)</sup>	\$ 19,880	0.98% <sup>(8)</sup>	1.62% <sup>(8)</sup>	20%
(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>(5)</sup>	2.30 <sup>(5)</sup>	22 <sup>(9)</sup>

**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 will also indirectly bear its prorated share of expenses of any underlying funds in which it invests. Such expenses are not included in the calculation of this ratio.
- <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.
- <sup>(8)</sup> Custody fees reimbursed were excluded from the Ratio of Net Expenses to Average Net Assets and Ratio of Net Investment Income (Loss) to Average Net Assets. If included the impact would have been to lower the Ratio of Net Expenses to Average Net Assets and increase the Ratio of Net Investment Income (Loss) to Average Net Assets by less than 0.01%. Custody fees reimbursed were included in Total Return. If excluded the impact would have been to lower the Total Return by less than 0.01%.
- See Note 10 in the Notes to Financial Statements for a further explanation on the custody fees reimbursed.
- <sup>(9)</sup> Portfolio Turnover is representative of the Fund for the entire year ended September 30, 2015.

See Notes to Financial Statements

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

**Note 1. Organization**

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

As of the date of this report, 28 funds of the Trust are offered for sale, of which the Duff & Phelps 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 objectives.*

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

Class A shares are sold with a front-end sales charge of up to 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 C shares are generally sold with a 1% CDSC, applicable if redeemed within one year of purchase.

Class I shares and Class R6 shares are sold without a front-end sales charge or CDSC.

Class R6 shares are available only to the following investors without a minimum initial investment or minimum additional purchases: certain employer-sponsored retirement plans, including Section 401(k), 403(b) and 457, profit-sharing, money purchase pension and defined benefit plans and nonqualified deferred compensation plans, in each case provided that plan level or omnibus accounts are held on the books of the fund. Other institutional investors may be permitted to purchase Class R6 shares subject to the fund's determination of eligibility and may be subject to a minimum initial investment requirement. Class R6 shares do not carry sales commissions or pay Rule 12b-1 fees. No compensation, administrative payments, sub-transfer agency payments or service payments are paid to brokers or other entities from Fund assets or the Fund's distributor's or an affiliate's resources on sales of or investments in Class R6 shares.

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

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

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2017**

**Note 2. Significant Accounting Policies**

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates and those differences could be significant.

**A. Security Valuation**

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

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

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2017**

net asset value ("NAV") (at the close of regular trading on the New York Stock Exchange ("NYSE"), generally 4 p.m. Eastern time) that may impact the value of securities traded in these non-U.S. markets. In such cases the Fund fair values non-U.S. securities using an independent pricing service which considers the correlation of the trading patterns of the non-U.S. security to the intraday trading in the U.S. markets for investments such as ADRs, financial futures, ETFs, and certain indexes, as well as prices for similar securities. Such fair valuations are categorized as Level 2 in the hierarchy. Because the frequency of significant events is not predictable, fair valuation of certain non-U.S. common stocks may occur on a frequent basis.

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,



**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2017**

2017, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations are from the year 2014 forward (with limited exceptions).

**D. Distributions to Shareholders**

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

**E. Expenses**

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

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

**F. Earnings Credit and Interest**

Through an arrangement with the Fund's previous custodian, which ended in September 2017, the Fund either received an earnings credit or interest on agreed upon target un-invested cash balances to reduce the Fund's custody expenses. The credits are reflected as "Earnings credit from Custodian" and the interest is reflected under "Interest income" in the Fund's Statements of Operations for the period, as applicable.

**Note 3. Investment Advisory Fees and Related Party Transactions**  
(\$ reported in thousands except as noted)

**A. Adviser**

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

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

<u>First \$1 Billion</u>	<u>\$1 Billion 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 it 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

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2017**

that for the fiscal year (the "period") ended September 30, 2017, it retained net commissions of \$69 for Class A shares and deferred sales charges of \$1 for Class A and \$2 for Class C shares, respectively.

In addition, the Fund pays VP Distributors 12b-1 fees under a 12b-1 Plan as a percentage of the average daily net assets of each respective class at the annual rates as follows: Class A shares 0.25% and Class C shares 1.00%. 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, 2017, the Fund incurred administration fees totaling \$1,026 which are included in the Statement of Operations within the line item "Administration fees".

For the period ended September 30, 2017, the Fund incurred transfer agent fees totaling \$2,075 which are included in the Statement of Operations within the line item "Transfer agent fees and expenses". A portion of these fees was paid to outside entities that also provide services to the Trust.

**E. Affiliated Shareholders**

At September 30, 2017, Virtus and its affiliates, and the retirement plans of Virtus and its affiliates, held shares of the Fund which may be redeemed at any time that aggregated to the following:

	<u>Shares</u>	<u>Aggregate Net Asset Value</u>
Class I .....	96,146	\$2,922

**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, 2017.

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2017**

**Note 4. Purchases and Sales of Securities**

(\$ reported in thousands)

Purchases and sales of securities (excluding U.S. Government and agency securities and short-term securities) during the period ended September 30, 2017, were as follows:

<u>Purchases</u>	<u>Sales</u>
\$208,273	\$481,027

There were no purchases or sales of long-term U.S. Government and agency securities during the period ended September 30, 2017.

**Note 5. Indemnifications**

Under the Trust's organizational documents and in separate agreements between each Trustee and the Trust, its Trustees and officers are indemnified against certain liabilities arising out of the performance of their duties to the Trust and its funds. In addition, in the normal course of business, the Fund enters into contracts that provide a variety of indemnifications to other parties. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund and that have not occurred. However, the Fund has not had prior claims or losses pursuant to these arrangements and expects the risk of loss to be remote.

**Note 6. Credit Risk and Asset Concentrations**

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

**Note 7. Federal Income Tax Information**

(\$ reported in thousands)

At September 30, 2017, federal tax cost and aggregate gross unrealized appreciation (depreciation) of securities held by the Fund were as follows:

<u>Federal Tax Cost</u>	<u>Unrealized Appreciation</u>	<u>Unrealized (Depreciation)</u>	<u>Net Unrealized Appreciation (Depreciation)</u>
\$675,061	\$273,622	\$(17,196)	\$256,426

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>
\$588	\$125,772

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.

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2017**

The tax character of dividends and distributions paid during the fiscal years ended September 30, 2017 and 2016 was as follows:

	Year Ended	
	2017	2016
Ordinary Income . . . . .	\$ 26,226	\$ 28,503
Long-Term Capital Gains . . .	173,902	198,343
Total . . . . .	\$200,128	\$226,846

For financial reporting purposes, book basis capital accounts are adjusted to reflect the tax character of permanent book/tax differences. Permanent reclassifications can arise from differing treatment of certain income and gain transactions, nondeductible current year net operating losses, expiring capital loss carryovers and investments in passive foreign investment companies. The reclassifications have no impact on the net assets or NAV of the Fund. As of September 30, 2017, the Fund recorded reclassifications to increase (decrease) the accounts as listed below:

Capital Paid in on Shares of Beneficial Interest	Undistributed Net Investment Income (Loss)	Accumulated Net Realized Gain (Loss)
\$—	\$(17)	\$17

**Note 8. Borrowings**

**(\$ reported in thousands)**

On September 18, 2017, the Fund and other affiliated funds of the Trust (with the exception of the Newfleet Senior Floating Rate Fund) entered into a \$150,000 unsecured line of credit. This Credit Agreement is with a commercial bank that allows the Funds to borrow cash from the bank to manage large unexpected redemptions and trade fails, up to a limit of one-third of each Fund's total net assets in accordance with the terms of the agreement. This Credit Agreement has a term of 364 days. Interest is charged at the higher of the LIBOR (London Interbank Offered Rate) or the Federal Funds rate plus an additional percentage rate on the amount borrowed. Commitment fees are charged on the undrawn balance. The Fund and other affiliated funds that are parties are individually, and not jointly, liable for their particular advances, if any, under the line of credit. The lending bank has the ability to require repayment of outstanding borrowings under this Credit Agreement upon certain circumstances such as an event of default.

On June 29, 2016, the Fund and other affiliated funds of the Trust renewed a \$50,000 secured line of credit. This Credit Agreement was with a commercial bank that allowed the Fund to borrow cash from the bank to manage large unexpected redemptions and trade fails, up to a limit of one-third of each Fund's total net assets in accordance with the terms of the agreement. This Credit Agreement had a term of 364 days and was renewable by the Fund with the bank's consent and approval of the Board. Interest was charged at the higher of the LIBOR or the Federal Funds rate plus an additional percentage rate on the amount borrowed. Commitment fees were charged on the undrawn balance. The Fund and other affiliated funds that were parties were individually, and not jointly, liable for their particular advances, if any, under the line of credit. The lending bank had the ability to require repayment of outstanding borrowings under this Credit Agreement upon certain circumstances such as an event of default. On June 14, 2017, the term of this Credit

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2017**

Agreement was extended for an additional 90 days. Effective September 18, 2017, this Credit Agreement was terminated and replaced by a new credit facility.

The Fund had no borrowing at any time during the year ended September 30, 2017.

**Note 9. 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 violations of certain provisions of the federal securities laws was filed by an individual shareholder against Virtus and certain of its officers (the "defendants") in the United States District Court for the Southern District of New York. On August 21, 2015, the lead plaintiff filed a Consolidated Class Action Complaint (the "Consolidated Complaint") amending the originally filed complaint and adding the Trust as a defendant. The Consolidated Complaint was purportedly filed on behalf of all purchasers of Virtus common stock between January 25, 2013 and May 11, 2015 (the "Class Period"). The Consolidated Complaint alleges that during the Class Period, the defendants disseminated materially false and misleading statements and concealed material adverse facts relating to certain funds previously subadvised by F-Squared Investments, Inc. and/or its affiliates ("F-Squared"). The plaintiff seeks to recover unspecified damages. A motion to dismiss the Consolidated Complaint was filed on behalf of the defendants on October 21, 2015. Pursuant to an Opinion & Order ("Order") filed on July 1, 2016, the court granted in part and denied in part the defendants' motion to dismiss. Although the Order narrows the scope of the claims asserted and dismisses one of the defendants from the suit, claims under Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 thereunder survive the motion. The remaining defendants filed an Answer to the Consolidated Complaint on August 5, 2016. Pursuant to an Opinion & Order filed on May 15, 2017, the plaintiff's motion for class certification, was granted by the court. Virtus and its affiliates, including the Adviser, believe that the suit is without merit and intend to defend it vigorously. The Trust believes that the risk of loss to the Fund as a result of this suit is remote. The Adviser does not believe that the suit will have any impact on its ability to provide services to the Fund.

On May 8, 2015, a putative class action complaint (*Mark Youngers v. Virtus Investment Partners, Inc., et al.*) alleging violations of certain provisions of the federal securities laws was filed in the United States District Court for the Central District of California. The complaint, which was purportedly filed on behalf of purchasers of certain Virtus Funds previously sub-advised by F-Squared between May 8, 2010 and December 22, 2014, inclusive (the "Class Period"), alleged claims against Virtus, certain Virtus officers and affiliates (including the Adviser, Euclid Advisors LLC ("Euclid") and VP Distributors, LLC), the trustees and certain officers of the Trust, and certain other parties (the "defendants"). The complaint alleges that during the Class Period the defendants disseminated materially false and misleading statements and concealed or omitted material facts necessary to make the statements made not misleading. On October 1, 2015, the plaintiffs filed a First

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2017**

Amended Class Action Complaint which, among other things, added a derivative claim for breach of fiduciary duty on behalf of the Trust. On October 19, 2015, the United States District Court for the Central District of California entered an order transferring the action to the Southern District of New York. On January 4, 2016, the plaintiffs filed a Second Amended Complaint. Motions to dismiss were filed on behalf of Virtus, its officers and affiliates and the independent trustees on February 1, 2016. An Opinion & Order (“Order”) granting in part and denying in part the defendants’ motions to dismiss was issued on July 1, 2016. The Order dismissed all claims against the Adviser, Euclid, the independent trustees and certain of the other individual defendants, and narrowed the claims asserted against the remaining defendants. The remaining defendants filed an Answer to the Second Amended Complaint on August 5, 2016. A Stipulation of Voluntary Dismissal of the claim under Section 12 of the Securities Act of 1933, as amended, was filed on September 15, 2016.

The remaining defendants filed a motion to certify an interlocutory appeal of the July 1, 2016 order to the Court of Appeals for the Second Circuit on August 26, 2016. The motion was denied on January 6, 2017. Pursuant to an Opinion & Order filed on May 15, 2017, the plaintiffs’ motion for class certification, was denied by the court. Plaintiffs have filed a motion seeking leave to amend their complaint, and a decision on the motion is pending. 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 Funds 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 10. Illiquid and Restricted Securities**

Investments are generally considered illiquid if they cannot be disposed of within seven days in the ordinary course of business at the approximate amount at which such securities have been valued by a Fund. Additionally, the following information is also considered in determining liquidity: the frequency of trades and quotes for the investment, whether the investment is listed for trading on a recognized domestic exchange and/or whether two or more brokers are willing to purchase or sell the security at a comparable price, the extent of market making activity in the investment and the nature of the market for investment.

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

At September 30, 2017, the Fund did not hold any securities that were illiquid or restricted.

**Note 11. Custody Fees Reimbursed**

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

**Note 12. Recent Accounting Pronouncement**

In October 2016, the SEC released its Final Rule on Investment Company Reporting Modernization (the “Rule”). The Rule contains amendments to Regulation S-X which impacts financial statement presentation, particularly the presentation of derivative investments. The financial statements presented are in compliance with the most recent Regulation S-X amendments.

**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**SEPTEMBER 30, 2017**

**Note 13. Subsequent Events**

Management has evaluated the impact of all subsequent events on the Fund through the date the financial statements were issued, and has determined that there are no subsequent events requiring recognition or disclosure in the financial statements.



## **Report of Independent Registered Public Accounting Firm**

To the Board of Trustees of  
Virtus Opportunities Trust and Shareholders of  
Virtus Duff & Phelps 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 Duff & Phelps Real Estate Securities Fund (one of the funds constituting Virtus Opportunities Trust, hereafter referred to as the "Fund") as of September 30, 2017, and 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 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 as of September 30, 2017 by correspondence with the custodian, brokers, transfer agent of the investee fund and the application of alternative procedures where securities purchased had not been received, provide a reasonable basis for the opinion expressed above.

PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania  
November 22, 2017



**VIRTUS DUFF & PHELPS REAL ESTATE SECURITIES FUND**  
**TAX INFORMATION NOTICE (Unaudited)**  
**SEPTEMBER 30, 2017**

For the fiscal year ended September 30, 2017, 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.

<b>QDI</b>	<b>DRD</b>	<b>LTCG</b>
—%	—%	\$131,890

## FUND MANAGEMENT TABLES (Unaudited)

Information pertaining to the Trustees and officers of the Trust as of September 30, 2017, 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) 243-4361.

The address of each individual, unless otherwise noted, is c/o Virtus Opportunities Trust, 100 Pearl Street, Hartford, CT 06103. There is no stated term of office for Trustees or officers of the Trust.

### Independent Trustees

Name, Year of Birth, Length of Time Served and Number of Portfolios in Complex	Principal Occupation(s) During Past 5 Years and Other Directorships Held by Trustee
Brown, Thomas J. YOB: 1945 Served Since: 2016 87 Portfolios	Retired. Trustee (since 2016), Virtus Mutual Fund Family (75 portfolios) and Virtus Alternative Solutions Trust (3 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: 1960 Served Since: 2016 91 Portfolios	Retired. Trustee (since 2016), Virtus Mutual Fund Family (75 portfolios), Virtus Variable Insurance Trust (9 portfolios) and Virtus Alternative Solutions Trust (3 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).
Gelfenbien, Roger A. YOB: 1943 Served Since: 2016 87 Portfolios	Retired. Trustee (since 2016), Virtus Mutual Fund Family (75 portfolios) and Virtus Alternative Solutions Trust (3 portfolios); Trustee (since 2000), Virtus Variable Insurance Trust (9 portfolios); and Director (since 1999), USAllianz Variable Insurance Product Trust (42 portfolios).
Harris, Sidney E. YOB: 1949 Served Since: 2017 87 Portfolios	Professor and Dean Emeritus (since April 2015), Professor (1997 to 2014), Dean (1997 to 2004), J. Mack Robinson College of Business, Georgia State University; Trustee (since 2017), Virtus Mutual Fund Family (75 portfolios), Virtus Variable Insurance Trust (9 portfolios), and Virtus Alternative Solutions Trust (3 portfolios); Trustee (since 2013), KIPP Metro Atlanta; Trustee (since 1999) Total System Services, Inc.; Trustee (2004 to 2017), RidgeWorth Funds; Trustee (2012 to 2017), International University of the Grand Bassam; and Trustee (2011 to 2015), Genspring Family Offices, LLC.
Mallin, John R. YOB: 1950 Served Since: 2016 87 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 Family (75 portfolios) and Virtus Alternative Solutions Trust (3 portfolios); Director (since 2013), Horizons, Inc. (non-profit); and Trustee (since 1999), Virtus Variable Insurance Trust (9 portfolios).
McClellan, Hassell H. YOB: 1945 Served Since: 2015 87 Portfolios	Retired (since 2013); and Professor (1984 to 2013), Wallace E. Carroll School of Management, Boston College. Chairperson of the Board (since 2017) and Trustee (since 2000), John Hancock Fund Complex (collectively, 227 portfolios); Trustee (since 2016), Virtus Alternative Solutions Trust (3 portfolios); Trustee (since 2015), Virtus Mutual Fund Family (75 portfolios); Director (since 2010), Barnes Group, Inc. (diversified global components manufacturer and logistical services company); Trustee, Virtus Variable Insurance Trust (9 portfolios) (since 2008).
McDaniel, Connie D. YOB: 1958 Served Since: 2017 87 Portfolios	Retired. Trustee (since 2017), Virtus Mutual Fund Family (75 portfolios), Virtus Variable Insurance Trust (9 portfolios), and Virtus Alternative Solutions Trust (3 portfolios); Trustee (since 2014), Total System Services, Inc.; and Trustee (2005 to 2017), RidgeWorth Funds.

## FUND MANAGEMENT TABLES (Unaudited) (Continued)

### Independent Trustees (Continued)

Name, Year of Birth, Length of Time Served and Number of Portfolios in Complex	Principal Occupation(s) During Past 5 Years and Other Directorships Held by Trustee
McLoughlin, Philip YOB: 1946 Served Since: 1999 95 Portfolios	Retired. Director and Chairman (since 2016), Virtus Total Return Fund Inc. and Virtus Global Dividend & Income Fund Inc.; Director and Chairman (since 2014) Duff & Phelps Select Energy MLP Fund Inc.; Trustee and Chairman (since 2013), Virtus Alternative Solutions Trust (3 portfolios); Trustee and Chairman (since 2011), Virtus Global Multi-Sector Income Fund; 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 Family (75 portfolios).
McNamara, Geraldine M. YOB: 1951 Served Since: 2001 91 Portfolios	Retired. Trustee (since 2016) Virtus Alternative Solutions Trust (3 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 Family (75 portfolios).
Oates, James M. YOB: 1946 Served Since: 2000 91 Portfolios	Managing Director (since 1994), Wydown Group (consulting firm). Director (since 2016), Virtus Total Return Fund Inc. and Virtus Global Dividend & Income Fund Inc.; Trustee (since 2016) Virtus Variable Insurance Trust (9 portfolios); Director (since 2014), Duff & Phelps Select Energy MLP Fund Inc.; Trustee (since 2013), Virtus Alternative Solutions Trust (3 portfolios); Trustee (since 2011), Virtus Global Multi-Sector Income Fund; Chairman (2005 to 2017) and Trustee (since 2005), John Hancock Fund Complex (227 portfolios); Director (2002 to 2014), New Hampshire Trust Company; Chairman (2000 to 2016), 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 Family (75 portfolios).
Segerson, Richard E. YOB: 1948 Served Since: 1996 87 Portfolios	Retired; and Managing Director (1998 to 2013), Northway Management Company. Trustee (since 2016) Virtus Alternative Solutions Trust (3 portfolios) and Virtus Variable Insurance Trust (9 portfolios); and Trustee (since 1983), Virtus Mutual Fund Family (75 portfolios).
Verdonck, Ferdinand L.J. YOB: 1942 Served Since: 2005 87 Portfolios	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; Vice Chairman (since 2014), Affirmed Therapeutics (biotechnology); 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 (3 portfolios); and Trustee (since 2002), Virtus Mutual Fund Family (75 portfolios).

## FUND MANAGEMENT TABLES (Unaudited) (Continued)

### Interested Trustee

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 93 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 (2 funds); Trustee and President (since 2013), Virtus Alternative Solutions Trust (3 portfolios); Director (since 2013), Virtus Global Funds, PLC (2 portfolios); Trustee (since 2012) and President (since 2010), Virtus Variable Insurance Trust (9 portfolios); Director, President and Chief Executive Officer (since 2014), Duff & Phelps Select Energy MLP Fund Inc.; Trustee, President and Chief Executive Officer (since 2011), Virtus Global Multi-Sector Income Fund; Trustee and President (since 2006) and Executive Vice President (2004 to 2006), Virtus Mutual Fund Family (75 portfolios); and Director, President and Chief Executive Officer (since 2006), Virtus Global Dividend & Income Fund Inc. and Virtus Total Return Fund Inc.

\* Mr. Aylward is an “interested person,” as defined in the 1940 Act, by reason of his position as President and Chief Executive Officer of Virtus Investment Partners, Inc. (“Virtus”), the ultimate parent company of the Adviser, and various positions with its affiliates, including the Adviser.

## 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 Family; Executive Vice President (since 2016), Senior Vice President (2013 to 2016), Vice President (2012 to 2013) and Treasurer and Chief Financial Officer (since 2010), Virtus Total Return Fund Inc.. 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 Global Multi-Sector Income Fund; 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 Family; Senior Vice President (2013 to 2014), Vice President (2012 to 2013) and Assistant Secretary (since 2012), Secretary and Chief Legal Officer (2005 to 2012), Virtus Total Return Fund Inc. and Virtus Global Dividend & Income Fund Inc.; Senior Vice President (since 2017), 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; Senior Vice President (since 2017) and Assistant Secretary (since 2013), Virtus Alternative Solutions Trust; Secretary (since 2015), ETFis Series Trust I; and Secretary (since 2015), Virtus ETF Trust II.

## 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	Senior Vice President and Chief Compliance Officer (since 2017); Vice President and Chief Compliance Officer (2011 to 2017).	Senior Vice President (since 2017), Vice President (2008 to 2017) 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; Senior Vice President (since 2017), Vice President (2011 to 2017) and Chief Compliance Officer (since 2011), Virtus Mutual Fund Family; Senior Vice President (since 2017), Vice President (2010 to 2016) and Chief Compliance Officer (since 2011), Virtus Variable Insurance Trust; Senior Vice President (since 2017), Vice President (2011 to 2016) and Chief Compliance Officer (since 2011), Virtus Global Multi-Sector Income Fund; Senior Vice President (since 2017), Vice President (2012 to 2016) and Chief Compliance Officer (since 2012), Virtus Total Return Fund Inc. and Virtus Global Dividend & Income Fund Inc.; Senior Vice President (since 2017), Vice President (2013 to 2016) and Chief Compliance Officer (since 2013), Virtus Alternative Solutions Trust; Vice President & Chief Compliance Officer (since 2014), Duff & Phelps Select Energy MLP Fund Inc.; Chief Compliance Officer (since 2015), ETFis Series Trust I; and Chief Compliance Officer (since 2015), Virtus ETF Trust II.
Short, Julia R. YOB: 1972	Senior Vice President (since 2017)	Senior Vice President, Product Development (since 2017), Virtus Investment Partners, Inc. and/or certain of its subsidiaries; Senior Vice President (since 2017), Virtus Mutual Fund Family; President and Chief Executive Officer, RidgeWorth Funds (2007 to 2017); and Managing Director, Product Manager, RidgeWorth Investments (2004 to 2017).
Waltman, Francis G. YOB: 1962	Executive Vice President (since 2013); Senior Vice President (2008 to 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 Family; 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 Global Multi-Sector Income Fund; Executive Vice President (since 2014), Duff & Phelps Select Energy MLP Fund Inc.; 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. Gelfenbien  
Sidney E. Harris  
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Philip R. McLoughlin, Chairman  
Geraldine M. McNamara  
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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, Senior Vice President  
and Chief Compliance Officer  
Julia R. Short, Senior Vice President

## 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

The Bank of New York Mellon  
225 Liberty Street  
New York, NY 10286-1048

## Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP  
2001 Market Street  
Philadelphia, PA 19103-7042

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Adviser Consulting Group 1-800-243-4361  
Website **Virtus.com**

### 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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