

SEMIANNUAL REPORT
VIRTUS EQUITY TRUST



March 31, 2018

Virtus KAR Capital Growth Fund*

Virtus KAR Global Quality Dividend Fund

Virtus KAR Mid-Cap Core Fund

Virtus KAR Mid-Cap Growth Fund*

Virtus KAR Small-Cap Core Fund

Virtus KAR Small-Cap Growth Fund

Virtus KAR Small-Cap Value Fund

Virtus KAR Small-Mid Cap Core Fund

Virtus Rampart Enhanced Core Equity Fund

Virtus Tactical Allocation Fund

Not FDIC Insured
No Bank Guarantee
May Lose Value



**Prospectus supplements applicable to these Funds appear at the back of this semiannual report.*

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Proxy Voting Procedures and Voting Record (Form N-PX)

The subadvisers vote 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 Funds 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 each 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 Funds of Virtus Equity Trust unless preceded or accompanied by an effective prospectus which includes information concerning the sales charge, each Fund’s record and other pertinent information.

MESSAGE TO SHAREHOLDERS

To My Fellow Shareholders of Virtus Mutual Funds:

I am pleased to present this semiannual report that reviews the performance of your fund for the six months ended March 31, 2018.

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

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

Demand for U.S. Treasuries remained strong, as foreign investors continued to favor their yield advantage and credit quality over many foreign government bonds. The yield on the 10-year Treasury was 2.74% at March 31, 2018, up from 2.33% at September 30, 2017. The broader U.S. fixed income market, as represented by the Bloomberg Barclays U.S. Aggregate Bond Index, which tracks Treasuries and other investment-grade debt securities, declined 1.08% for the six months. Non-investment grade bonds also lost ground but to a lesser extent, down 0.39%, as measured by the Bloomberg Barclays U.S. Corporate High Yield Bond Index.

Market uncertainty is an ever-present reminder of the importance of portfolio diversification, including exposure to traditional and alternative asset classes. While diversification cannot guarantee a profit or prevent a loss, owning a variety of asset classes may cushion your portfolio against inevitable market fluctuations. Your financial advisor can help you ensure that your portfolio is adequately diversified across asset classes and investment strategies, with a broad array of Virtus Funds available through your fund exchange privileges. These include distinctive equity, fixed income, international, and asset allocation funds managed by Virtus affiliates and select subadvisers. We invite you to learn more about the Virtus family of funds at Virtus.com.

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

Sincerely,



George R. Aylward
President, Virtus Mutual Funds

May 2018

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

VIRTUS EQUITY TRUST
DISCLOSURE OF FUND EXPENSES (Unaudited)
FOR THE SIX-MONTH PERIOD OF OCTOBER 1, 2017 TO MARCH 31, 2018

We believe it is important for you to understand the impact of costs on your investment. All mutual funds have operating expenses. As a shareholder of a Virtus Equity Trust Fund (each, a "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 other expenses. Class I shares and Class R6 shares are sold without a sales charge and do not incur distribution and service fees. Class R6 shares also do not incur shareholder servicing fees. For further information regarding applicable sales charges, see Note 1 in the Notes to Financial Statements. These examples are intended to help you understand your ongoing costs (in dollars) of investing in a Fund and to compare these costs with the ongoing costs of investing in other mutual funds. These examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire six-month period.

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

Actual Expenses

The table below provides information about actual account values and actual expenses. You may use the information below, 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 table under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

		Beginning Account Value October 1, 2017	Ending Account Value March 31, 2018	Annualized Expense Ratio	Expenses Paid During Period*
KAR Capital Growth Fund	Class A	\$1,000.00	\$1,105.10	1.24%	\$6.51
	Class C	1,000.00	1,100.60	2.01	10.53
	Class I	1,000.00	1,106.70	0.99	5.20
	Class R6 [†]	1,000.00	951.80	0.90	1.44
KAR Global Quality Dividend Fund	Class A	1,000.00	997.10	1.35	6.72
	Class C	1,000.00	994.20	2.09	10.39
	Class I	1,000.00	998.90	1.10	5.48
KAR Mid-Cap Core Fund	Class A	1,000.00	1,107.70	1.20	6.31
	Class C	1,000.00	1,103.90	1.95	10.23
	Class I	1,000.00	1,109.40	0.95	5.00
	Class R6 [†]	1,000.00	958.80	0.87	1.40
KAR Mid-Cap Growth Fund	Class A	1,000.00	1,181.30	1.39	7.56
	Class C	1,000.00	1,177.30	2.14	11.62
	Class I	1,000.00	1,183.20	1.14	6.21
	Class R6 [†]	1,000.00	1,006.90	1.06	1.75
KAR Small-Cap Core Fund	Class A	1,000.00	1,164.90	1.27	6.85
	Class C	1,000.00	1,160.50	2.01	10.83
	Class I	1,000.00	1,166.30	1.00	5.40
	Class R6	1,000.00	1,166.90	0.93	5.02
KAR Small-Cap Growth Fund	Class A	1,000.00	1,160.80	1.37	7.38
	Class C	1,000.00	1,156.60	2.11	11.34
	Class I	1,000.00	1,162.50	1.11	5.98
	Class R6 [†]	1,000.00	1,008.10	1.03	1.70
KAR Small-Cap Value Fund	Class A	1,000.00	1,016.40	1.28	6.43
	Class C	1,000.00	1,013.10	1.99	9.99
	Class I	1,000.00	1,018.20	0.99	4.98
	Class R6	1,000.00	1,018.40	0.91	4.58
KAR Small-Mid Cap Core Fund**	Class A	1,000.00	980.00	1.30	0.81
	Class C	1,000.00	979.00	2.05	1.28
	Class I	1,000.00	980.00	1.05	0.66
	Class R6	1,000.00	980.00	0.97	0.61

VIRTUS EQUITY TRUST
DISCLOSURE OF FUND EXPENSES (Unaudited) (Continued)
FOR THE SIX-MONTH PERIOD OF OCTOBER 1, 2017 TO MARCH 31, 2018

		Beginning Account Value October 1, 2017	Ending Account Value March 31, 2018	Annualized Expense Ratio	Expenses Paid During Period*
Rampart Enhanced Core Equity Fund	Class A	\$1,000.00	\$983.10	1.20%	\$5.93
	Class C	1,000.00	979.40	1.95	9.62
	Class I	1,000.00	984.20	0.95	4.70
	Class R6 [†]	1,000.00	900.00	0.90	1.41
Tactical Allocation Fund	Class A	1,000.00	1,057.80	1.27	6.52
	Class C	1,000.00	1,054.30	2.04	10.45

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

[†] January 31, 2018 is the date the class started accruing expenses. Expenses are equal to the Class' annualized expense ratio, which is net of waived fees and reimbursed expenses, if applicable, multiplied by the average account value over the period, multiplied by the number of days (60) expenses were accrued in the most recent fiscal half-year, then divided by 365 to reflect the one-half year period.

** March 9, 2018, is the date the Fund started accruing expenses. 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 (23) expenses were accrued in the most recent fiscal half-year, then divided by 365 to reflect the one-half year period.

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

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

VIRTUS EQUITY TRUST
DISCLOSURE OF FUND EXPENSES (Unaudited) (Continued)
FOR THE SIX-MONTH PERIOD OF OCTOBER 1, 2017 TO MARCH 31, 2018

Hypothetical Example for Comparison Purposes

The table below provides information about hypothetical account values and hypothetical expenses based on each 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 this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other mutual funds.

		Beginning Account Value October 1, 2017	Ending Account Value March 31, 2018	Annualized Expense Ratio	Expenses Paid During Period*
KAR Capital Growth Fund	Class A	\$1,000.00	\$1,018.55	1.24%	\$6.24
	Class C	1,000.00	1,014.91	2.01	10.10
	Class I	1,000.00	1,020.00	0.99	4.99
	Class R6	1,000.00	1,020.44	0.90	4.53
KAR Global Quality Dividend Fund	Class A	1,000.00	1,018.20	1.35	6.79
	Class C	1,000.00	1,014.51	2.09	10.50
	Class I	1,000.00	1,019.45	1.10	5.54
KAR Mid-Cap Core Fund	Class A	1,000.00	1,018.95	1.20	6.04
	Class C	1,000.00	1,015.21	1.95	9.80
	Class I	1,000.00	1,020.19	0.95	4.78
	Class R6	1,000.00	1,020.59	0.87	4.38
KAR Mid-Cap Growth Fund	Class A	1,000.00	1,018.00	1.39	6.99
	Class C	1,000.00	1,014.26	2.14	10.75
	Class I	1,000.00	1,019.25	1.14	5.74
	Class R6	1,000.00	1,019.65	1.06	5.34
KAR Small-Cap Core Fund	Class A	1,000.00	1,018.60	1.27	6.39
	Class C	1,000.00	1,014.91	2.01	10.10
	Class I	1,000.00	1,019.95	1.00	5.04
	Class R6	1,000.00	1,020.29	0.93	4.68
KAR Small-Cap Growth Fund	Class A	1,000.00	1,018.10	1.37	6.89
	Class C	1,000.00	1,014.41	2.11	10.60
	Class I	1,000.00	1,019.40	1.11	5.59
	Class R6	1,000.00	1,019.80	1.03	5.19
KAR Small-Cap Value Fund	Class A	1,000.00	1,018.55	1.28	6.44
	Class C	1,000.00	1,015.01	1.99	10.00
	Class I	1,000.00	1,020.00	0.99	4.99
	Class R6	1,000.00	1,020.39	0.91	4.58
KAR Small-Mid Cap Core Fund	Class A	1,000.00	1,018.45	1.30	6.54
	Class C	1,000.00	1,014.71	2.05	10.30
	Class I	1,000.00	1,019.70	1.05	5.29
	Class R6	1,000.00	1,020.09	0.97	4.89
Rampart Enhanced Core Equity Fund	Class A	1,000.00	1,018.95	1.20	6.04
	Class C	1,000.00	1,015.21	1.95	9.80
	Class I	1,000.00	1,020.19	0.95	4.78
	Class R6	1,000.00	1,020.44	0.90	4.53
Tactical Allocation Fund	Class A	1,000.00	1,018.60	1.27	6.39
	Class C	1,000.00	1,014.76	2.04	10.25

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

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

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

VIRTUS EQUITY TRUST
KEY INVESTMENT TERMS (Unaudited)
MARCH 31, 2018

American Depositary Receipt (“ADR”)

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

Bloomberg Barclays U.S. Aggregate Bond Index

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

Bloomberg Barclays U.S. Corporate High Yield Bond Index

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

Exchange-Traded Funds (“ETF”)

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

Federal Reserve (the “Fed”)

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

London Interbank Offered Rate (“LIBOR”)

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

MSCI EAFE® Index (net)

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

MSCI Emerging Markets Index (net)

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

Payment-in-Kind Security (“PIK”)

A bond which pays interest in the form of additional bonds, or preferred stock which pays dividends in the form of additional preferred stock.

Real Estate Investment Trust (“REIT”)

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

Russell 2000® Index

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

VIRTUS EQUITY TRUST
KEY INVESTMENT TERMS (Unaudited) (Continued)
MARCH 31, 2018

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.

Sponsored ADR

An ADR which is issued with the cooperation of the company whose stock will underlie the ADR. Sponsored ADRs generally carry the same rights normally given to stockholders, such as voting rights. ADRs must be sponsored to be able to trade on a major U.S. exchange such as the New York Stock Exchange (“NYSE”).

VIRTUS EQUITY TRUST
PORTFOLIO HOLDINGS SUMMARY WEIGHTINGS (Unaudited)
MARCH 31, 2018

For each Fund, the following tables present asset allocations within certain sectors as a percentage of total investments as of March 31, 2018.

<u>KAR Capital Growth Fund</u>	
Information Technology	39%
Consumer Discretionary	25
Health Care	9
Industrials	8
Financials	7
Consumer Staples	5
Energy	4
Other (includes short-term investment)	3
Total	<u>100%</u>

<u>KAR Global Quality Dividend Fund</u>	
Financials	20%
Telecommunication Services	12
Energy	11
Industrials	10
Consumer Staples	9
Health Care	9
Utilities	9
Other (includes short-term investment)	20
Total	<u>100%</u>

<u>KAR Mid-Cap Core Fund</u>	
Industrials	24%
Healthcare	20
Information Technology	18
Financials	15
Consumer Discretionary	8
Consumer Staples	8
Energy	3
Other (includes short-term investment)	4
Total	<u>100%</u>

<u>KAR Mid-Cap Growth Fund</u>	
Information Technology	37%
Consumer Discretionary	21
Health Care	13
Financials	8
Consumer Staples	8
Industrials	7
Energy	3
Other (includes short-term investment)	3
Total	<u>100%</u>

<u>KAR Small-Cap Core Fund</u>	
Industrials	30%
Information Technology	26
Financials	17
Consumer Discretionary	5
Energy	4
Real Estate	4
Health Care	4
Other (includes short-term investment)	10
Total	<u>100%</u>

<u>KAR Small-Cap Growth Fund</u>	
Information Technology	31%
Industrials	18
Financials	16
Consumer Discretionary	11
Health Care	6
Consumer Staples	4
Short-term investment	14
Total	<u>100%</u>

<u>KAR Small-Cap Value Fund</u>	
Industrials	21%
Financials	17
Consumer Discretionary	14
Information Technology	13
Real Estate	13
Consumer Staples	6
Materials	4
Other (includes short-term investment)	12
Total	<u>100%</u>

<u>KAR Small-Mid Cap Core Fund</u>	
Industrials	33%
Information Technology	20
Financials	19
Health Care	11
Consumer Discretionary	9
Energy	6
Materials	2
Total	<u>100%</u>

<u>Rampart Enhanced Core Equity Fund</u>	
Information Technology	25%
Financials	15
Consumer Discretionary	13
Health Care	12
Industrials	10
Consumer Staples	7
Energy	5
Other (includes short-term investments, and written options)	13
Total	<u>100%</u>

<u>Tactical Allocation Fund</u>	
Common Stocks	61%
Information Technology	19%
Consumer Discretionary	13
Financials	8
All Other Sectors in Common Stocks	21
Corporate Bonds and Notes	20
Energy	5
Financials	4
Consumer Discretionary	3
All Other Sectors in Corporate Bonds and Notes	8
Mortgage-Backed Securities	5
Foreign Government Securities	4
Leveraged Loans	3
Asset-Backed Securities	2
Other (includes short-term investment)	5
Total	<u>100%</u>

VIRTUS KAR CAPITAL GROWTH FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
COMMON STOCKS—98.4%						SHORT-TERM INVESTMENT—1.6%		
Consumer Discretionary—24.6%			Health Care—continued			Money Market Mutual Fund—1.6%		
Amazon.com, Inc. ⁽¹⁾	21,602	\$ 31,266	Danaher Corp.	79,102	\$ 7,745	Dreyfus Government Cash		
Booking Holdings, Inc. ⁽¹⁾	3,796	7,897	HealthEquity, Inc. ⁽¹⁾	142,130	8,605	Management Fund –		
Ctrip.com International Ltd.			Illumina, Inc. ⁽¹⁾	36,500	8,629	Institutional Shares		
ADR ⁽¹⁾	173,800	8,103	Zoetis, Inc.	141,517	11,818	(seven-day effective yield		
Home Depot, Inc. (The)	57,755	10,294			<u>47,121</u>	1.540%) ⁽²⁾	8,213,001	\$ 8,213
Las Vegas Sands Corp.	214,043	15,390	Industrials—7.7%			TOTAL SHORT-TERM INVESTMENT		
McDonald's Corp.	43,300	6,771	Caterpillar, Inc.	64,790	9,549	(Identified Cost \$8,213)		8,213
Netflix, Inc. ⁽¹⁾	68,410	20,205	CoStar Group, Inc. ⁽¹⁾	23,051	8,360	TOTAL INVESTMENTS—100.0%		
NIKE, Inc. Class B	148,090	9,839	Kansas City Southern	67,520	7,417	(Identified Cost \$283,676)		521,306
Ross Stores, Inc.	117,866	9,191	Rockwell Automation, Inc.	25,240	4,397	Other assets and liabilities, net—0.0%		(83)
Starbucks Corp.	164,421	9,518	Roper Technologies, Inc.	36,939	10,368			
		<u>128,474</u>			<u>40,091</u>	NET ASSETS—100.0%		\$521,223
Consumer Staples—5.3%			Information Technology—38.7%					
Monster Beverage Corp. ⁽¹⁾	295,723	16,918	Accenture plc Class A	53,458	8,206	Abbreviation:		
Philip Morris International, Inc.	107,587	10,694	Activision Blizzard, Inc.	131,480	8,870	ADR American Depositary Receipt		
		<u>27,612</u>	Alibaba Group Holding Ltd.			Footnote Legend:		
Energy—3.9%			Sponsored ADR ⁽¹⁾	171,560	31,488	⁽¹⁾ Non-income producing.		
Cabot Oil & Gas Corp.	315,771	7,572	Alphabet, Inc. Class A ⁽¹⁾	5,427	5,629	⁽²⁾ Shares of this fund are publicly offered, and its		
Core Laboratories N.V.	48,749	5,276	Amphenol Corp. Class A	166,048	14,302	prospectus and annual report are publicly		
Pioneer Natural Resources Co.	43,940	7,548	Arista Networks, Inc. ⁽¹⁾	18,810	4,802	available.		
		<u>20,396</u>	Facebook, Inc. Class A ⁽¹⁾	168,110	26,862	Country Weightings[†]		
Financials—7.2%			Gartner, Inc. ⁽¹⁾	42,840	5,039	United States	87%	
Bank of America Corp.	576,780	17,298	MercadoLibre, Inc.	15,970	5,691	China	10	
Charles Schwab Corp. (The)	145,678	7,607	NVIDIA Corp.	85,350	19,766	Russia	3	
MarketAxess Holdings, Inc.	32,880	7,150	Paycom Software, Inc. ⁽¹⁾	105,062	11,283	Total	100%	
SEI Investments Co.	70,930	5,313	Tencent Holdings Ltd. ADR	256,950	13,693			
		<u>37,368</u>	Visa, Inc. Class A	166,654	19,935			
Health Care—9.0%			Workday, Inc. Class A ⁽¹⁾	96,091	12,214			
BioMarin Pharmaceutical,			Yandex N.V. Class A ⁽¹⁾	354,114	13,970			
Inc. ⁽¹⁾	45,206	3,665			<u>201,750</u>			
Bluebird Bio, Inc. ⁽¹⁾	39,000	6,659	Materials—2.0%					
			Ecolab, Inc.	75,006	10,281			
			TOTAL COMMON STOCKS					
			(Identified Cost \$275,463)					
			TOTAL LONG-TERM INVESTMENTS—98.4%					
			(Identified Cost \$275,463)					

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

	Total Value at March 31, 2018	Level 1 Quoted Prices
Equity Securities:		
Common Stocks	\$513,093	\$513,093
Short-Term Investment	8,213	8,213
Total Investment	<u>\$521,306</u>	<u>\$521,306</u>

There were no securities valued using significant observable inputs (Level 2) or significant unobservable inputs (Level 3) at March 31, 2018.

There were no transfers between Level 1, Level 2, or Level 3 related to securities held at March 31, 2018.

For information regarding the abbreviation, see the Key Investment Terms starting on page 5.

See Notes to Financial Statements

VIRTUS KAR GLOBAL QUALITY DIVIDEND FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
COMMON STOCKS—98.9%			Industrials—10.1%			SHORT-TERM INVESTMENT—0.6%		
Consumer Discretionary—4.6%			ABB Ltd. Registered Shares	24,020	\$ 571	Money Market Mutual Fund—0.6%		
Compass Group plc Sponsored ADR	18,598	\$ 388	Air New Zealand Ltd.	318,970	747	Dreyfus Government Cash Management Fund – Institutional Shares (seven-day effective yield 1.540%) ⁽¹⁾	214,690	\$ 215
Las Vegas Sands Corp.	18,540	1,333	BAE Systems plc Sponsored ADR	30,100	1,001			
		1,721	Deutsche Post AG Registered Shares	8,535	373			
Consumer Staples—9.0%			Port of Tauranga Ltd.	88,200	306			
Altria Group, Inc.	11,626	725	Waste Management, Inc.	4,428	373			
British American Tobacco plc Sponsored ADR	7,820	451	Watsco, Inc.	2,240	405			
Clorox Co. (The)	3,000	399			3,776			
Coca-Cola Co. (The)	17,280	750	Information Technology—5.5%			TOTAL SHORT-TERM INVESTMENT (Identified Cost \$215)		215
Imperial Brands plc	12,400	422	Analog Devices, Inc.	5,620	512			
Imperial Brands plc Sponsored ADR	16,990	589	Cisco Systems, Inc.	8,520	365	TOTAL INVESTMENTS—99.5% (Identified Cost \$36,073)		37,007
		3,336	Paychex, Inc.	7,040	434	Other assets and liabilities, net—0.5%		182
Energy—10.6%			Tieto OYJ	21,600	720			
Royal Dutch Shell plc Class B Sponsored ADR	26,020	1,705			2,031	NET ASSETS—100.0%		\$37,189
TOTAL S.A. Sponsored ADR	18,570	1,071	Materials—1.8%					
Vermilion Energy, Inc.	35,640	1,151	BASF SE Sponsored ADR	26,080	662			
		3,927						
Financials—20.2%			Real Estate—8.1%					
Bank of Hawaii Corp.	6,179	513	Crown Castle International Corp.	8,800	965			
CI Financial Corp.	26,957	576	Lamar Advertising Co. Class A	17,070	1,087			
HSBC Holdings plc Sponsored ADR	33,540	1,599	Realty Income Corp.	18,530	958			
Royal Bank of Canada	16,370	1,265			3,010			
SCOR SE Sponsored ADR	313,110	1,281	Telecommunication Services—11.8%					
Tokio Marine Holdings, Inc.	14,230	633	AT&T, Inc.	33,089	1,179			
Zurich Insurance Group AG ADR	50,657	1,661	BCE, Inc.	39,170	1,686			
		7,528	Spark New Zealand Ltd.	629,220	1,527			
Health Care—8.6%					4,392			
AstraZeneca plc Sponsored ADR	34,210	1,196	Utilities—8.6%					
GlaxoSmithKline plc	20,100	393	Duke Energy Corp.	15,470	1,199			
GlaxoSmithKline plc Sponsored ADR	27,096	1,059	Fortis, Inc.	31,370	1,059			
Sonic Healthcare Ltd. Sponsored ADR	32,270	566	WEC Energy Group, Inc.	14,950	937			
		3,214			3,195			
			TOTAL COMMON STOCKS (Identified Cost \$35,858)		36,792			
			TOTAL LONG-TERM INVESTMENTS—98.9% (Identified Cost \$35,858)		36,792			

Abbreviation:
ADR American Depositary Receipt

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

Country Weightings[†]

United States	33%
United Kingdom	24
Canada	16
New Zealand	7
France	6
Switzerland	6
Germany	3
Other	5
Total	100%

[†] % of total investments as of March 31, 2018.

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

	Total Value at March 31, 2018	Level 1 Quoted Prices	Level 2 Significant Observable Inputs
Equity Securities:			
Common Stocks	\$36,792	\$34,212	\$2,580
Short-Term Investment	215	215	—
Total Investments	\$37,007	\$34,427	\$2,580

There were no securities valued using significant unobservable inputs (Level 3) at March 31, 2018.

Securities held by the Fund with an end of period value of \$1,859, from Level 1 to Level 2 based on our valuation procedures for non-U.S. securities and there were no transfers into or out of Level 3 related to securities held at March 31, 2018.

For information regarding the abbreviation, see the Key Investment Terms starting on page 5.

See Notes to Financial Statements

VIRTUS KAR MID-CAP CORE FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2018

(\$ reported in thousands)

	<u>SHARES</u>	<u>VALUE</u>		<u>SHARES</u>	<u>VALUE</u>		<u>SHARES</u>	<u>VALUE</u>
COMMON STOCKS—97.4%			Health Care—continued			SHORT-TERM INVESTMENT—2.5%		
Consumer Discretionary—8.2%			Zoetis, Inc.	90,324	\$ 7,543	Money Market Mutual Fund—2.5%		
Ross Stores, Inc.	47,954	\$ 3,740			<u>29,421</u>	Dreyfus Government Cash		
Tractor Supply Co.	95,800	6,037	Industrials—23.7%			Management Fund –		
Wynn Resorts Ltd.	12,982	2,367	AMETEK, Inc.	100,700	7,650	Institutional Shares		
		<u>12,144</u>	Exponent, Inc.	39,740	3,126	(seven-day effective yield		
Consumer Staples—8.1%			Graco, Inc.	125,665	5,745	1.540%) ⁽²⁾	3,738,851	\$ 3,739
Lamb Weston Holdings, Inc.	77,700	4,524	Lennox International, Inc.	21,400	4,374	TOTAL SHORT-TERM INVESTMENT		
Monster Beverage Corp. ⁽¹⁾	129,349	7,400	Nordson Corp.	38,517	5,251	(Identified Cost \$3,739)		3,739
		<u>11,924</u>	Verisk Analytics, Inc. ⁽¹⁾	29,000	3,016	TOTAL INVESTMENTS—99.9%		
Energy—3.1%			WABCO Holdings, Inc. ⁽¹⁾	44,105	5,904	(Identified Cost \$117,596)		148,020
Core Laboratories N.V.	42,985	4,652			<u>35,066</u>	Other assets and liabilities, net—0.1%		<u>160</u>
Financials—14.5%			Information Technology—17.9%			NET ASSETS—100.0%		\$148,180
Bank of The Ozarks, Inc.	121,650	5,872	Amphenol Corp. Class A	70,583	6,079			
First Financial Bankshares, Inc.	62,265	2,883	Aspen Technology, Inc. ⁽¹⁾	88,192	6,958	Footnote Legend:		
Houlihan Lokey, Inc.	78,600	3,505	Broadridge Financial			⁽¹⁾ Non-income producing.		
Moody's Corp.	21,785	3,514	Solutions, Inc.	57,160	6,270	⁽²⁾ Shares of this fund are publicly offered, and its		
Signature Bank ⁽¹⁾	40,554	5,757	Manhattan Associates, Inc. ⁽¹⁾	95,900	4,016	prospectus and annual report are publicly		
		<u>21,531</u>	Skyworks Solutions, Inc.	31,810	3,189	available.		
Health Care—19.9%					<u>26,512</u>			
AMN Healthcare Services,			Materials—2.0%					
Inc. ⁽¹⁾	90,100	5,113	International Flavors &					
Cooper Cos., Inc. (The)	25,858	5,916	Fragrances, Inc.	22,139	3,031			
Globus Medical, Inc. Class A ⁽¹⁾	162,900	8,116						
West Pharmaceutical Services,			TOTAL COMMON STOCKS					
Inc.	30,950	2,733	(Identified Cost \$113,857)		144,281			
			TOTAL LONG-TERM INVESTMENTS—97.4%					
			(Identified Cost \$113,857)		144,281			

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

	<u>Total Value at March 31, 2018</u>	<u>Level 1 Quoted Prices</u>
Equity Securities:		
Common Stocks	\$144,281	\$144,281
Short-Term Investment	<u>3,739</u>	<u>3,739</u>
Total Investments	<u>\$148,020</u>	<u>\$148,020</u>

There were no securities valued using significant observable inputs (Level 2) or significant unobservable inputs (Level 3) at March 31, 2018.

There were no transfers between Level 1, Level 2, or Level 3 related to securities held at March 31, 2018.

See Notes to Financial Statements

VIRTUS KAR MID-CAP GROWTH FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2018

(\$ reported in thousands)

	<u>SHARES</u>	<u>VALUE</u>		<u>SHARES</u>	<u>VALUE</u>		<u>SHARES</u>	<u>VALUE</u>
COMMON STOCKS—98.4%			Health Care—continued			Materials—1.5%		
Consumer Discretionary—20.9%			HealthEquity, Inc. ⁽¹⁾	57,800	\$ 3,499	Ball Corp.	43,280	\$ 1,719
Ctrip.com International Ltd. ADR ⁽¹⁾	47,965	\$ 2,236	Illumina, Inc. ⁽¹⁾	10,385	2,455	TOTAL COMMON STOCKS		
Domino's Pizza, Inc.	14,065	3,285	Mettler-Toledo International, Inc. ⁽¹⁾	1,530	880	(Identified Cost \$60,739)		111,355
Expedia Group, Inc.	11,421	1,261	Teladoc, Inc. ⁽¹⁾	33,550	1,352	TOTAL LONG-TERM INVESTMENTS—98.4%		
Netflix, Inc. ⁽¹⁾	23,390	6,908	Zoetis, Inc.	31,140	2,601	(Identified Cost \$60,739)		111,355
Pool Corp.	24,725	3,615			<u>14,754</u>	SHORT-TERM INVESTMENT—1.6%		
Ross Stores, Inc.	28,885	2,253	Industrials—7.2%			Money Market Mutual Fund—1.6%		
Under Armour, Inc. Class A ⁽¹⁾	68,000	1,112	CoStar Group, Inc. ⁽¹⁾	5,480	1,987	Dreyfus Government Cash Management Fund – Institutional Shares (seven-day effective yield 1.540%) ⁽²⁾	1,766,666	1,767
Wynn Resorts Ltd.	16,530	3,014	Kansas City Southern	13,090	1,438	TOTAL SHORT-TERM INVESTMENT		
		<u>23,684</u>	Rockwell Automation, Inc.	8,030	1,399	(Identified Cost \$1,767)		1,767
Consumer Staples—7.5%			Roper Technologies, Inc.	7,550	2,119	TOTAL INVESTMENTS—100.0%		
Brown-Forman Corp. Class B	50,425	2,743	SiteOne Landscape Supply, Inc. ⁽¹⁾	15,600	1,202	(Identified Cost \$62,506)		113,122
McCormick & Co., Inc.	14,440	1,536			<u>8,145</u>	Other assets and liabilities, net—0.0%		<u>50</u>
Monster Beverage Corp. ⁽¹⁾	73,970	4,232	Information Technology—37.2%			NET ASSETS—100.0%		\$113,172
		<u>8,511</u>	Amphenol Corp. Class A	38,925	3,353	Abbreviation:		
Energy—2.6%			Appian Corp. ⁽¹⁾	58,670	1,477	ADR American Depositary Receipt		
Cabot Oil & Gas Corp.	56,345	1,351	Arista Networks, Inc. ⁽¹⁾	4,100	1,047	Footnote Legend:		
Core Laboratories N.V.	14,070	1,523	Autohome, Inc. ADR	47,300	4,065	⁽¹⁾ Non-income producing.		
		<u>2,874</u>	Cargurus, Inc. ⁽¹⁾	35,484	1,365	⁽²⁾ Shares of this fund are publicly offered, and its prospectus and annual report are publicly available.		
Financials—8.5%			Ellie Mae, Inc. ⁽¹⁾	35,190	3,235	Country Weightings[†]		
MarketAxess Holdings, Inc.	18,010	3,916	Fair Isaac Corp. ⁽¹⁾	10,180	1,724	United States	91%	
Northern Trust Corp.	17,410	1,796	FleetCor Technologies, Inc. ⁽¹⁾	11,000	2,227	China	6	
SEI Investments Co.	15,200	1,139	Gartner, Inc. ⁽¹⁾	23,245	2,734	Russia	3	
Victory Capital Holdings, Inc. Class A ⁽¹⁾	80,266	987	MercadoLibre, Inc.	7,755	2,764	Total	100%	
Worldpay, Inc. Class A ⁽¹⁾	21,500	1,768	MuleSoft, Inc. Class A ⁽¹⁾	39,308	1,729			
		<u>9,606</u>	Okta, Inc. ⁽¹⁾	43,565	1,736			
Health Care—13.0%			Paycom Software, Inc. ⁽¹⁾	30,820	3,310			
BioMarin Pharmaceutical, Inc. ⁽¹⁾	16,910	1,371	Teradyne, Inc.	38,560	1,762			
Bluebird Bio, Inc. ⁽¹⁾	5,900	1,007	Workday, Inc. Class A ⁽¹⁾	23,760	3,020			
Diplomat Pharmacy, Inc. ⁽¹⁾	78,860	1,589	Yandex N.V. Class A ⁽¹⁾	83,845	3,308			
			Yelp, Inc. ⁽¹⁾	50,570	2,111			
			Zscaler, Inc. ⁽¹⁾	39,000	1,095			
					<u>42,062</u>			

Abbreviation:
ADR American Depositary Receipt

Footnote Legend:
⁽¹⁾ Non-income producing.
⁽²⁾ Shares of this fund are publicly offered, and its prospectus and annual report are publicly available.

Country Weightings[†]	
United States	91%
China	6
Russia	3
Total	100%

[†] % of total investments as of March 31, 2018.

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

	Total Value at March 31, 2018	Level 1 Quoted Prices
Equity Securities:		
Common Stocks	\$111,355	\$111,355
Short-Term Investment	1,767	1,767
Total Investments	\$113,122	\$113,122

There were no securities valued using significant observable inputs (Level 2) or significant unobservable inputs (Level 3) at March 31, 2018.

There were no transfers between Level 1, Level 2, or Level 3 related to securities held at March 31, 2018.

For information regarding the abbreviation, see the Key Investment Terms starting on page 5.

See Notes to Financial Statements

VIRTUS KAR SMALL-CAP CORE FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
COMMON STOCKS—93.8%			Industrials—continued			SHORT-TERM INVESTMENT—6.8%		
Consumer Discretionary—4.6%			Old Dominion Freight Line, Inc.	375,530	\$ 55,192	Money Market Mutual Fund—6.8%		
Fox Factory Holding Corp. ⁽¹⁾	330,157	\$ 11,522	RBC Bearings, Inc. ⁽¹⁾	251,259	31,206	Dreyfus Government Cash Management Fund – Institutional Shares (seven-day effective yield 1.540%) ⁽²⁾	77,493,081	\$ 77,493
Pool Corp.	280,390	40,999	Teledyne Technologies, Inc. ⁽¹⁾	280,800	52,557			
		<u>52,521</u>	Toro Co. (The)	461,280	28,807			
Consumer Staples—1.9%			WABCO Holdings, Inc. ⁽¹⁾	340,650	45,603			
PriceSmart, Inc.	254,200	21,238			<u>342,996</u>			
			Information Technology—25.9%			TOTAL SHORT-TERM INVESTMENT (Identified Cost \$77,493)		77,493
Energy—4.3%			Aspen Technology, Inc. ⁽¹⁾	597,200	47,113			
Core Laboratories N.V.	133,100	14,404	Autohome, Inc. ADR	1,200,600	103,180	TOTAL INVESTMENTS—100.6% (Identified Cost \$861,842)		1,152,889
Dril-Quip, Inc. ⁽¹⁾	785,040	35,170	CDW Corp.	734,900	51,671	Other assets and liabilities, net—(0.6)%		(6,309)
		<u>49,574</u>	Jack Henry & Associates, Inc.	217,800	26,343			
Financials—17.4%			Manhattan Associates, Inc. ⁽¹⁾	279,320	11,698	NET ASSETS—100.0%		\$1,146,580
Artisan Partners Asset Management, Inc. Class A	783,000	26,074	Rightmove plc	940,200	57,341			
FactSet Research Systems, Inc.	171,940	34,288			<u>297,346</u>	Abbreviation:		
MarketAxess Holdings, Inc.	161,932	35,211	Materials—1.5%			ADR	American Depositary Receipt	
Moelis & Co. Class A	718,560	36,539	AptarGroup, Inc.	190,400	17,104	Footnote Legend:		
Primerica, Inc.	557,712	53,875				⁽¹⁾ Non-income producing.		
RLI Corp.	214,708	13,610	Real Estate—4.3%			⁽²⁾ Shares of this fund are publicly offered, and its prospectus and annual report are publicly available.		
		<u>199,597</u>	HFF, Inc. Class A	985,300	48,969	Country Weightings[†]		
Health Care—4.0%						United States	86%	
Abaxis, Inc.	652,100	46,051	TOTAL COMMON STOCKS (Identified Cost \$784,349)		1,075,396	China	9	
						United Kingdom	5	
Industrials—29.9%			TOTAL LONG-TERM INVESTMENTS—93.8% (Identified Cost \$784,349)		1,075,396	Total	100%	
Copart, Inc. ⁽¹⁾	1,325,500	67,508						
Donaldson Co., Inc.	480,200	21,633						
Graco, Inc.	885,600	40,490						

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

	Total Value at March 31, 2018	Level 1 Quoted Prices
Equity Securities:		
Common Stocks	\$1,075,396	\$1,075,396
Short-Term Investment	77,493	77,493
Total Investments	<u>\$1,152,889</u>	<u>\$1,152,889</u>

There were no securities valued using significant observable inputs (Level 2) or significant unobservable inputs (Level 3) at March 31, 2018.

There were no transfers between Level 1, Level 2, or Level 3 related to securities held at March 31, 2018.

For information regarding the abbreviation, see the Key Investment Terms starting on page 5.

See Notes to Financial Statements

VIRTUS KAR SMALL-CAP GROWTH FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
COMMON STOCKS—85.8%			Health Care—continued			SHORT-TERM INVESTMENT—13.9%		
Consumer Discretionary—10.9%			U.S. Physical Therapy, Inc.	460,000	\$ 37,398	Money Market Mutual Fund—13.9%		
Emerald Expositions Events, Inc.	1,920,700	\$ 37,415			<u>162,357</u>	Dreyfus Government Cash Management Fund – Institutional Shares (seven-day effective yield 1.540%) ⁽²⁾	351,269,530	\$ 351,270
Fox Factory Holding Corp. ⁽¹⁾	3,522,978	122,952	Industrials—17.4%			TOTAL SHORT-TERM INVESTMENT (Identified Cost \$351,270)		351,270
Ollie's Bargain Outlet Holdings, Inc. ⁽¹⁾	1,896,957	114,387	AAON, Inc.	1,259,400	49,116	TOTAL INVESTMENTS—99.7% (Identified Cost \$1,970,091)		2,521,727
		<u>274,754</u>	Copart, Inc. ⁽¹⁾	2,191,200	111,598	Other assets and liabilities, net—0.3%		<u>8,833</u>
Consumer Staples—4.3%			HEICO Corp. Class A	1,622,530	115,118	NET ASSETS—100.0%		\$2,530,560
Chefs' Warehouse, Inc. (The) ⁽¹⁾	2,615,700	60,161	Old Dominion Freight Line, Inc.	816,600	120,016			
PriceSmart, Inc.	595,200	49,729	Omega Flex, Inc.	688,526	44,823			
		<u>109,890</u>			<u>440,671</u>			
Financials—16.2%			Information Technology—30.6%			Abbreviation:		
FactSet Research Systems, Inc.	329,350	65,679	ANSYS, Inc. ⁽¹⁾	445,100	69,743	ADR	American Depositary Receipt	
Financial Engines, Inc.	350,651	12,273	Aspen Technology, Inc. ⁽¹⁾	1,253,000	98,849	Footnote Legend:		
Interactive Brokers Group, Inc. Class A	1,593,916	107,175	Auto Trader Group plc	24,917,000	122,564	⁽¹⁾ Non-income producing.		
MarketAxess Holdings, Inc.	282,500	61,427	Autohome, Inc. ADR	2,696,400	231,729	⁽²⁾ Shares of this fund are publicly offered, and its prospectus and annual report are publicly available.		
Moelis & Co. Class A	1,746,900	88,830	Ellie Mae, Inc. ⁽¹⁾	532,250	48,935			
Morningstar, Inc.	773,612	73,895	Mesa Laboratories, Inc.	84,608	12,559	Country Weightings[†]		
		<u>409,279</u>	NVE Corp.	483,690	40,199	United States	82%	
Health Care—6.4%			Paycom Software, Inc. ⁽¹⁾	418,500	44,943	China	9	
Abaxis, Inc.	1,035,800	73,148	Rightmove plc	1,705,000	103,985	United Kingdom	9	
National Research Corp. Class A	1,771,305	51,811			<u>773,506</u>	Total	100%	
			TOTAL COMMON STOCKS (Identified Cost \$1,618,821)		2,170,457			
			TOTAL LONG-TERM INVESTMENTS—85.8% (Identified Cost \$1,618,821)		2,170,457			

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

	Total Value at March 31, 2018	Level 1 Quoted Prices
Equity Securities:		
Common Stocks	\$2,170,457	\$2,170,457
Short-Term Investment	351,270	351,270
Total Investments	<u>\$2,521,727</u>	<u>\$2,521,727</u>

There were no securities valued using significant observable inputs (Level 2) or significant unobservable inputs (Level 3) at March 31, 2018.

There were no transfers between Level 1, Level 2, or Level 3 related to securities held at March 31, 2018.

For information regarding the abbreviation, see the Key Investment Terms starting on page 5.

See Notes to Financial Statements

VIRTUS KAR SMALL-CAP VALUE FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
COMMON STOCKS—93.6%			Industrials—continued			SHORT-TERM INVESTMENT—5.8%		
Consumer Discretionary—13.8%			Lincoln Electric Holdings, Inc.	114,610	\$ 10,309	Money Market Mutual Fund—5.8%		
Cheesecake Factory, Inc. (The)	454,000	\$ 21,892	RBC Bearings, Inc. ⁽¹⁾	146,600	18,208	Dreyfus Government Cash Management Fund – Institutional Shares (seven-day effective yield 1.540%) ⁽²⁾	28,153,295	\$ 28,153
Cinemark Holdings, Inc.	442,800	16,680	SiteOne Landscape Supply, Inc. ⁽¹⁾	321,460	24,765			
Sally Beauty Holdings, Inc. ⁽¹⁾	535,000	8,801	Watsco, Inc.	91,433	16,546			
Thor Industries, Inc.	166,700	19,199			<u>99,591</u>			
		<u>66,572</u>	Information Technology—13.1%			TOTAL SHORT-TERM INVESTMENT (Identified Cost \$28,153)		28,153
Consumer Staples—5.6%			American Software, Inc. Class A	459,391	5,972	TOTAL INVESTMENTS—99.4% (Identified Cost \$359,145)		479,456
National Beverage Corp.	190,004	16,914	Badger Meter, Inc.	356,834	16,824	Other assets and liabilities, net—0.6%		<u>2,636</u>
WD-40 Co.	76,954	10,135	Brooks Automation, Inc.	464,540	12,580	NET ASSETS—100.0%		\$482,092
		<u>27,049</u>	Cass Information Systems, Inc.	236,080	14,049			
Energy—3.7%			Jack Henry & Associates, Inc.	111,350	13,468			
Core Laboratories N.V.	163,700	17,716			<u>62,893</u>			
Financials—16.6%			Materials—4.4%					
Artisan Partners Asset Management, Inc. Class A	349,900	11,652	Scotts Miracle-Gro Co. (The)	249,301	21,378			
Bank of Hawaii Corp.	217,960	18,112	Real Estate—12.5%					
First Financial Bankshares, Inc.	257,060	11,902	HFF, Inc. Class A	373,000	18,538			
Houlihan Lokey, Inc.	254,807	11,364	MGM Growth Properties LLC Class A	818,610	21,726			
Primerica, Inc.	157,563	15,221	RE/MAX Holdings, Inc. Class A	333,920	20,185			
RLI Corp.	189,312	12,001			<u>60,449</u>			
		<u>80,252</u>	TOTAL COMMON STOCKS (Identified Cost \$330,992)		451,303			
Health Care—3.2%			TOTAL LONG-TERM INVESTMENTS—93.6% (Identified Cost \$330,992)		451,303			
Anika Therapeutics, Inc. ⁽¹⁾	309,790	15,403						
Industrials—20.7%								
Graco, Inc.	318,981	14,584						
Landstar System, Inc.	138,428	15,179						

Footnote Legend:

- ⁽¹⁾ Non-income producing.
⁽²⁾ 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 March 31, 2018 (See Security Valuation Note 2A in the Notes to Financial Statements):

	Total Value at March 31, 2018	Level 1 Quoted Prices
Equity Securities:		
Common Stocks	\$451,303	\$451,303
Short-Term Investment	28,153	28,153
Total Investments	<u>\$479,456</u>	<u>\$479,456</u>

There were no securities valued using significant observable inputs (Level 2) or significant unobservable inputs (Level 3) at March 31, 2018.

There were no transfers between Level 1, Level 2, or Level 3 related to securities held at March 31, 2018.

VIRTUS KAR SMALL-MID CAP CORE FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
COMMON STOCKS—97.3%			Health Care—continued			Information Technology—continued		
Consumer Discretionary—8.7%			Cooper Cos., Inc. (The)	510	\$ 117	Jack Henry & Associates, Inc.	740	\$ 89
Pool Corp.	640	\$ 94	Cotiviti Holdings, Inc. ⁽¹⁾	3,110	107	Teradyne, Inc.	1,850	85
Winmark Corp.	460	60			327			571
Wynn Resorts Ltd.	560	102	Industrials—32.0%			Materials—2.0%		
		256	Carlisle Cos., Inc.	730	76	Scotts Miracle-Gro Co. (The)	670	58
Energy—5.4%			Copart, Inc. ⁽¹⁾	1,660	84			
Core Laboratories N.V.	1,000	108	Expeditors International of			TOTAL COMMON STOCKS		
Dril-Quip, Inc. ⁽¹⁾	1,150	52	Washington, Inc.	1,690	107	(Identified Cost \$2,917)		2,865
		160	Landstar System, Inc.	720	79	TOTAL LONG-TERM INVESTMENTS—97.3%		
Financials—18.7%			Lennox International, Inc.	560	114	(Identified Cost \$2,917)		2,865
Bank of The Ozarks, Inc.	2,140	103	Nordson Corp.	910	124	TOTAL INVESTMENTS—97.3%		
Berkley (W.R.) Corp.	1,270	92	RBC Bearings, Inc. ⁽¹⁾	1,060	132	(Identified Cost \$2,917)		2,865
MSCI, Inc.	810	121	Snap-on, Inc.	710	105	Other assets and liabilities, net—2.7%		80
Primerica, Inc.	1,140	110	WABCO Holdings, Inc. ⁽¹⁾	910	122			
Signature Bank ⁽¹⁾	870	124			943	NET ASSETS—100.0%		\$2,945
		550	Information Technology—19.4%			Footnote Legend:		
Health Care—11.1%			ANSYS, Inc. ⁽¹⁾	380	60	⁽¹⁾ Non-income producing.		
AMN Healthcare Services, Inc. ⁽¹⁾	1,820	103	Aspen Technology, Inc. ⁽¹⁾	1,740	137			
			CDW Corp.	1,760	124			
			FLIR Systems, Inc.	1,525	76			

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

	Total Value at March 31, 2018	Level 1 Quoted Prices
Equity Securities:		
Common Stocks	\$2,865	\$2,865
Total Investments	\$2,865	\$2,865

There were no securities valued using significant observable inputs (Level 2) or significant unobservable inputs (Level 3) at March 31, 2018.

There were no transfers between Level 1, Level 2, or Level 3 related to securities held at March 31, 2018.

See Notes to Financial Statements

VIRTUS RAMPART ENHANCED CORE EQUITY FUND
SCHEDULE OF INVESTMENTS (Unaudited)

MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
COMMON STOCKS—97.1%			Consumer Discretionary—continued			Consumer Staples—continued		
Consumer Discretionary—12.8%			O'Reilly Automotive, Inc. ⁽¹⁾	637	\$ 158	Monster Beverage Corp. ⁽¹⁾	2,780	\$ 159
Advance Auto Parts, Inc.	553	\$ 66	Omnicom Group, Inc.	1,748	127	PepsiCo, Inc. ⁽²⁾	9,634	1,052
Amazon.com, Inc. ⁽¹⁾⁽²⁾	3,029	4,384	PulteGroup, Inc.	2,034	60	Philip Morris International, Inc. ⁽²⁾	10,545	1,048
Aptiv plc	2,141	182	PVH Corp.	585	89	Procter & Gamble Co. (The) ⁽²⁾	17,319	1,373
AutoZone, Inc. ⁽¹⁾	208	135	Ralph Lauren Corp.	419	47	Sysco Corp.	3,267	196
Best Buy Co., Inc.	1,909	134	Ross Stores, Inc.	2,914	227	Tyson Foods, Inc. Class A	2,014	147
Booking Holdings, Inc. ⁽¹⁾⁽²⁾	369	768	Royal Caribbean Cruises Ltd.	1,289	152	Walgreens Boots Alliance, Inc. ⁽²⁾	5,860	384
BorgWarner, Inc.	1,478	74	Signet Jewelers Ltd.	452	17	Walmart, Inc. ⁽²⁾	9,902	881
CarMax, Inc. ⁽¹⁾	1,378	85	Starbucks Corp. ⁽²⁾	10,583	613			11,693
Carnival Corp.	3,064	201	Tapestry, Inc.	2,138	113			
CBS Corp. Class B	2,716	140	Target Corp. ⁽²⁾	4,062	282			
Charter Communications, Inc. Class A ⁽¹⁾	1,459	454	Tiffany & Co.	762	74			
Chipotle Mexican Grill, Inc. ⁽¹⁾	185	60	Time Warner, Inc. ⁽²⁾	5,863	555			
Comcast Corp. Class A ⁽²⁾	35,132	1,200	TJX Cos., Inc. (The)	4,804	392	Energy—5.2%		
Darden Restaurants, Inc.	926	79	Tractor Supply Co.	941	59	Anadarko Petroleum Corp.	3,677	222
Discovery Communications, Inc. Class A ⁽¹⁾	1,169	25	TripAdvisor, Inc. ⁽¹⁾	811	33	Andeavor	970	98
Discovery Communications, Inc. Class C ⁽¹⁾	1,617	32	Twenty-First Century Fox, Inc. Class A ⁽²⁾	7,955	292	Apache Corp.	2,538	98
DISH Network Corp. Class A ⁽¹⁾	1,711	65	Twenty-First Century Fox, Inc. Class B ⁽²⁾	3,318	121	Baker Hughes a GE Co.	2,909	81
Dollar General Corp.	1,861	174	Ulta Beauty, Inc. ⁽¹⁾	433	88	Cabot Oil & Gas Corp.	3,116	75
Dollar Tree, Inc. ⁽¹⁾	1,759	167	Under Armour, Inc. Class A ⁽¹⁾	1,387	23	Chesapeake Energy Corp. ⁽¹⁾	6,108	18
Expedia Group, Inc.	936	103	Under Armour, Inc. Class C ⁽¹⁾	1,379	20	Chevron Corp. ⁽²⁾	12,837	1,464
Foot Locker, Inc.	926	42	VF Corp.	2,468	183	Cimarex Energy Co.	639	60
Ford Motor Co. ⁽²⁾	29,170	323	Viacom, Inc. Class B	2,624	82	Concho Resources, Inc. ⁽¹⁾	1,005	151
Gap, Inc. (The)	1,645	51	Walt Disney Co. (The) ⁽²⁾	11,382	1,143	ConocoPhillips ⁽²⁾	8,051	477
Garmin Ltd.	834	49	Whirlpool Corp.	540	83	Devon Energy Corp.	3,547	113
General Motors Co. ⁽²⁾	9,610	349	Wyndham Worldwide Corp.	764	87	EOG Resources, Inc.	3,917	412
Genuine Parts Co.	1,102	99	Wynn Resorts Ltd.	601	110	EQT Corp.	1,663	79
Goodyear Tire & Rubber Co. (The)	1,853	49	Yum! Brands, Inc.	2,531	215	Exxon Mobil Corp. ⁽²⁾	28,416	2,120
H&R Block, Inc.	1,578	40			21,535	Halliburton Co. ⁽²⁾	5,932	279
Hanesbrands, Inc.	2,720	50	Consumer Staples—7.0%			Helmerich & Payne, Inc.	736	49
Harley-Davidson, Inc.	1,264	54	Altria Group, Inc. ⁽²⁾	12,925	805	Hess Corp.	1,806	91
Hasbro, Inc.	857	72	Archer-Daniels-Midland Co.	3,797	165	Kinder Morgan, Inc. ⁽²⁾	12,986	196
Hilton Worldwide Holdings, Inc.	1,524	120	Brown-Forman Corp. Class B	1,652	90	Marathon Oil Corp.	5,731	92
Home Depot, Inc. (The) ⁽²⁾	8,803	1,569	Campbell Soup Co.	1,301	56	Marathon Petroleum Corp.	3,313	242
Horton (D.R.), Inc.	2,575	113	Church & Dwight Co., Inc.	1,684	85	National Oilwell Varco, Inc.	2,587	95
Interpublic Group of Cos., Inc. (The)	2,920	67	Clorox Co. (The)	869	116	Newfield Exploration Co. ⁽¹⁾	1,333	33
Kohl's Corp.	1,282	84	Coca-Cola Co. (The) ⁽²⁾	25,981	1,128	Noble Energy, Inc.	3,279	99
L Brands, Inc.	1,865	71	Colgate-Palmolive Co. ⁽²⁾	5,945	426	Occidental Petroleum Corp. ⁽²⁾	5,153	335
Leggett & Platt, Inc.	995	44	Conagra Brands, Inc.	2,776	102	ONEOK, Inc.	2,760	157
Lennar Corp. Class A	2,044	121	Constellation Brands, Inc. Class A	1,169	266	Phillips 66	2,836	272
LKQ Corp. ⁽¹⁾	2,320	88	Costco Wholesale Corp. ⁽²⁾	2,961	558	Pioneer Natural Resources Co.	1,143	196
Lowe's Cos., Inc. ⁽²⁾	6,290	552	Coty, Inc. Class A	3,226	59	Range Resources Corp.	1,515	22
Macy's, Inc.	2,310	69	CVS Health Corp. ⁽²⁾	6,843	426	Schlumberger Ltd. ⁽²⁾	9,383	608
Marriott International, Inc. Class A	2,311	314	Dr. Pepper Snapple Group, Inc.	1,226	145	TechnipFMC plc	2,995	88
Mattel, Inc.	2,616	34	Estee Lauder Cos., Inc. (The) Class A	1,523	228	Valero Energy Corp.	2,966	275
McDonald's Corp. ⁽²⁾	5,959	932	General Mills, Inc.	3,838	173	Williams Cos., Inc. (The)	5,599	139
MGM Resorts International	3,832	134	Hershey Co. (The)	949	94			8,736
Michael Kors Holdings Ltd. ⁽¹⁾	1,143	71	Hormel Foods Corp.	1,814	62	Financials—14.9%		
Mohawk Industries, Inc. ⁽¹⁾	474	110	J.M. Smucker Co. (The)	772	96	Affiliated Managers Group, Inc.	419	79
Netflix, Inc. ⁽¹⁾	3,273	967	Kellogg Co.	1,687	110	Aflac, Inc.	5,922	259
Newell Brands, Inc.	3,653	93	Kimberly-Clark Corp.	2,374	261	Allstate Corp. (The) ⁽²⁾	2,703	256
News Corp. Class A	2,878	45	Kraft Heinz Co. (The) ⁽²⁾	4,064	253	American Express Co. ⁽²⁾	5,425	506
News Corp. Class B	913	15	Kroger Co. (The)	5,961	143	American International Group, Inc. ⁽²⁾	6,781	369
NIKE, Inc. Class B ⁽²⁾	9,879	656	McCormick & Co., Inc.	812	86	Ameriprise Financial, Inc.	1,113	165
Nordstrom, Inc.	885	43	Molson Coors Brewing Co. Class B	1,256	95	AON plc	1,869	262
Norwegian Cruise Line Holdings Ltd. ⁽¹⁾	1,365	72	Mondelez International, Inc. Class A ⁽²⁾	10,173	425	Assurant, Inc.	404	37
						Bank of America Corp. ⁽²⁾	73,362	2,200
						Bank of New York Mellon Corp. (The) ⁽²⁾	7,714	398
						BB&T Corp.	5,964	310
						Berkshire Hathaway, Inc. Class B ⁽¹⁾⁽²⁾	14,420	2,877

See Notes to Financial Statements

VIRTUS RAMPART ENHANCED CORE EQUITY FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
Financials—continued			Health Care—continued			Industrials—10.3%		
BlackRock, Inc. ⁽²⁾	928	\$ 503	Aetna, Inc.	2,214	\$ 374	3M Co. ⁽²⁾	4,460	\$ 979
Brighthouse Financial, Inc. ⁽¹⁾⁽²⁾	722	37	Agilent Technologies, Inc.	2,179	146	A.O. Smith Corp.	1,090	69
Capital One Financial Corp. ⁽²⁾	3,594	344	Alexion Pharmaceuticals, Inc. ⁽¹⁾	1,393	155	Acuty Brands, Inc.	316	44
CBOE Global Markets, Inc.	860	98	Align Technology, Inc. ⁽¹⁾	490	123	Alaska Air Group, Inc.	917	57
Charles Schwab Corp. (The)	9,017	471	Allergan plc ⁽²⁾	2,249	379	Allegion plc	707	60
Chubb Ltd.	3,482	476	AmerisourceBergen Corp.	1,094	94	American Airlines Group, Inc.	3,181	165
Cincinnati Financial Corp.	1,119	83	Amgen, Inc. ⁽²⁾	4,975	848	AMETEK, Inc.	1,731	132
Citigroup, Inc. ⁽²⁾	19,973	1,348	Anthem, Inc.	1,740	382	Arconic, Inc.	3,171	73
Citizens Financial Group, Inc.	3,722	156	Baxter International, Inc.	3,386	220	Boeing Co. (The) ⁽²⁾	4,274	1,401
CME Group, Inc.	2,582	418	Becton, Dickinson & Co.	1,794	389	Caterpillar, Inc. ⁽²⁾	4,492	662
Comerica, Inc.	1,311	126	Biogen, Inc. ⁽¹⁾⁽²⁾	1,428	391	Cintas Corp.	655	112
Discover Financial Services	2,748	198	Boston Scientific Corp. ⁽¹⁾	9,265	253	CSX Corp.	6,825	380
E*TRADE Financial Corp. ⁽¹⁾	2,046	113	Bristol-Myers Squibb Co. ⁽²⁾	11,088	701	Cummins, Inc.	1,256	204
Everest Re Group Ltd.	308	79	Cardinal Health, Inc.	2,121	133	Deere & Co.	2,421	376
Fifth Third Bancorp	5,324	169	Celgene Corp. ⁽¹⁾⁽²⁾	5,345	477	Delta Air Lines, Inc.	4,909	269
Franklin Resources, Inc.	2,464	85	Centene Corp. ⁽¹⁾	1,157	124	Dover Corp.	1,188	117
Gallagher (Arthur J.) & Co.	1,358	93	Cerner Corp. ⁽¹⁾	2,145	124	Eaton Corp. plc	3,362	269
Goldman Sachs Group, Inc. (The) ⁽²⁾	2,612	658	Cigna Corp.	1,666	279	Emerson Electric Co. ⁽²⁾	4,844	331
Hartford Financial Services Group, Inc. (The)	2,679	138	Cooper Cos., Inc. (The)	332	76	Equifax, Inc.	929	109
Huntington Bancshares, Inc.	8,169	123	Danaher Corp. ⁽²⁾	4,150	406	Expeditors International of Washington, Inc.	1,328	84
Intercontinental Exchange, Inc.	4,413	320	DaVita, Inc. ⁽¹⁾	1,031	68	Fastenal Co.	2,138	117
Invesco Ltd.	3,068	98	DENTSPLY SIRONA, Inc.	1,556	78	FedEx Corp. ⁽²⁾	1,849	444
JPMorgan Chase & Co. ⁽²⁾	26,042	2,864	Edwards Lifesciences Corp. ⁽¹⁾	1,437	201	Flowserve Corp.	974	42
KeyCorp	8,106	159	Eli Lilly & Co. ⁽²⁾	6,521	505	Fluor Corp.	1,088	62
Leucadia National Corp.	2,357	54	Envision Healthcare Corp. ⁽¹⁾	811	31	Fortive Corp.	2,314	179
Lincoln National Corp.	1,646	120	Express Scripts Holding Co. ⁽¹⁾	3,833	265	Fortune Brands Home & Security, Inc.	1,148	68
Loews Corp.	2,066	103	Gilead Sciences, Inc. ⁽²⁾	8,959	675	General Dynamics Corp. ⁽²⁾	2,091	462
M&T Bank Corp.	1,131	209	HCA Healthcare, Inc.	1,905	185	General Electric Co. ⁽²⁾	62,917	848
Marsh & McLennan Cos., Inc.	3,832	317	Henry Schein, Inc. ⁽¹⁾	1,070	72	Harris Corp.	895	144
MetLife, Inc. ⁽²⁾	7,938	364	Hologic, Inc. ⁽¹⁾	1,854	69	Honeywell International, Inc. ⁽²⁾	5,729	828
Moody's Corp.	1,254	202	Humana, Inc.	968	260	Hunt (JB) Transport Services, Inc.	642	75
Morgan Stanley ⁽²⁾	10,437	563	IDEXX Laboratories, Inc. ⁽¹⁾	594	114	Huntington Ingalls Industries, Inc.	342	88
Nasdaq, Inc.	880	76	Illumina, Inc. ⁽¹⁾	990	234	IHS Markit Ltd. ⁽¹⁾	2,716	131
Navient Corp.	1,986	26	Incyte Corp. ⁽¹⁾	1,193	99	Illinois Tool Works, Inc.	2,323	364
Northern Trust Corp.	1,624	168	Intuitive Surgical, Inc. ⁽¹⁾	757	313	Ingersoll-Rand plc	1,866	160
People's United Financial, Inc.	2,607	49	IQVIA Holdings, Inc. ⁽¹⁾	985	97	Jacobs Engineering Group, Inc.	889	53
PNC Financial Services Group, Inc. (The)	3,594	544	Johnson & Johnson ⁽²⁾	18,170	2,329	Johnson Controls International plc	6,940	245
Principal Financial Group, Inc.	2,015	123	Laboratory Corp. of America Holdings ⁽¹⁾	689	111	Kansas City Southern	777	85
Progressive Corp. (The)	4,388	267	McKesson Corp.	1,407	198	L3 Technologies, Inc.	585	122
Prudential Financial, Inc.	3,182	330	Medtronic plc ⁽²⁾	9,175	736	Lockheed Martin Corp. ⁽²⁾	1,888	638
Raymond James Financial, Inc.	967	86	Merck & Co., Inc. ⁽²⁾	18,503	1,008	Masco Corp.	2,369	96
Regions Financial Corp.	8,762	163	Mettler-Toledo International, Inc. ⁽¹⁾	174	100	Nielsen Holdings plc	2,497	79
S&P Global, Inc.	1,916	366	Mylan NV ⁽¹⁾	3,620	149	Norfolk Southern Corp.	2,171	295
State Street Corp.	2,792	278	Patterson Cos., Inc.	558	12	Northrop Grumman Corp.	1,311	458
SunTrust Banks, Inc.	3,604	245	PerkinElmer, Inc.	750	57	PACCAR, Inc.	2,669	177
Synchrony Financial	5,699	191	Perrigo Co., plc	887	74	Parker-Hannifin Corp.	1,021	175
T. Rowe Price Group, Inc.	1,826	197	Pfizer, Inc. ⁽²⁾	40,345	1,432	Pentair plc	1,230	84
Torchmark Corp.	807	68	Quest Diagnostics, Inc.	925	93	Quanta Services, Inc. ⁽¹⁾	1,144	39
Travelers Cos., Inc. (The)	2,052	285	Regeneron Pharmaceuticals, Inc. ⁽¹⁾	526	181	Raytheon Co. ⁽²⁾	2,189	472
U.S. Bancorp ⁽²⁾	11,861	599	ResMed, Inc.	963	95	Republic Services, Inc.	1,698	112
Unum Group	1,686	80	Stryker Corp.	2,181	351	Robert Half International, Inc.	971	56
Wells Fargo & Co. ⁽²⁾	33,473	1,754	Thermo Fisher Scientific, Inc.	2,736	565	Robinson (C.H.) Worldwide, Inc.	1,037	97
Willis Towers Watson plc	989	151	UnitedHealth Group, Inc. ⁽²⁾	6,530	1,397	Rockwell Automation, Inc.	992	173
XL Group Ltd.	1,927	107	Universal Health Services, Inc. Class B	587	70	Rockwell Collins, Inc.	1,252	169
Zions Bancorporation	1,506	79	Varian Medical Systems, Inc. ⁽¹⁾	624	77	Roper Technologies, Inc.	764	214
		<hr/>	Vertex Pharmaceuticals, Inc. ⁽¹⁾	1,712	279	Snap-on, Inc.	426	63
		25,039	Waters Corp. ⁽¹⁾	540	107	Southwest Airlines Co.	4,124	236
			Zimmer Biomet Holdings, Inc.	1,358	148			
Health Care—12.4%			Zoetis, Inc.	3,306	276			
Abbott Laboratories ⁽²⁾	11,826	709			<hr/>			
AbbVie, Inc. ⁽²⁾	10,850	1,027			20,921			

See Notes to Financial Statements

VIRTUS RAMPART ENHANCED CORE EQUITY FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE		SHARES	VALUE
Industrials—continued			Information Technology—continued			Real Estate—2.5%		
Stanley Black & Decker, Inc.	1,147	\$ 176	KLA-Tencor Corp.	1,180	\$ 129	Alexandria Real Estate Equities, Inc.	684	\$ 85
Stericycle, Inc. ⁽¹⁾	640	37	Lam Research Corp.	1,208	245	American Tower Corp.	2,896	421
Textron, Inc.	2,030	120	Mastercard, Inc. Class A ⁽²⁾	6,938	1,215	Apartment Investment & Management Co. Class A	1,062	43
TransDigm Group, Inc.	364	112	Microchip Technology, Inc.	1,758	161	AvalonBay Communities, Inc.	936	154
Union Pacific Corp. ⁽²⁾	5,946	799	Micron Technology, Inc. ⁽¹⁾	8,769	457	Boston Properties, Inc.	1,045	129
United Continental Holdings, Inc. ⁽¹⁾	1,882	131	Microsoft Corp. ⁽²⁾	58,290	5,320	CBRE Group, Inc. Class A ⁽¹⁾	2,042	96
United Parcel Service, Inc. Class B ⁽²⁾	5,132	537	Motorola Solutions, Inc.	1,218	128	Crown Castle International Corp.	2,773	304
United Rentals, Inc. ⁽¹⁾	629	109	NetApp, Inc.	2,044	126	Digital Realty Trust, Inc.	1,392	147
United Technologies Corp. ⁽²⁾	5,598	704	NVIDIA Corp.	4,537	1,051	Duke Realty Corp.	2,407	64
Verisk Analytics, Inc. ⁽¹⁾	1,162	121	Oracle Corp. ⁽²⁾	22,808	1,043	Equinix, Inc.	532	223
W.W. Grainger, Inc.	398	112	Paychex, Inc.	2,391	147	Equity Residential	2,485	153
Waste Management, Inc.	3,027	255	PayPal Holdings, Inc. ⁽¹⁾⁽²⁾	8,499	645	Essex Property Trust, Inc.	446	107
Xylem, Inc.	1,341	103	Qorvo, Inc. ⁽¹⁾	1,028	72	Extra Space Storage, Inc.	852	75
		17,359	QUALCOMM, Inc. ⁽²⁾	11,056	613	Federal Realty Investment Trust	494	57
			Red Hat, Inc. ⁽¹⁾	1,330	199	GGP, Inc.	4,233	87
Information Technology—24.9%			salesforce.com, Inc. ⁽¹⁾	5,165	601	HCP, Inc.	3,170	74
Accenture plc Class A ⁽²⁾	4,608	707	Seagate Technology plc	2,203	129	Host Hotels & Resorts, Inc.	5,027	94
Activision Blizzard, Inc.	5,761	389	Skyworks Solutions, Inc.	1,391	139	Iron Mountain, Inc.	1,913	63
Adobe Systems, Inc. ⁽¹⁾	3,684	796	Symantec Corp.	4,670	121	Kimco Realty Corp.	2,891	42
Advanced Micro Devices, Inc. ⁽¹⁾	6,191	62	Synopsys, Inc. ⁽¹⁾	1,123	93	Macerich Co. (The)	732	41
Akamai Technologies, Inc. ⁽¹⁾	1,255	89	TE Connectivity Ltd.	2,650	265	Mid-America Apartment Communities, Inc.	766	70
Alliance Data Systems Corp.	365	78	Texas Instruments, Inc. ⁽²⁾	7,371	766	Prologis, Inc.	3,604	227
Alphabet, Inc. Class A ⁽¹⁾⁽²⁾	2,237	2,320	Total System Services, Inc.	1,260	109	Public Storage	1,014	203
Alphabet, Inc. Class C ⁽¹⁾⁽²⁾	2,265	2,337	VeriSign, Inc. ⁽¹⁾	626	74	Realty Income Corp.	1,906	99
Amphenol Corp. Class A	2,290	197	Visa, Inc. Class A ⁽²⁾	13,523	1,618	Regency Centers Corp.	1,004	59
Analog Devices, Inc.	2,778	253	Western Digital Corp.	2,236	206	SBA Communications, Corp. ⁽¹⁾	795	136
ANSYS, Inc. ⁽¹⁾	636	100	Western Union Co. (The)	3,464	67	Simon Property Group, Inc. ⁽²⁾	2,108	325
Apple, Inc. ⁽²⁾	38,333	6,432	Xerox Corp.	1,597	46	SL Green Realty Corp.	630	61
Applied Materials, Inc.	8,035	447	Xilinx, Inc.	1,881	136	UDR, Inc.	1,805	64
Autodesk, Inc. ⁽¹⁾	1,645	207			41,969	Ventas, Inc.	2,406	119
Automatic Data Processing, Inc.	3,310	376	Materials—2.6%			Vornado Realty Trust	1,164	78
Broadcom Ltd.	2,991	705	Air Products & Chemicals, Inc.	1,478	235	Welltower, Inc.	2,506	136
CA, Inc.	2,362	80	Albemarle Corp.	760	70	Weyerhaeuser Co.	5,116	179
Cadence Design Systems, Inc. ⁽¹⁾	2,107	77	Avery Dennison Corp.	601	64			4,215
Cisco Systems, Inc. ⁽²⁾	37,013	1,587	Ball Corp.	2,368	94	Telecommunication Services—1.9%		
Citrix Systems, Inc. ⁽¹⁾	1,067	99	CF Industries Holdings, Inc.	1,578	60	AT&T, Inc. ⁽²⁾	45,812	1,633
Cognizant Technology Solutions Corp. Class A	4,389	353	DowDuPont, Inc. ⁽²⁾	15,911	1,014	CenturyLink, Inc.	7,331	120
Corning, Inc.	6,508	181	Eastman Chemical Co.	972	103	Verizon Communications, Inc. ⁽²⁾	30,018	1,436
CSRA, Inc.	1,246	51	Ecolab, Inc.	1,763	242			3,189
DXC Technology Co.	2,123	213	FMC Corp.	911	70	Utilities—2.6%		
eBay, Inc. ⁽¹⁾	7,341	295	Freepoint-McMoRan, Inc. ⁽¹⁾	9,176	161	AES Corp.	4,463	51
Electronic Arts, Inc. ⁽¹⁾	2,326	282	International Flavors & Fragrances, Inc.	534	73	Alliant Energy Corp.	1,557	64
F5 Networks, Inc. ⁽¹⁾	472	68	International Paper Co.	2,806	150	Ameren Corp.	1,632	92
Facebook, Inc. Class A ⁽¹⁾⁽²⁾	17,921	2,864	LyondellBasell Industries N.V. Class A	2,198	232	American Electric Power Co., Inc.	3,301	226
Fidelity National Information Services, Inc.	2,509	242	Martin Marietta Materials, Inc.	426	88	American Water Works Co., Inc.	1,201	99
Fiserv, Inc. ⁽¹⁾	3,121	223	Monsanto Co. ⁽²⁾	2,984	348	CenterPoint Energy, Inc.	2,905	80
FLIR Systems, Inc.	1,051	53	Mosaic Co. (The)	2,364	57	CMS Energy Corp.	1,900	86
Gartner, Inc. ⁽¹⁾	676	80	Newmont Mining Corp.	3,642	142	Consolidated Edison, Inc.	2,088	163
Global Payments, Inc.	1,195	133	Nucor Corp.	2,136	130	Dominion Energy, Inc.	4,341	293
Hewlett Packard Enterprise Co.	11,926	209	Packaging Corp. of America	641	72	DTE Energy Co.	1,211	126
HP, Inc.	12,476	273	PPG Industries, Inc.	1,725	193	Duke Energy Corp. ⁽²⁾	4,722	366
Intel Corp. ⁽²⁾	34,926	1,819	Praxair, Inc.	1,946	281	Edison International	2,193	140
International Business Machines Corp. ⁽²⁾	6,393	981	Sealed Air Corp.	1,225	52	Entergy Corp.	1,211	95
Intuit, Inc.	1,819	315	Sherwin-Williams Co. (The)	557	218			
IPG Photonics Corp. ⁽¹⁾	25	6	Vulcan Materials Co.	900	103			
Juniper Networks, Inc.	2,822	69	WestRock Co.	1,722	111			
					4,363			

See Notes to Financial Statements

VIRTUS RAMPART ENHANCED CORE EQUITY FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE
Utilities—continued			SHORT-TERM INVESTMENTS—0.8%		
Eversource Energy	2,133	\$ 126	Purchased Options—0.0%		
Exelon Corp. ⁽²⁾	6,472	252	(see open purchased options contracts table below)		
FirstEnergy Corp.	3,003	102	TOTAL PURCHASED OPTIONS—0.0%		
NextEra Energy, Inc. ⁽²⁾	3,195	522	(Premiums Paid \$193)		\$ 29
NiSource, Inc.	2,268	54			
NRG Energy, Inc.	2,014	62	Money Market Mutual Fund⁽³⁾—0.8%		
PG&E Corp.	3,461	152	Dreyfus Government Cash		
Pinnacle West Capital Corp.	751	60	Management Fund –		
PPL Corp.	4,607	130	Institutional Shares		
Public Service Enterprise			(seven-day effective yield		
Group, Inc.	3,413	171	1.540%)	1,236,257	1,236
SCANA Corp.	961	36	TOTAL SHORT-TERM INVESTMENTS		
Sempra Energy	1,699	189	(Identified Cost \$1,429)		1,265
Southern Co. (The) ⁽²⁾	6,773	303			
WEC Energy Group, Inc.	2,124	133	TOTAL INVESTMENTS, BEFORE WRITTEN		
Xcel Energy, Inc.	3,418	155	OPTIONS—99.6%		
		4,328	(Identified Cost \$149,470)		167,554
TOTAL COMMON STOCKS					
(Identified Cost \$145,229)		163,347	WRITTEN OPTIONS—(0.1)%		
			(see open written options contracts table below)		
EXCHANGE-TRADED FUND⁽³⁾—1.7%			TOTAL WRITTEN OPTIONS—(0.1)%		
PowerShares S&P 500 [®] High			(Premiums Received \$314)		(137)
Beta Portfolio ETF	69,232	2,942			
TOTAL EXCHANGE-TRADED FUND			TOTAL INVESTMENTS, NET OF WRITTEN		
(Identified Cost \$2,812)		2,942	OPTIONS—99.5%		
			(Identified Cost \$149,156)		167,417
TOTAL LONG-TERM INVESTMENTS—98.8%			Other assets and liabilities, net—0.5%		898
(Identified Cost \$148,041)		166,289	NET ASSETS—100.0%		\$168,315

Abbreviation:

ETF Exchange-Traded Fund.

Footnote Legend:

⁽¹⁾ Non-income producing.

⁽²⁾ All or a portion of the security is segregated as collateral for written options.

⁽³⁾ Shares of these funds are publicly offered, and the prospectus and annual report of each are publicly available.

Open Purchased Options contracts as of March 31, 2018, were as follows:

Description of Options	Number of Contracts	Contract Notional Amount	Strike Price ⁽¹⁾	Expiration Date	Value
Call Option					
S&P 500 [®] Index	236	\$68,676	\$2,910	4/2/18	\$ 0
Put Options					
S&P 500 [®] Index	236	58,528	2,480	4/2/18	6
S&P 500 [®] Index	233	58,250	2,500	4/4/18	23
Total Purchased Options					<u>\$29</u>

Open Written Options contracts as of March 31, 2018, were as follows:

Description of Options	Number of Contracts	Contract Notional Amount	Strike Price ⁽¹⁾	Expiration Date	Value
Call Option					
S&P 500 [®] Index	236	\$66,906	\$2,835	4/2/18	\$ 0
Put Options					
S&P 500 [®] Index	236	60,298	2,555	4/2/18	(9)
S&P 500 [®] Index	233	59,998	2,575	4/4/18	(128)
Total Written Options					<u>\$(137)</u>

Footnote Legend:

⁽¹⁾ Strike price not reported in thousands.

See Notes to Financial Statements

VIRTUS RAMPART ENHANCED CORE EQUITY FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

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

	Total Value at March 31, 2018	Level 1 Quoted Prices	Level 2 Quoted Prices
Equity Securities:			
Common Stocks	\$163,347	\$ —	\$ —
Exchange-Traded Funds	2,942	2,942	—
Purchased Options	29	29	0
Short-Term Investments	1,236	1,236	—
Total Investments before Written Options	<u>\$167,554</u>	<u>\$167,554</u>	<u>\$ 0</u>
Liabilities:			
Equity Securities:			
Written Options	\$ (137)	\$ (137)	\$ 0
Total Investments net of Written Options	<u>\$167,417</u>	<u>\$167,417</u>	<u>\$ 0</u>

The purchased options and written options contracts that have been valued at zero on the open purchased options contracts and the open written options contracts tables are considered to be Level 2 investments in this table.

There were no securities valued using significant unobservable inputs (Level 3) at March 31, 2018.

There were no transfers between Level 1, Level 2, or Level 3 related to securities held at March 31, 2018.

For information regarding the abbreviation, see the Key Investment Terms starting on page 5.

See Notes to Financial Statements

VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
U.S. GOVERNMENT SECURITIES—0.8%			FOREIGN GOVERNMENT SECURITIES—continued		
U.S. Treasury Note			Ukraine		
1.875%, 2/28/22	\$ 615	\$ 600	144A, 7.750%, 9/1/23 ⁽³⁾	\$ 120	\$ 124
2.375%, 1/31/23	290	288	144A, 7.750%, 9/1/26 ⁽³⁾	260	266
1.625%, 2/15/26	285	263	United Mexican States		
2.250%, 8/15/27	75	72	Series M, 6.500%, 6/9/22	1,091 ^{MOO}	58
			4.750%, 3/8/44	70	68
TOTAL U.S. GOVERNMENT SECURITIES		1,223	TOTAL FOREIGN GOVERNMENT SECURITIES		6,127
(Identified Cost \$1,240)			(Identified Cost \$6,273)		
FOREIGN GOVERNMENT SECURITIES—4.1%			MORTGAGE-BACKED SECURITIES—4.7%		
Argentine Republic			Agency—0.7%		
7.500%, 4/22/26	305	326	Federal Home Loan Mortgage Corp. Pool #G08702		
6.875%, 1/26/27	150	153	3.500%, 4/1/46	201	201
5.875%, 1/11/28	80	75	Federal National Mortgage Association		
Series NY, 8.280%, 12/31/33	294	322	Pool #AX2491,		
6.875%, 1/11/48	50	46	4.000%, 10/1/44	180	185
Bolivarian Republic of Venezuela			Pool #MA2471,	132	133
RegS, 8.250%, 10/13/24 ⁽⁴⁾⁽¹⁰⁾	40	12	3.500%, 12/1/45		
RegS, 7.650%, 4/21/25 ⁽⁴⁾⁽¹⁰⁾	320	97	Pool #MA2542,	60	59
9.375%, 1/13/34 ⁽¹⁰⁾	130	45	3.000%, 2/1/46		
Dominican Republic			Pool #MA3058,	238	245
144A, 6.875%, 1/29/26 ⁽³⁾	100	111	4.000%, 7/1/47		
144A, 5.950%, 1/25/27 ⁽³⁾	140	146	Pool #MA3088,	183	188
Federative Republic of Brazil			4.000%, 8/1/47		1,011
12.500%, 1/5/22	475 ^{BRL}	168			
Treasury Note Series F,			Non-Agency—4.0%		
10.000%, 1/1/23	570 ^{BRL}	185	American Homes 4 Rent Trust		
Treasury Note Series F,			2014-SFR2, C 144A,		
10.000%, 1/1/25	175 ^{BRL}	56	4.705%, 10/17/36 ⁽³⁾	180	189
Treasury Note Series F,			2015-SFR2, C 144A,		
10.000%, 1/1/25	230 ^{BRL}	74	4.691%, 10/17/45 ⁽³⁾	205	217
5.625%, 1/7/41	140	137	2015-SFR1, A 144A,		
Kingdom of Bahrain 144A,			3.467%, 4/17/52 ⁽³⁾	137	139
7.000%, 10/12/28 ⁽³⁾	200	193	Ameriquest Mortgage Securities, Inc. Pass-Through		
Kingdom of Morocco 144A,			Certificates, 2003-AR3, M4, (5.850% minus 1 month		
5.500%, 12/11/42 ⁽³⁾	200	213	LIBOR)		
Provincia de Buenos Aires			4.748%, 6/25/33 ⁽²⁾	107	106
144A, 9.125%, 3/16/24 ⁽³⁾	150	167	AMSR Trust 2016-SFR1, D 144A, (1 month LIBOR +		
144A, 7.875%, 6/15/27 ⁽³⁾	235	244	2.400%)		
Republic of Chile			4.208%, 11/17/33 ⁽²⁾⁽³⁾	145	146
5.500%, 8/5/20	95,000 ^{CLP}	164	Banc of America Funding Trust 2005-1, 1A1		
Republic of Colombia			5.500%, 2/25/35	23	23
4.375%, 3/21/23	527,000 ^{CDP}	177	Bank of America (Countrywide) Asset-Backed Certificates		
9.850%, 6/28/27	377,000 ^{CDP}	170	2005-1, AF5A		
Republic of Costa Rica 144A,			4.984%, 7/25/35 ⁽²⁾	128	132
7.000%, 4/4/44 ⁽³⁾	200	206	Bank of America (Merrill Lynch - Countrywide) Alternative		
Republic of Ecuador 144A,			Loan Trust 2004-22CB, 1A1		
8.875%, 10/23/27 ⁽³⁾	200	204	6.000%, 10/25/34	115	118
Republic of Indonesia FR70			Bayview Opportunity Master Fund IIIb Trust 2017-RN2,		
8.375%, 3/15/24	2,177,000 ^{IDR}	173	A1 144A,		
Republic of South Africa			3.475%, 4/28/32 ⁽²⁾⁽³⁾	23	23
Series 2023, 7.750%, 2/28/23	1,400 ^{ZAR}	120	Bayview Opportunity Master Fund IVa Trust		
4.875%, 4/14/26	200	199	2016-SPL1, B1 144A,		
4.300%, 10/12/28	200	187	4.250%, 4/28/55 ⁽³⁾	120	124
Republic of Turkey			2017-SPL1, B1 144A,		
4.875%, 10/9/26	270	254	4.250%, 10/28/64 ⁽²⁾⁽³⁾	100	102
4.875%, 4/16/43	200	162	Bayview Opportunity Master Fund IVb Trust		
Russian Federation			2016-SPL2, B1 144A,		
Series 6216, 6.700%, 5/15/19	11,210 ^{RUB}	197	4.250%, 6/28/53 ⁽²⁾⁽³⁾	100	103
Series 6215, 7.000%, 8/16/23	11,700 ^{RUB}	209	2017-SPL3, B1 144A,		
Sultanate of Oman			4.250%, 11/28/53 ⁽²⁾⁽³⁾	110	115
144A, 5.375%, 3/8/27 ⁽³⁾	230	224			
144A, 5.625%, 1/17/28 ⁽³⁾	200	195			

See Notes to Financial Statements

VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
Non-Agency—continued			Non-Agency—continued		
Citigroup Mortgage Loan Trust, Inc. 2015-A, A1 144A, 3.500%, 6/25/58 ⁽²⁾⁽³⁾	\$ 87	\$ 87	Resecuritization Pass-Through Trust 2005-8R, A5 6.000%, 10/25/34	\$ 47	\$ 48
2018-RP1, A1 144A, 2.996%, 9/25/64 ⁽²⁾⁽³⁾	249	247	Residential Asset Mortgage Products Trust 2005-SL2, A4 7.500%, 2/25/32	60	56
Colony American Finance Ltd. 2015-1, A 144A, 2.896%, 10/15/47 ⁽³⁾	92	92	Residential Asset Securitization Trust 2005-A1, A3 5.500%, 4/25/35	103	106
Colony Starwood Homes Trust 2016-2A, C 144A, (1 month LIBOR + 2.150%) 3.927%, 12/17/33 ⁽²⁾⁽³⁾	145	145	RETL 2018-RVP, C144A, (1 month LIBOR + 2.050%) 3.827%, 3/15/33 ⁽²⁾⁽³⁾	55	55
COLT Mortgage Loan Trust Funding LLC 2018-1, A1 144A, 2.930%, 2/25/48 ⁽²⁾⁽³⁾	101	101	Sequoia Mortgage Trust 2013-8, B1 3.533%, 6/25/43 ⁽²⁾	97	95
Credit Suisse Commercial Mortgage-Backed Trust 2006-8, 3A1 6.000%, 10/25/21	37	35	Towd Point Mortgage Trust 2015-1, A2 144A, 3.250%, 10/25/53 ⁽²⁾⁽³⁾	115	115
Credit Suisse Mortgage Capital Trust 2014-IVR2, A2 144A, 3.798%, 4/25/44 ⁽²⁾⁽³⁾	48	48	2015-3, A1B 144A, 3.000%, 3/25/54 ⁽²⁾⁽³⁾	99	98
Deephaven Residential Mortgage Trust 2017-1A, A2 144A, 2.928%, 12/26/46 ⁽²⁾⁽³⁾	55	54	2015-6, M1 144A, 3.750%, 4/25/55 ⁽²⁾⁽³⁾	100	102
2018-1A, A1 144A, 2.976%, 12/25/57 ⁽²⁾⁽³⁾	125	125	2015-5, A2 144A, 3.500%, 5/25/55 ⁽²⁾⁽³⁾	100	101
GAHR Commercial Mortgage Trust 2015-NRF, CFX 144A, 3.382%, 12/15/34 ⁽²⁾⁽³⁾	130	130	2015-2, 1M1 144A, 3.250%, 11/25/60 ⁽²⁾⁽³⁾	345	340
Galton Funding Mortgage Trust 2018-1, A23 144A, 3.500%, 11/25/57 ⁽²⁾⁽³⁾	145	145	Vericrest Opportunity Loan Trust LVI LLC 2017-NPL3, A1 144A, 3.500%, 3/25/47 ⁽²⁾⁽³⁾	85	85
GSA Home Equity Trust 2005-12, AF3W 4.999%, 9/25/35 ⁽²⁾	43	43	Vericrest Opportunity Loan Trust LXIV LLC 2017-NP11, A1 144A, 3.375%, 10/25/47 ⁽²⁾⁽³⁾	223	222
Home Equity Loan Trust 2003-HS3, A14 5.550%, 9/25/33 ⁽²⁾	9	9	Verus Securitization Trust 2018-1, A1 144A, 2.929%, 2/25/48 ⁽²⁾⁽³⁾	97	97
JPMorgan Chase Mortgage Trust 2014-1, 2A12 144A, 3.500%, 1/25/44 ⁽²⁾⁽³⁾	104	103	Wells Fargo Commercial Mortgage Trust 2015-LC20, B 3.719%, 4/15/50	165	163
2016-1, M2 144A, 3.750%, 4/25/45 ⁽²⁾⁽³⁾	96	96			6,086
2016-2, M2 144A, 3.750%, 12/25/45 ⁽²⁾⁽³⁾	187	187	TOTAL MORTGAGE-BACKED SECURITIES		7,097
2011-C4, A4 144A, 4.388%, 7/15/46 ⁽³⁾	120	124	(Identified Cost \$7,113)		
2017-5, A1 144A, 3.184%, 10/26/48 ⁽²⁾⁽³⁾	210	209	ASSET-BACKED SECURITIES—2.2%		
2017-4, A3 144A, 3.500%, 11/25/48 ⁽²⁾⁽³⁾	92	91	Automobiles—1.4%		
MASTR Alternative Loan Trust 2005-5, 2A3, 5.500%, 7/25/25	82	78	American Credit Acceptance Receivables Trust 2018-1, C 144A, 3.550%, 4/10/24 ⁽³⁾	160	160
2005-2, 2A1, 6.000%, 1/25/35	81	83	Capital Auto Receivables Asset Trust 2017-1, D 144A, 3.150%, 2/20/25 ⁽³⁾	135	134
MASTR Specialized Loan Trust 2005-3, A2 144A, 5.704%, 11/25/35 ⁽²⁾⁽³⁾	38	38	Carnow Auto Receivables Trust 2016-1A, D 144A, 7.340%, 11/15/21 ⁽³⁾	140	142
New Residential Mortgage Loan Trust 2014-1A, A 144A, 3.750%, 1/25/54 ⁽²⁾⁽³⁾	45	45	Chrysler Capital Auto Receivables Trust 2016-BA, D 144A, 3.510%, 9/15/23 ⁽³⁾	135	134
2017-2A, A3 144A, 4.000%, 3/25/57 ⁽²⁾⁽³⁾	77	78	Drive Auto Receivables Trust 2017-2, C 2.750%, 9/15/23	165	164
Oak Hill Advisors Residential Loan Trust 2017-NPL2, A1 144A, 3.000%, 7/25/57 ⁽²⁾⁽³⁾	143	142	DT Auto Owner Trust 2018-1A, C144A, 3.470%, 12/15/23 ⁽³⁾	145	145
One Market Plaza Trust 2017-1MKT, A 144A, 3.614%, 2/10/32 ⁽³⁾	110	111	Exeter Automobile Receivables Trust 2015-2A, C 144A, 3.900%, 3/15/21 ⁽³⁾	175	176
Progress Residential Trust 2018-SFR1, B 144A, 3.484%, 3/17/35 ⁽³⁾	220	220	2014-3A, D 144A, 5.690%, 4/15/21 ⁽³⁾	165	169
			Flagship Credit Auto Trust 2015-1, D 144A, 5.260%, 7/15/21 ⁽³⁾	200	205
			2014-1, E 144A, 5.710%, 8/16/21 ⁽³⁾	130	132

See Notes to Financial Statements

VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
Automobiles—continued			Consumer Discretionary—continued		
GLS Auto Receivables Trust			Goodyear Tire & Rubber Co. (The)		
2017-1A, B 144A,			4.875%, 3/15/27	\$ 80	\$ 77
2.980%, 12/15/21 ⁽³⁾	\$ 105	\$ 104	Horton (D.R.), Inc.		
2017-1A, C 144A,			4.750%, 2/15/23	85	89
3.500%, 7/15/22 ⁽³⁾	155	154	iHeartCommunications, Inc.		
2018-1A, B 144A,			9.000%, 12/15/19 ⁽¹⁰⁾	70	55
3.520%, 8/15/23 ⁽³⁾	155	154	L Brands, Inc.		
Skopos Auto Receivables Trust 2018-1A, B 144A,			6.875%, 11/1/35	116	113
3.930%, 5/16/22 ⁽³⁾	165	165	Lear Corp.		
		2,138	3.800%, 9/15/27	160	154
			Lennar Corp.		
			144A, 5.250%, 6/1/26 ⁽³⁾	80	79
Other—0.8%			144A, 5.000%, 6/15/27 ⁽³⁾	85	83
Aqua Finance Trust 2017-A, A 144A,			144A, 4.750%, 11/29/27 ⁽³⁾	130	124
3.720%, 11/15/35 ⁽³⁾	143	141	Live Nation Entertainment, Inc. 144A,		
CLUB Credit Trust 2017-P1, B 144A,			5.625%, 3/15/26 ⁽³⁾	105	106
3.560%, 9/15/23 ⁽³⁾	110	109	M/I Homes, Inc.		
DB Master Finance LLC 2017-1A, A2I 144A,			5.625%, 8/1/25	110	107
3.629%, 11/20/47 ⁽³⁾	135	134	McGraw-Hill Global Education Holdings LLC 144A,		
Drug Royalty III LP 1 2016-1A, A 144A,			7.875%, 5/15/24 ⁽³⁾	115	110
3.979%, 4/15/27 ⁽³⁾	149	148	MDC Holdings, Inc.		
HOA Funding LLC 2014-1A, A2 144A,			5.500%, 1/15/24	100	102
4.846%, 8/20/44 ⁽³⁾	153	150	Meredith Corp. 144A,		
NextGear Floorplan Master Owner Trust 2018-1A,			6.875%, 2/1/26 ⁽³⁾	80	82
A2144A,			Neiman Marcus Group Ltd. 144A,		
3.220%, 2/15/23 ⁽³⁾	145	145	8.000%, 10/15/21 ⁽³⁾	95	60
Prosper Marketplace Issuance Trust			PetSmart, Inc. 144A,		
2017-1A, B 144A,			8.875%, 6/1/25 ⁽³⁾	75	43
3.650%, 6/15/23 ⁽³⁾	137	137	QVC, Inc.		
2017-2A, B 144A,			5.125%, 7/2/22	135	139
3.480%, 9/15/23 ⁽³⁾	110	110	Scientific Games International, Inc.		
TGIF Funding LLC 2017-1A, A2 144A,			6.625%, 5/15/21	110	113
6.202%, 4/30/47 ⁽³⁾	138	139	TRI Pointe Group, Inc.		
		1,213	5.875%, 6/15/24	85	86
			Viking Cruises Ltd. 144A,		
TOTAL ASSET-BACKED SECURITIES			5.875%, 9/15/27 ⁽³⁾	135	128
(Identified Cost \$3,349)		3,351	Vista Outdoor, Inc.		
			5.875%, 10/1/23	140	131
CORPORATE BONDS AND NOTES—20.0%			Weekley Homes LLC 144A,		
Consumer Discretionary—2.5%			6.625%, 8/15/25 ⁽³⁾	135	133
American Axle & Manufacturing, Inc.			William Lyon Homes, Inc. 144A,		
6.250%, 3/15/26	10	10	6.000%, 9/1/23 ⁽³⁾	170	170
Beazer Homes USA, Inc.			Wyndham Worldwide Corp.		
5.875%, 10/15/27	135	125	4.500%, 4/1/27	135	134
Caesars Resort Collection LLC 144A,					3,853
5.250%, 10/15/25 ⁽³⁾	135	129	Consumer Staples—0.8%		
Cequel Communications Holdings I LLC 144A,			BAT Capital Corp. 144A,		
7.500%, 4/1/28 ⁽³⁾	200	204	3.557%, 8/15/27 ⁽³⁾	110	105
Charter Communications Operating LLC			Cumberland Farms, Inc. 144A,		
4.908%, 7/23/25	135	138	6.750%, 5/1/25 ⁽³⁾	70	73
Clear Channel Worldwide Holdings, Inc. Series B			CVS Health Corp.		
7.625%, 3/15/20	90	90	4.300%, 3/25/28	165	166
CSC Holdings LLC			ESAL GmbH 144A,		
5.250%, 6/1/24	175	166	6.250%, 2/5/23 ⁽³⁾	200	191
Discovery Communications LLC			Kronos Acquisition Holdings, Inc. 144A,		
3.950%, 3/20/28	130	125	9.000%, 8/15/23 ⁽³⁾	85	81
DISH DBS Corp.			MARB BondCo plc 144A,		
7.750%, 7/1/26	75	71	7.000%, 3/15/24 ⁽³⁾	200	188
Downstream Development Authority of The Quapaw Tribe			Rite Aid Corp. 144A,		
of Oklahoma 144A,			6.125%, 4/1/23 ⁽³⁾	55	55
10.500%, 2/15/23 ⁽³⁾	55	56	Safeway, Inc.		
Ford Motor Credit Co., LLC			7.250%, 2/1/31	95	77
4.389%, 1/8/26	200	199			
Gateway Casinos & Entertainment Ltd. 144A,					
8.250%, 3/1/24 ⁽³⁾	115	122			

See Notes to Financial Statements

VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
Consumer Staples—continued			Energy—continued		
Sigma Finance Netherlands BV 144A, 4.875%, 3/27/28 ⁽³⁾	\$ 200	\$ 200	Kinder Morgan, Inc. 7.750%, 1/15/32	\$ 205	\$ 262
Tops Holding LLC 144A, 8.000%, 6/15/22 ⁽¹⁰⁾	120	55	MPLX LP 4.000%, 3/15/28	86	85
		1,191	Nabors Industries, Inc. 5.500%, 1/15/23	110	108
Energy—4.6%			NuStar Logistics LP 5.625%, 4/28/27	85	82
Alliance Resource Operating Partners LP 144A, 7.500%, 5/1/25 ⁽³⁾	110	115	Odebrecht Offshore Drilling Finance Ltd. 144A, 6.720%, 12/1/22 ⁽³⁾	53	51
Alta Mesa Holdings LP 7.875%, 12/15/24	85	88	PIK Interest Capitalization, 144A, 7.720%, 12/1/26 ⁽³⁾⁽⁶⁾	160	46
American Midstream Partners LP 144A, 8.500%, 12/15/21 ⁽³⁾	70	71	Odebrecht Oil & Gas Finance Ltd. 144A, 0.000%, 12/31/49 ⁽³⁾	25	1
Anadarko Finance Co. Series B 7.500%, 5/1/31	45	57	Parker Drilling Co. 7.500%, 8/1/20	190	173
Anadarko Petroleum Corp. 6.600%, 3/15/46	85	107	Petrobras Global Finance BV 144A, 5.299%, 1/27/25 ⁽³⁾	242	239
Berry Petroleum Co., LLC 144A, 7.000%, 2/15/26 ⁽³⁾	30	30	7.375%, 1/17/27	325	352
Blue Racer Midstream LLC 144A, 6.125%, 11/15/22 ⁽³⁾	70	71	144A, 5.999%, 1/27/28 ⁽³⁾	70	69
Bristow Group, Inc. 144A, 8.750%, 3/1/23 ⁽³⁾	35	35	Petroleos de Venezuela S.A. 144A, 6.000%, 5/16/24 ⁽³⁾⁽¹⁰⁾	255	69
Callon Petroleum Co. 6.125%, 10/1/24	133	136	Petroleos Mexicanos 6.500%, 3/13/27	470	502
Carrizo Oil & Gas, Inc. 6.250%, 4/15/23	120	120	6.500%, 6/2/41	195	194
Cheniere Corpus Christi Holdings LLC 7.000%, 6/30/24	145	160	Range Resources Corp. 4.875%, 5/15/25	165	153
Chesapeake Energy Corp. 144A, 8.000%, 6/15/27 ⁽³⁾	135	129	RSP Permian, Inc. 5.250%, 1/15/25	130	134
Continental Resources, Inc. 4.500%, 4/15/23	60	61	Sanchez Energy Corp. 144A, 7.250%, 2/15/23 ⁽³⁾	75	75
Crestwood Midstream Partners LP 5.750%, 4/1/25	70	69	SESI LLC 144A, 7.750%, 9/15/24 ⁽³⁾	100	103
Denbury Resources, Inc. 144A, 9.250%, 3/31/22 ⁽³⁾	28	29	Seven Generations Energy Ltd. 144A, 5.375%, 9/30/25 ⁽³⁾	135	129
Ecopetrol S.A. 5.375%, 6/26/26	190	198	SM Energy Co. 5.625%, 6/1/25	50	47
Encana Corp. 8.125%, 9/15/30	65	85	State Oil Co. of the Azerbaijan Republic RegS 6.950%, 3/18/30 ⁽⁴⁾	200	217
Energy Transfer Equity LP 4.250%, 3/15/23	35	34	Sunoco LP 144A, 5.500%, 2/15/26 ⁽³⁾	40	39
5.875%, 1/15/24	75	77	144A, 5.875%, 3/15/28 ⁽³⁾	25	24
Energy Transfer Partners LP 5.875%, 3/1/22	75	80	TransMontaigne Partners LP 6.125%, 2/15/26	75	75
5.000%, 10/1/22	45	47	Transocean, Inc. 144A, 9.000%, 7/15/23 ⁽³⁾	75	80
EP Energy LLC 6.375%, 6/15/23	90	46	6.800%, 3/15/38	45	35
144A, 8.000%, 11/29/24 ⁽³⁾	95	95	Ultra Resources, Inc. 144A, 6.875%, 4/15/22 ⁽³⁾	6	5
FTS International, Inc. 6.250%, 5/1/22	90	90	144A, 7.125%, 4/15/25 ⁽³⁾	30	25
Gazprom OAO 144A, 4.950%, 2/6/28 ⁽³⁾⁽⁵⁾	200	198	USA Compression Partners LP 144A, 6.875%, 4/1/26 ⁽³⁾	145	147
Geopark Ltd. 144A, 6.500%, 9/21/24 ⁽³⁾	200	201	Valero Energy Partners LP 4.500%, 3/15/28	140	141
Helmerich & Payne International Drilling Co. 4.650%, 3/15/25	95	99	Vine Oil & Gas LP 144A, 8.750%, 4/15/23 ⁽³⁾	105	98
HollyFrontier Corp. 5.875%, 4/1/26	155	167	Weatherford International Ltd. 9.875%, 2/15/24	45	41
KazMunayGas National Co. JSC 144A, 4.750%, 4/19/27 ⁽³⁾	200	200	YPF S.A. 144A, 8.500%, 3/23/21 ⁽³⁾	73	80
			144A, 8.750%, 4/4/24 ⁽³⁾	10	11
			144A, 6.950%, 7/21/27 ⁽³⁾	145	146
					6,933

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VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
Financials—4.2%			Financials—continued		
Acrisure LLC 144A, 7.000%, 11/15/25 ⁽³⁾	\$ 135	\$ 130	Prudential Financial, Inc. 5.875%, 9/15/42	\$ 100	\$ 105
AerCap Ireland Capital DAC 3.650%, 7/21/27	150	140	5.625%, 6/15/43 ⁽⁷⁾	75	79
Allstate Corp. (The) Series B 5.750% ⁽⁷⁾	125	131	Santander Holdings USA, Inc. 4.400%, 7/13/27	135	134
Ares Capital Corp. 3.625%, 1/19/22	90	89	Sberbank of Russia 144A, 5.500%, 2/26/24 ⁽³⁾⁽⁵⁾	200	202
3.500%, 2/10/23	55	53	Springleaf Finance Corp. 6.875%, 3/15/25	80	80
Athene Holding Ltd. 4.125%, 1/12/28	130	125	Synchrony Financial 3.950%, 12/1/27	115	109
Australia & New Zealand Banking Group Ltd. 144A, 4.400%, 5/19/26 ⁽³⁾	200	201	Teachers Insurance & Annuity Association of America 144A, 4.375%, 9/15/54 ⁽³⁾	150	146
Aviation Capital Group LLC 144A, 3.500%, 11/1/27 ⁽³⁾	145	136	Toronto-Dominion Bank (The) 3.625%, 9/15/31	60	57
Banco Bilbao Vizcaya Argentaria Bancomer S.A. 144A, 5.125%, 1/18/33 ⁽³⁾	200	192	Turkiye Vakiflar Bankasi TAO 144A, 5.625%, 5/30/22 ⁽³⁾	200	196
Banco de Bogota S.A. 144A, 6.250%, 5/12/26 ⁽³⁾	200	210	Voya Financial, Inc. 5.650%, 5/15/53	155	158
Banco Internacional del Peru SAA Interbank 144A, 6.625%, 3/19/29 ⁽³⁾	65	71	Wells Fargo & Co. 3.550%, 9/29/25	135	132
Bank of America Corp. 4.200%, 8/26/24	167	169	Series S, 5.900%, 8/15/27	310	319
Bank of Montreal 3.803%, 12/15/32	28	27			<u>6,320</u>
Bonos del Banco Central de Chile 4.500%, 6/1/20	40,000 ^{CLP}	69	Health Care—1.1%		
BrightHouse Financial, Inc. 144A, 3.700%, 6/22/27 ⁽³⁾	170	158	Anthem, Inc. 3.650%, 12/1/27	35	34
BrightSphere Investment Group plc 4.800%, 7/27/26	150	151	Avantor, Inc. 144A, 6.000%, 10/1/24 ⁽³⁾	60	60
Capital One Financial Corp. 3.750%, 7/28/26	135	128	Becton Dickinson & Co. 3.700%, 6/6/27	170	164
Compass Bank 3.875%, 4/10/25	250	245	Charles River Laboratories International, Inc. 144A, 5.500%, 4/1/26 ⁽³⁾	105	107
Drawbridge Special Opportunities Fund LP 144A, 5.000%, 8/1/21 ⁽³⁾	250	253	Community Health Systems, Inc. 6.250%, 3/31/23	20	18
FS Investment Corp. 4.750%, 5/15/22	130	131	Concordia International Corp. 144A, 9.000%, 4/1/22 ⁽³⁾	35	32
GrupoSura Finance S.A. 144A, 5.500%, 4/29/26 ⁽³⁾	200	212	DJO Finco, Inc. 144A, 8.125%, 6/15/21 ⁽³⁾	55	55
ICAHN Enterprises LP 6.375%, 12/15/25	160	161	Eagle Holding Co. II, LLC PIK Interest Capitalization, 144A, 7.625%, 5/15/22 ⁽³⁾⁽⁸⁾	80	80
ING Groep N.V. 6.000% ⁽⁶⁾⁽⁷⁾	200	205	Endo Dac 144A, 6.000%, 7/15/23 ⁽³⁾	140	106
Jefferies Group LLC 4.850%, 1/15/27	40	41	Envision Healthcare Corp. 144A, 6.250%, 12/1/24 ⁽³⁾	30	31
JPMorgan Chase & Co. 3.300%, 4/1/26	135	130	HCA, Inc. 5.250%, 6/15/26	55	56
2.950%, 10/1/26	80	75	MPH Acquisition Holdings LLC 144A, 7.125%, 6/1/24 ⁽³⁾	120	124
Kazakhstan Temir Zholy Finance BV 144A, 6.950%, 7/10/42 ⁽³⁾	200	224	Polaris Intermediate Corp. PIK Interest Capitalization, 144A, 8.500%, 12/1/22 ⁽³⁾⁽⁸⁾	10	10
Kazakhstan Temir Zholy National Co. JSC 144A, 4.850%, 11/17/27 ⁽³⁾	205	204	Surgery Center Holdings, Inc. 144A, 8.875%, 4/15/21 ⁽³⁾	115	120
Leucadia National Corp. 5.500%, 10/18/23	70	72	144A, 6.750%, 7/1/25 ⁽³⁾	20	19
Navient Corp. 7.250%, 9/25/23	35	37	Tenet Healthcare Corp. 144A, 5.125%, 5/1/25 ⁽³⁾	35	34
6.750%, 6/25/25	90	91	144A, 7.000%, 8/1/25 ⁽³⁾	115	113
PNC Financial Services Group, Inc. (The) Series O 6.750%, 12/31/49	85	92	Teva Pharmaceutical Finance Netherlands III BV 3.150%, 10/1/26	85	68
Powszechna Kasa Oszczednosci Bank Polski S.A. 144A, 4.630%, 9/26/22 ⁽³⁾⁽⁵⁾	240	250			

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VIRTUS TACTICAL ALLOCATION FUND
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MARCH 31, 2018

(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
Health Care—continued			Information Technology—continued		
Valeant Pharmaceuticals International, Inc.			Citrix Systems, Inc.		
144A, 7.500%, 7/15/21 ⁽³⁾	\$ 5	\$ 5	4.500%, 12/1/27	\$ 125	\$ 124
144A, 5.625%, 12/1/21 ⁽³⁾	5	5	Dell International LLC		
144A, 6.500%, 3/15/22 ⁽³⁾	10	10	144A, 5.450%, 6/15/23 ⁽³⁾	30	32
144A, 7.250%, 7/15/22 ⁽³⁾	105	105	144A, 8.100%, 7/15/36 ⁽³⁾	60	73
144A, 5.875%, 5/15/23 ⁽³⁾	30	26	Everi Payments, Inc. 144A,		
144A, 7.000%, 3/15/24 ⁽³⁾	15	16	7.500%, 12/15/25 ⁽³⁾	35	35
144A, 5.500%, 11/1/25 ⁽³⁾	80	78	Hewlett Packard Enterprise Co.		
144A, 9.000%, 12/15/25 ⁽³⁾	20	20	4.900%, 10/15/25	80	83
144A, 9.250%, 4/1/26 ⁽³⁾	75	75	Jabil, Inc.		
West Street Merger Sub, Inc. 144A,			3.950%, 1/12/28	130	126
6.375%, 9/1/25 ⁽³⁾	80	76	Rackspace Hosting, Inc. 144A,		
		1,647	8.625%, 11/15/24 ⁽³⁾	65	64
			Radiate Holdco LLC		
Industrials—1.5%			144A, 6.875%, 2/15/23 ⁽³⁾	20	19
Alfa SAB de CV 144A,			144A, 6.625%, 2/15/25 ⁽³⁾	165	153
5.250%, 3/25/24 ⁽³⁾	200	208	VeriSign, Inc.		
Ashtead Capital, Inc. 144A,			4.750%, 7/15/27	145	139
4.375%, 8/15/27 ⁽³⁾	200	190	ViaSat, Inc. 144A,		
Bombardier, Inc. 144A,			5.625%, 9/15/25 ⁽³⁾	140	135
6.125%, 1/15/23 ⁽³⁾	135	135	VMware, Inc.		
CNH Industrial N.V.			3.900%, 8/21/27	93	88
4.500%, 8/15/23	112	114	Western Digital Corp.		
3.850%, 11/15/27	58	56	4.750%, 2/15/26	155	155
Continental Airlines Pass-Through-Trust 1999-2, C2					1,693
6.236%, 3/15/20	48	49			
DP World Ltd. 144A,			Materials—1.9%		
6.850%, 7/2/37 ⁽³⁾	100	121	AK Steel Corp.		
Embraer Netherlands Finance BV			7.500%, 7/15/23	80	84
5.400%, 2/1/27	65	69	Alpek SAB de C.V. 144A,		
Latam Finance Ltd. 144A,			5.375%, 8/8/23 ⁽³⁾	260	268
6.875%, 4/11/24 ⁽³⁾	200	209	Anglo American Capital plc 144A,		
Masco Corp.			4.000%, 9/11/27 ⁽³⁾	200	192
5.950%, 3/15/22	99	107	BHP Billiton Finance USA Ltd. 144A,		
Navistar International Corp. 144A,			6.750% ⁽³⁾⁽⁶⁾⁽⁷⁾	205	230
6.625%, 11/1/25 ⁽³⁾	135	135	BlueScope Steel Finance Ltd. 144A,		
New Enterprise Stone & Lime Co., Inc. 144A,			6.500%, 5/15/21 ⁽³⁾	85	88
10.125%, 4/1/22 ⁽³⁾	10	11	CPG Merger Sub LLC 144A,		
6.250%, 3/15/26 ⁽³⁾	70	70	8.000%, 10/1/21 ⁽³⁾	90	91
Owens Corning			Fibria Overseas Finance Ltd.		
3.400%, 8/15/26	150	144	4.000%, 1/14/25	124	120
Pitney Bowes, Inc.			FMG Resources August 2006 Pty Ltd. 144A,		
4.125%, 5/15/22	157	148	5.125%, 3/15/23 ⁽³⁾	105	104
Standard Industries, Inc. 144A,			Glencore Funding LLC 144A,		
6.000%, 10/15/25 ⁽³⁾	95	97	4.000%, 3/27/27 ⁽³⁾	165	159
Titan Acquisition Ltd. 144A,			GTL Trade Finance, Inc. 144A,		
7.750%, 4/15/26 ⁽³⁾	85	85	5.893%, 4/29/24 ⁽³⁾	150	160
TransDigm, Inc.			Hexion Inc.		
6.500%, 7/15/24	70	72	6.625%, 4/15/20	90	84
6.500%, 5/15/25	50	51	James Hardie International Finance DAC 144A,		
US Airways 2012-1 Class B Pass Through Trust			5.000%, 1/15/28 ⁽³⁾	200	194
8.000%, 10/1/19	136	144	Kraton Polymers LLC 144A,		
Wrangler Buyer Corp. 144A,			7.000%, 4/15/25 ⁽³⁾	125	129
6.000%, 10/1/25 ⁽³⁾	89	87	NOVA Chemicals Corp.		
		2,302	144A, 4.875%, 6/1/24 ⁽³⁾	60	57
			144A, 5.000%, 5/1/25 ⁽³⁾	130	125
Information Technology—1.1%			Platform Specialty Products Corp. 144A,		
Arrow Electronics, Inc.			5.875%, 12/1/25 ⁽³⁾	105	103
3.875%, 1/12/28	135	131	PQ Corp. 144A,		
Blackboard, Inc. 144A,			5.750%, 12/15/25 ⁽³⁾	45	45
9.750%, 10/15/21 ⁽³⁾	53	45	Rusal Capital DAC 144A,		
Broadcom Corp.			5.125%, 2/2/22 ⁽³⁾	200	197
3.000%, 1/15/22	45	44			
3.625%, 1/15/24	165	162			
3.125%, 1/15/25	90	85			

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VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
Materials—continued					
Teck Resources Ltd. 144A, 8.500%, 6/1/24 ⁽³⁾	\$ 40	\$ 44			
United States Steel Corp. 6.250%, 3/15/26	145	145			
Vale Overseas Ltd. 6.250%, 8/10/26	85	95			
Yamana Gold, Inc. 144A, 4.625%, 12/15/27 ⁽³⁾	135	133			
		<u>2,847</u>			
Real Estate—0.6%					
EPR Properties 4.750%, 12/15/26	145	145			
4.500%, 6/1/27	75	73			
Healthcare Trust of America Holdings LP 3.750%, 7/1/27	70	68			
Hospitality Properties Trust 4.950%, 2/15/27	140	142			
4.375%, 2/15/30	40	38			
LifeStorage LP 3.875%, 12/15/27	50	48			
MPT Operating Partnership LP 5.500%, 5/1/24	90	92			
5.000%, 10/15/27	65	64			
Physicians Realty LP 4.300%, 3/15/27	140	139			
Select Income REIT 4.500%, 2/1/25	165	163			
		<u>972</u>			
Telecommunication Services—1.3%					
America Movil SAB de C.V. 6.450%, 12/5/22	2,000 ^{MOON}	102			
AT&T, Inc. 3.400%, 8/14/24	109	109			
4.250%, 3/1/27	85	86			
3.900%, 8/14/27	120	121			
5.250%, 3/1/37	30	32			
4.800%, 6/15/44	110	107			
5.650%, 2/15/47	55	59			
Consolidated Communications, Inc. 6.500%, 10/1/22	134	120			
Digicel Group Ltd. 144A, 8.250%, 9/30/20 ⁽³⁾	200	172			
Frontier Communications Corp. 8.500%, 4/15/20	55	55			
7.125%, 1/15/23	130	88			
144A, 8.500%, 4/1/26 ⁽³⁾	55	53			
GTH Finance BV 144A, 7.250%, 4/26/23 ⁽³⁾	200	217			
Level 3 Financing, Inc. 5.375%, 1/15/24	130	127			
Qwest Corp. 7.250%, 9/15/25	80	86			
Sprint Corp. 7.625%, 3/1/26	55	54			
Telenet Finance Luxembourg Notes S.a.r.l. 144A, 5.500%, 3/1/28 ⁽³⁾	200	191			
West Corp. 144A, 8.500%, 10/15/25 ⁽³⁾	45	44			
Windstream Services LLC 144A, 6.375%, 8/1/23 ⁽³⁾	100	57			
144A, 8.625%, 10/31/25 ⁽³⁾	70	65			
		<u>1,945</u>			
Utilities—0.4%					
Dynegy, Inc. 7.375%, 11/1/22	\$ 130	\$ 137			
Eskom Holdings SOC Ltd. 144A, 7.125%, 2/11/25 ⁽³⁾	200	204			
Ferrellgas Partners LP 8.625%, 6/15/20	25	23			
6.750%, 6/15/23	135	123			
TerraForm Power Operating LLC 144A, 5.000%, 1/31/28 ⁽³⁾	110	104			
		<u>591</u>			
TOTAL CORPORATE BONDS AND NOTES					
(Identified Cost \$30,799)					30,294
LEVERAGED LOANS⁽²⁾—3.3%					
Aerospace—0.1%					
TransDigm, Inc. Tranche F, (3 month LIBOR + 2.750%) 4.839%, 6/9/23	109	109			
Chemicals—0.1%					
IPS Acquisition LLC First Lien, (1 month LIBOR + 3.250%) 5.127%, 11/7/24	15	15			
KMG Chemicals, Inc., (1 month LIBOR + 2.750%) 4.627%, 6/15/24	15	16			
New Arclin U.S. Holding Corp. First Lien, (3 month LIBOR + 3.500%) 5.802%, 2/14/24	65	65			
Omnova Solutions, Inc. Tranche B-2, (1 month LIBOR + 3.250%) 5.127%, 8/25/23	104	105			
PQ Corp. Tranche B-1, (3 month LIBOR + 2.500%) 4.291%, 2/8/25	5	5			
		<u>206</u>			
Consumer Durables—0.1%					
Global Appliance, Inc. Tranche B, (1 month LIBOR + 4.000%) 5.880%, 9/29/24	90	91			
Consumer Non-Durables—0.1%					
Coty, Inc. Tranche B, (3 month LIBOR + 2.250%) 0.000%, 3/28/25 ⁽³⁾	45	45			
Galleria Co. Tranche B, (1 month LIBOR + 3.000%) 4.688%, 9/29/23	44	44			
HLF Financing S.a.r.l. Senior Lien, (1 month LIBOR + 5.500%) 7.377%, 2/15/23	37	37			
Parfums Holdings Co., Inc. First Lien, (3 month LIBOR + 4.750%) 7.052%, 6/30/24	60	60			
		<u>186</u>			
Energy—0.3%					
California Resources Corp., (1 month LIBOR + 10.375%) 12.229%, 12/31/21	80	90			
Chesapeake Energy Corp. Tranche A, (3 month LIBOR + 7.500%) 9.444%, 8/23/21	24	26			
Medallion Midland Acquisition LLC, (1 month LIBOR + 3.250%) 5.127%, 10/30/24	80	80			

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SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
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(\$ reported in thousands)

	PAR VALUE	VALUE		PAR VALUE	VALUE
Energy—continued			Gaming / Leisure—continued		
Seadrill Operating LP, (3 month LIBOR + 6.000%) 8.302%, 2/21/21	\$ 65	\$ 54	Seminole Tribe of Florida Tranche B, (1 month LIBOR + 2.000%) 3.877%, 7/8/24	\$ 85	\$ 85
Traverse Midstream Partners LLC, (3 month LIBOR + 4.000%) 5.850%, 9/27/24	80	80	UFC Holdings, LLC First Lien, (1 month LIBOR + 3.250%) 5.130%, 8/18/23	77	77
Ultra Resources, Inc., (1 month LIBOR + 3.000%) 4.765%, 4/12/24	75	74	Wyndham Hotels & Resorts, Inc. Tranche B, (3 month LIBOR + 1.750%) 0.000%, 3/28/25 ⁽⁹⁾	25	25
		<u>404</u>			<u>352</u>
Financial—0.2%			Healthcare—0.1%		
Asurion LLC Tranche B-2, Second Lien, (1 month LIBOR + 6.000%) 7.877%, 8/4/25	127	131	21st Century Oncology, Inc. Tranche B, (3 month LIBOR + 6.125%) 7.855%, 1/16/23	31	29
Ditech Holding Corp. Tranche B, (1 month LIBOR + 6.000%) 7.877%, 6/30/22	102	99	Envision Healthcare Corp., (1 month LIBOR + 3.000%) 4.880%, 12/1/23	8	9
Genworth Holdings, Inc., (1 month LIBOR + 4.500%) 6.202%, 3/7/23	10	10	PharMerica Corp. Second Lien, (1 month LIBOR + 7.750%) 9.461%, 12/5/25	10	10
		<u>240</u>	Prospect Medical Holdings, Inc. Tranche B-1, (1 month LIBOR + 5.500%) 7.188%, 2/22/24	55	55
Food / Tobacco—0.1%			Housing—0.1%		
CFSP Acquisition Corp. (3 month LIBOR + 0.5000%) 0.5000% 3/1/25 ⁽¹⁴⁾	3	3	U.S. Renal Care, Inc. First Lien, (3 month LIBOR + 4.250%) 6.552%, 12/30/22	54	54
(3 month LIBOR + 3.000%) 4.822%, 3/14/25	12	12			<u>157</u>
CHG PPC Parent LLC First Lien, (3 month LIBOR + 2.750%) 0.000%, 3/21/25 ⁽⁹⁾	10	10	84 Lumber Co. Tranche B-1, (1 month LIBOR + 5.250%) 7.122%, 10/25/23	77	77
Chobani LLC First Lien, (1 month LIBOR + 3.500%) 5.377%, 10/10/23	52	52	Capital Automotive LP Tranche B, Second Lien, (1 month LIBOR + 6.000%) 7.880%, 3/24/25	39	40
JBS USA Lux S.A., (3 month LIBOR + 2.500%) 4.678%, 10/30/22	39	39	CPG International LLC, (3 month LIBOR + 3.750%) 5.593%, 5/5/24	89	90
		<u>116</u>			<u>207</u>
Food and Drug—0.1%			Information Technology—0.3%		
Albertson's LLC 2017-1, Tranche B-4, (1 month LIBOR + 2.750%) 4.627%, 8/25/21	117	116	Applied Systems, Inc. Second Lien, (3 month LIBOR + 7.000%) 9.302%, 9/19/25	15	16
Forest Prod / Containers—0.0%			Information Technology—0.3%		
Anchor Glass Container Corp. Second Lien, (1 month LIBOR + 7.750%) 9.490%, 12/7/24	38	36	Blackboard, Inc. Tranche B-4, First Lien, (3 month LIBOR + 5.000%) 6.734%, 6/30/21	30	28
Spectrum Holdings III Corp. (3 month LIBOR + 1.000%) 1.000% 3/1/25 ⁽¹⁴⁾	4	4	Intralinks, Inc. First Lien, (1 month LIBOR + 4.000%) 5.880%, 11/14/24	40	40
(1 month LIBOR + 3.250%) 5.127%, 1/31/25	41	41	Kronos, Inc. Second Lien, (3 month LIBOR + 8.250%) 10.023%, 11/1/24	38	39
		<u>81</u>	Presidio Holdings, Inc. Tranche B, (3 month LIBOR + 2.750%) 4.536%, 2/2/24	84	84
Gaming / Leisure—0.2%			Information Technology—0.3%		
Everi Payments, Inc. Tranche B, (2 month LIBOR + 3.500%) 5.494%, 5/9/24	35	35	SS&C Technologies Holdings, Inc. Tranche B-3, (3 month LIBOR + 2.500%) 0.000%, 2/28/25 ⁽⁹⁾	162	163
Gateway Casinos & Entertainment Ltd., (1 month LIBOR + 3.000%) 4.750%, 3/13/25	35	35	Tranche B-4, (3 month LIBOR + 2.500%) 0.000%, 2/28/25 ⁽⁹⁾	58	58
Playa Resorts Holding B.V., (3 month LIBOR + 3.250%) 5.000%, 4/29/24	89	90	Veritas US, Inc. Tranche B, (3 month LIBOR + 4.500%) 6.802%, 1/27/23	52	52
Scientific Games International, Inc. Tranche B-5, (2 month LIBOR + 2.750%) 4.686%, 8/14/24	5	5			<u>480</u>

See Notes to Financial Statements

VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	<u>PAR VALUE</u>	<u>VALUE</u>		<u>PAR VALUE</u>	<u>VALUE</u>
Manufacturing—0.2%					
Accudyne Industries Borrower S.C.A., (1 month LIBOR + 3.250%) 5.127%, 8/18/24	\$ 15	\$ 15			
CPI Acquisition, Inc. First Lien, (3 month LIBOR + 4.500%) 6.358%, 8/17/22	152	104			
Filtration Group Corp., (3 month LIBOR + 3.000%) 0.000%, 3/29/25 ⁽⁹⁾	40	40			
Pro Mach Group, Inc. First Lien, (3 month LIBOR + 3.000%) 5.035%, 3/7/25	10	10			
U.S. Farathane LLC Tranche B-4, (3 month LIBOR + 3.500%) 5.802%, 12/23/21	88	88			
		<u>257</u>			
Media / Telecom - Diversified Media—0.1%					
Crown Finance US, Inc., (1 month LIBOR + 2.500%) 4.377%, 2/28/25	95	95			
Meredith Corp., (1 month LIBOR + 3.000%) 4.877%, 1/31/25	80	80			
		<u>175</u>			
Media / Telecom - Telecommunications—0.2%					
CenturyLink, Inc. Tranche B, (1 month LIBOR + 2.750%) 4.627%, 1/31/25	55	54			
Securus Technologies Holdings, Inc. First Lien, (1 month LIBOR + 4.500%) 6.377%, 11/1/24	110	111			
Second Lien, (1 month LIBOR + 8.250%) 10.127%, 11/1/25	60	61			
West Corp. Tranche B-1, (3 month LIBOR + 3.500%) 0.000%, 10/10/24 ⁽⁹⁾	50	50			
Tranche B, (1 month LIBOR + 4.000%) 5.877%, 10/10/24	34	34			
		<u>310</u>			
Metals / Minerals—0.1%					
Contura Energy, Inc., (1 month LIBOR + 5.000%) 6.880%, 3/18/24	82	82			
Graftech International Ltd., (1 month LIBOR + 3.500%) 5.240%, 2/12/25	85	85			
		<u>167</u>			
Retail—0.1%					
BJ's Wholesale Club, Inc. Second Lien, (1 month LIBOR + 7.500%) 9.191%, 2/3/25	75	75			
Neiman Marcus Group Ltd. LLC, (1 month LIBOR + 3.250%) 4.941%, 10/25/20	95	82			
		<u>157</u>			
Service—0.5%					
Advantage Sales & Marketing, Inc. Tranche B-2, First Lien, (3 month LIBOR + 3.250%) 5.022%, 7/23/21	75	73			
Second Lien, (3 month LIBOR + 6.500%) 8.267%, 7/25/22	93	89			
Service—continued					
Delek US Holdings, Inc., (3 month LIBOR + 2.500%) 0.000%, 3/14/25 ⁽⁹⁾	\$ 20	\$ 20			
Hoya Midco LLC First Lien, (1 month LIBOR + 3.500%) 5.377%, 6/30/24	40	40			
Laureate Education, Inc. 2024, (1 month LIBOR + 3.500%) 5.377%, 4/26/24	75	75			
NAB Holdings, LLC 2018 Refinancing, (3 month LIBOR + 3.000%) 5.302%, 7/1/24	50	50			
PAE Holding Corp. First Lien, (2 month LIBOR + 5.500%) 7.494%, 10/20/22	48	48			
Pearl Intermediate Parent LLC (3 month LIBOR + 1.000%) 1.000% 3/125 ⁽¹⁴⁾	19	19			
First Lien, (1 month LIBOR + 2.750%) 4.527%, 2/14/25	66	65			
Red Ventures, LLC First Lien, (1 month LIBOR + 4.000%) 5.877%, 11/8/24	80	80			
Sedgwick Claims Management Services, Inc. Second Lien, (3 month LIBOR + 5.750%) 7.734%, 2/28/22	210	211			
TKC Holdings, Inc. First Lien, (3 month LIBOR + 4.250%) 6.030%, 2/1/23	89	90			
		<u>860</u>			
Transportation - Automotive—0.1%					
Navistar, Inc. Tranche B, (1 month LIBOR + 3.500%) 5.210%, 11/6/24	110	110			
Utility—0.2%					
APLP Holdings LP, (1 month LIBOR + 3.500%) 5.377%, 4/13/23	109	110			
Talen Energy Supply LLC, (1 month LIBOR + 4.000%) 5.877%, 4/15/24	69	68			
Vistra Operations Co. LLC (1 month LIBOR + 2.500%) 4.377%, 8/4/23	63	64			
Tranche C, (1 month LIBOR + 2.500%) 4.377%, 8/4/23	12	12			
		<u>254</u>			
TOTAL LEVERAGED LOANS (Identified Cost \$5,046)					5,035
					<u>SHARES</u>
PREFERRED STOCKS—1.0%					
Financials—0.9%					
JPMorgan Chase & Co. Series V, 5.000%	80 ⁽¹¹⁾	81			
JPMorgan Chase & Co. Series Z, 5.300%	160 ⁽¹¹⁾	164			
Huntington Bancshares, Inc. Series E 5.700%	175 ⁽¹¹⁾	176			
KeyCorp Series D, 5.000%	145 ⁽¹¹⁾	143			
MetLife, Inc. Series D 5.875%	75 ⁽¹¹⁾	76			
M&T Bank Corp. Series F, 5.125%	170 ⁽¹¹⁾	170			
PNC Financial Services Group, Inc. (The) Series R, 4.850%	155 ⁽¹¹⁾	155			
Series S, 5.000%	145 ⁽¹¹⁾	144			

See Notes to Financial Statements

VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE		SHARES	VALUE
Financials—continued			Health Care—5.1%		
Zions Bancorp 6.950%	6,400	\$ 180	Allergan plc	4,716	\$ 794
		1,289	BioMarin Pharmaceutical, Inc. ⁽¹⁾	10,480	850
			Bluebird Bio, Inc. ⁽¹⁾	3,500	598
			Danaher Corp.	10,740	1,051
Industrials—0.1%			HealthEquity, Inc. ⁽¹⁾	19,070	1,154
General Electric Co. Series D, 5.000%	227 ⁽¹¹⁾	225	ICON plc ⁽¹⁾	4,040	477
			Illumina, Inc. ⁽¹⁾	4,950	1,170
			Zoetis, Inc.	19,220	1,605
TOTAL PREFERRED STOCKS (Identified Cost \$1,488)		1,514			7,699
COMMON STOCKS—61.4%			Industrials—6.1%		
Consumer Discretionary—12.9%			Airbus SE ADR	27,595	796
Amazon.com, Inc. ⁽¹⁾	2,920	4,226	Ashtead Group plc ADR	7,566	836
Booking Holdings, Inc. ⁽¹⁾	510	1,061	Caterpillar, Inc.	8,800	1,297
Ctrip.com International Ltd. ADR ⁽¹⁾	36,602	1,706	CoStar Group, Inc. ⁽¹⁾	3,130	1,135
Home Depot, Inc. (The)	7,840	1,397	easyJet plc Sponsored ADR	35,220	791
Las Vegas Sands Corp.	29,080	2,091	Golden Ocean Group Ltd.	66,764	531
McDonald's Corp.	5,870	918	Kansas City Southern	9,220	1,013
MercadoLibre, Inc.	2,140	763	Nidec Corp. Sponsored ADR	21,812	841
Netflix, Inc. ⁽¹⁾	9,290	2,744	Rockwell Automation, Inc.	3,430	597
NIKE, Inc. Class B	20,090	1,335	Roper Technologies, Inc.	5,020	1,409
Ross Stores, Inc.	15,990	1,247			9,246
Sony Corp. Sponsored ADR	16,053	776			
Starbucks Corp.	22,450	1,300	Information Technology—19.2%		
		19,564	Accenture plc Class A	7,260	1,114
Consumer Staples—3.3%			Activision Blizzard, Inc.	17,850	1,204
Fomento Economico Mexicano SAB de C.V. Sponsored ADR	6,863	628	Alibaba Group Holding Ltd. Sponsored ADR ⁽¹⁾	23,300	4,277
Marine Harvest ASA Sponsored ADR	31,000	623	Alphabet, Inc. Class A ⁽¹⁾	730	757
Monster Beverage Corp. ⁽¹⁾	40,170	2,298	Amphenol Corp. Class A	22,550	1,942
Philip Morris International, Inc.	14,620	1,453	Arista Networks, Inc. ⁽¹⁾	2,520	643
		5,002	Broadcom Ltd.	2,697	636
Energy—3.0%			Check Point Software Technologies Ltd. ⁽¹⁾	5,850	581
Cabot Oil & Gas Corp.	42,790	1,026	Facebook, Inc. Class A ⁽¹⁾	22,550	3,603
CGG SA ⁽¹⁾	59,190	117	Gartner, Inc. ⁽¹⁾	5,750	676
Core Laboratories N.V.	6,620	716	Hitachi Ltd. ADR	11,120	813
Frontera Energy Corp. ⁽¹⁾	920	26	NVIDIA Corp.	11,600	2,686
Pioneer Natural Resources Co.	5,960	1,024	Paycom Software, Inc. ⁽¹⁾	14,270	1,532
Statoil ASA Sponsored ADR	36,603	866	SAP SE Sponsored ADR	5,172	544
TechnipFMC plc	24,016	707	Tencent Holdings Ltd. ADR	34,900	1,860
		4,482	Visa, Inc. Class A	22,630	2,707
Financials—7.8%			Workday, Inc. Class A ⁽¹⁾	13,050	1,659
Bank of America Corp.	78,320	2,349	Yandex N.V. Class A ⁽¹⁾	48,100	1,898
BOC Hong Kong Holdings Ltd. Sponsored ADR	6,641	641			29,132
CaixaBank S.A. ADR	433,313	689	Materials—2.9%		
Charles Schwab Corp. (The)	19,830	1,036	Anhui Conch Cement Co., Ltd. ADR	35,067	964
China Construction Bank Corp. ADR	38,355	801	Ecolab, Inc.	10,190	1,397
Credit Agricole S.A. ADR	82,845	674	Glencore plc ADR ⁽¹⁾	75,340	751
DBS Group Holdings Ltd. Sponsored ADR	11,858	1,008	HeidelbergCement AG ADR	32,490	638
ING Groep N.V. Sponsored ADR	41,219	698	Toray Industries, Inc. ADR	34,973	665
MarketAxess Holdings, Inc.	4,440	965			4,415
Nomura Holdings, Inc. Sponsored ADR	121,412	710	Real Estate—0.4%		
ORIX Corp. Sponsored ADR	8,955	805	LendLease Group Sponsored ADR	44,764	603
SEI Investments Co.	9,520	713	Telecommunication Services—0.3%		
UBS Group AG Registered Shares ⁽¹⁾	41,083	726	BT Group plc Sponsored ADR	31,866	515
		11,815			

See Notes to Financial Statements

VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

	SHARES	VALUE
Utilities—0.4%		
Veolia Environnement S.A. ADR	23,003	\$ 547
TOTAL COMMON STOCKS (Identified Cost \$69,904)		93,020
EXCHANGE-TRADED FUND⁽¹²⁾—0.4%		
PowerShares Senior Loan Portfolio ETF	25,000	578
TOTAL EXCHANGE-TRADED FUND (Identified Cost \$577)		578
AFFILIATED MUTUAL FUND⁽¹²⁾—0.8%		
Virtus Newfleet Credit Opportunities Fund Class R6	132,261	1,276
TOTAL AFFILIATED MUTUAL FUND (Identified Cost \$1,322)		1,276
TOTAL LONG-TERM INVESTMENTS—98.7% (Identified Cost \$127,111)		149,515⁽¹⁵⁾
SHORT-TERM INVESTMENT—1.9%		
Money Market Mutual Fund⁽¹²⁾—1.9%		
Dreyfus Government Cash Management Fund – Institutional Shares (seven-day effective yield 1.540%)	2,894,402	2,894
TOTAL SHORT-TERM INVESTMENT (Identified Cost \$2,894)		2,894
TOTAL INVESTMENTS—100.6% (Identified Cost \$130,005)		152,409
Other assets and liabilities, net—(0.6)%		(944)
NET ASSETS—100.0%		\$151,465

Abbreviations:

ADR	American Depositary Receipt
ETF	Exchange-Traded Fund
LIBOR	London Interbank Offered Rate
PIK	Payment-in-Kind Security
REIT	Real Estate Investment Trust

Foreign Currencies

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

Footnote Legend:

- ⁽¹⁾ Non-income producing.
- ⁽²⁾ Variable rate security. Rate disclosed is as of March 31, 2018. For leveraged loans, the rate shown may represent a weighted average interest rate. Information in parenthesis represents benchmark and reference rate for each security. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions, or, for mortgage-backed securities, are impacted by the individual mortgages which are paying off over time. These securities do not indicate a reference rate and spread in their descriptions.
- ⁽³⁾ Security exempt from registration under Rule 144A, of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2018, these securities amounted to a value of \$25,026 or 16.5% of net assets.
- ⁽⁴⁾ Regulation S security. Security is offered and sold outside of the United States, therefore, it is exempt from registration with the SEC under Rules 903 and 904 of the Securities Act of 1933.
- ⁽⁵⁾ This Note was issued for the sole purpose of funding a loan agreement between the issuer and the borrower. As the credit risk for this security lies solely with the borrower, the name represented here is that of the borrower.
- ⁽⁶⁾ No contractual maturity date.
- ⁽⁷⁾ Interest payments may be deferred.
- ⁽⁸⁾ 100% of the income received was in cash.
- ⁽⁹⁾ This loan will settle after March 31, 2018, at which time the interest rate, based on the LIBOR and the agreed upon spread on trade date, will be reflected.
- ⁽¹⁰⁾ Security in default, no interest payments are being received during the bankruptcy proceedings.
- ⁽¹¹⁾ Value shown as par value.
- ⁽¹²⁾ Shares of these funds are publicly offered, and the prospectus and annual report of each are publicly available.
- ⁽¹³⁾ Interest may be forfeited.
- ⁽¹⁴⁾ Represents unfunded portion of security and commitment fee earned on this portion.
- ⁽¹⁵⁾ All or a portion of the Fund's assets have been segregated for delayed delivery security.

Country Weightings[†]

United States	67%
China	6
Japan	3
France	2
Russia	2
Netherlands	2
United Kingdom	2
Other	16
Total	100%

[†] % of total investments as of March 31, 2018.

For information regarding the abbreviations, see the Key Investment Terms starting on page 5.

See Notes to Financial Statements

VIRTUS TACTICAL ALLOCATION FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)
MARCH 31, 2018

(\$ reported in thousands)

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

	Total Value at March 31, 2018	Level 1 Quoted Prices	Level 2 Significant Observable Inputs
Debt Securities:			
Asset-Backed Securities	\$ 3,351	\$ —	\$ 3,351
Corporate Bonds and Notes	30,294	—	30,294
Foreign Government Securities	6,127	—	6,127
Leveraged Loans	5,035	—	5,035
Mortgage-Backed Securities	7,097	—	7,097
U.S. Government Securities	1,223	—	1,223
Equity Securities:			
Affiliated Mutual Fund	1,276	1,276	—
Common Stocks	93,020	93,020	—
Exchange-Traded Fund	578	578	—
Preferred Stocks	1,514	180	1,334
Short-Term Investment	2,894	2,894	—
Total Investments	<u>\$152,409</u>	<u>\$97,948</u>	<u>\$54,461</u>

There were no securities valued using significant unobservable inputs (Level 3) at March 31, 2018.

There were no transfers between Level 1, Level 2, or Level 3 related to securities held at March 31, 2018.

See Notes to Financial Statements

VIRTUS EQUITY TRUST
STATEMENTS OF ASSETS AND LIABILITIES (Unaudited)
MARCH 31, 2018

(Reported in thousands except shares and per share amounts)

	KAR Capital Growth Fund	KAR Global Quality Dividend Fund	KAR Mid-Cap Core Fund	KAR Mid-Cap Growth Fund	KAR Small-Cap Core Fund
Assets					
Investment in unaffiliated securities at value ⁽¹⁾	\$ 521,306	\$ 37,007	\$ 148,020	\$ 113,122	\$ 1,152,889
Foreign currency at value ⁽²⁾	—	92	—	—	—
Cash	256	23	11	14	—
Receivables					
Investment securities sold	2,819	—	—	617	2,796
Fund shares sold	118	1	397	152	6,438
Dividends and interest	305	244	74	80	46
Tax reclaims	—	8	—	—	—
Prepaid expenses	52	27	63	46	115
Prepaid trustee retainer	7	— ⁽³⁾	2	1	18
Other assets	27	2	7	6	54
Total assets	<u>524,890</u>	<u>37,404</u>	<u>148,574</u>	<u>114,038</u>	<u>1,162,356</u>
Liabilities					
Cash overdraft	—	—	—	—	— ⁽³⁾
Payables					
Fund shares repurchased	106	146	228	74	555
Investment securities purchased	2,791	—	—	611	14,094
Investment advisory fees	320	18	77	78	697
Distribution and service fees	119	10	25	26	95
Administration fees	53	3	15	11	113
Transfer agent and sub-transfer agent fees and expenses	210	24	27	42	130
Trustees' fees and expenses	— ⁽³⁾	— ⁽³⁾	— ⁽³⁾	— ⁽³⁾	— ⁽³⁾
Professional fees	7	8	10	10	3
Trustee deferred compensation plan	27	2	7	6	54
Other accrued expenses	34	4	5	8	35
Total liabilities	<u>3,667</u>	<u>215</u>	<u>394</u>	<u>866</u>	<u>15,776</u>
Net Assets	<u>\$ 521,223</u>	<u>\$ 37,189</u>	<u>\$ 148,180</u>	<u>\$ 113,172</u>	<u>\$ 1,146,580</u>
Net Assets Consist of:					
Capital paid in on shares of beneficial interest	\$ 259,286	\$ 38,573	\$ 117,128	\$ 59,023	\$ 832,654
Accumulated undistributed net investment income (loss)	(1,307)	606	(175)	(414)	1,770
Accumulated undistributed net realized gain (loss)	25,614	(2,924)	803	3,947	21,109
Net unrealized appreciation (depreciation) on investments	237,630	934	30,424	50,616	291,047
Net Assets	<u>\$ 521,223</u>	<u>\$ 37,189</u>	<u>\$ 148,180</u>	<u>\$ 113,172</u>	<u>\$ 1,146,580</u>
Net Assets:					
Class A	\$ 486,704	\$ 26,755	\$ 26,831	\$ 96,396	\$ 119,107
Class C	\$ 14,016	\$ 5,509	\$ 23,136	\$ 5,846	\$ 84,809
Class I	\$ 15,146	\$ 4,925	\$ 98,117	\$ 10,829	\$ 871,688
Class R6	\$ 5,357	\$ —	\$ 96	\$ 101	\$ 70,976
Shares Outstanding (unlimited number of shares authorized, no par value):					
Class A	28,654,115	1,866,789	866,548	3,107,010	3,649,901
Class C	1,052,572	395,264	794,532	235,809	3,062,495
Class I	862,192	343,168	3,121,932	338,793	25,422,694
Class R6	304,814	—	3,051	3,151	2,063,019
Net Asset Value and Redemption Price Per Share:					
Class A	\$ 16.99	\$ 14.33	\$ 30.96	\$ 31.03	\$ 32.63
Class C	\$ 13.32	\$ 13.94	\$ 29.12	\$ 24.79	\$ 27.69
Class I	\$ 17.57	\$ 14.35	\$ 31.43	\$ 31.96	\$ 34.29
Class R6	\$ 17.57	\$ —	\$ 31.43	\$ 31.96	\$ 34.40
Offering Price Per Share NAV/(1-5.75%):					
Class A	\$ 18.03	\$ 15.20	\$ 32.85	\$ 32.92	\$ 34.62
⁽¹⁾ Investments in unaffiliated securities at cost	\$ 283,676	\$ 36,073	\$ 117,596	\$ 62,506	\$ 861,842
⁽²⁾ Foreign currency at cost	\$ —	\$ 92	\$ —	\$ —	\$ —
⁽³⁾ Amount is less than \$500.					

See Notes to Financial Statements

VIRTUS EQUITY TRUST
STATEMENTS OF ASSETS AND LIABILITIES (Unaudited) (Continued)
MARCH 31, 2018

(Reported in thousands except shares and per share amounts)

	KAR Small-Cap Growth Fund	KAR Small-Cap Value Fund	KAR Small-Mid Cap Core Fund	Rampart Enhanced Core Equity Fund	Tactical Allocation Fund
Assets					
Investment in unaffiliated securities at value ⁽¹⁾	\$ 2,521,727	\$ 479,456	\$ 2,865	\$ 167,554	\$ 151,133
Investment in affiliated securities at value ⁽²⁾	—	—	—	—	1,276
Cash	— ⁽⁴⁾	—	78	—	53
Foreign currency, at value ⁽³⁾	— ⁽⁴⁾	—	—	—	—
Deposits with broker	—	—	—	— ⁽⁴⁾	—
Receivables					
Investment securities sold	—	1,177	—	1,100	462
Fund shares sold	25,389	4,113	—	24	3
Receivable from adviser	—	—	5	—	—
Dividends and interest	572	489	— ⁽⁴⁾	158	643
Tax reclaims	—	—	—	— ⁽⁴⁾	4
Prepaid expenses	235	65	— ⁽⁴⁾	46	25
Prepaid trustee retainer	42	7	— ⁽⁴⁾	2	2
Other assets	119	24	— ⁽⁴⁾	9	8
Total assets	<u>2,548,084</u>	<u>485,331</u>	<u>2,948</u>	<u>168,893</u>	<u>153,609</u>
Liabilities					
Cash overdraft	—	—	—	81	—
Foreign Currency overdraft	—	— ⁽⁴⁾	—	—	2
Written options at value ⁽⁵⁾	—	—	—	137	—
Payables					
Fund shares repurchased	1,713	441	—	50	58
Investment securities purchased	13,169	2,281	—	56	1,853
Investment advisory fees	1,697	285	—	99	90
Distribution and service fees	206	43	— ⁽⁴⁾	47	35
Administration fees	250	46	— ⁽⁴⁾	15	16
Transfer agent and sub-transfer agent fees and expenses	296	87	— ⁽⁴⁾	62	51
Trustees' fees and expenses	— ⁽⁴⁾	— ⁽⁴⁾	— ⁽⁴⁾	— ⁽⁴⁾	— ⁽⁴⁾
Professional fees	—	6	— ⁽⁴⁾	7	15
Trustee deferred compensation plan	119	24	— ⁽⁴⁾	9	8
Other accrued expenses	74	26	3	15	16
Total liabilities	<u>17,524</u>	<u>3,239</u>	<u>3</u>	<u>578</u>	<u>2,144</u>
Net Assets	<u>\$ 2,530,560</u>	<u>\$ 482,092</u>	<u>\$ 2,945</u>	<u>\$ 168,315</u>	<u>\$ 151,465</u>
Net Assets Consist of:					
Capital paid in on shares of beneficial interest	\$ 1,940,906	\$ 355,136	\$ 3,005	\$ 161,363	\$ 126,426
Accumulated undistributed net investment income (loss)	(2,969)	2,622	(2)	540	(166)
Accumulated undistributed net realized gain (loss)	40,987	4,023	(6)	(11,849)	2,801
Net unrealized appreciation (depreciation) on investments	551,636	120,311	(52)	18,084	22,404
Net unrealized appreciation (depreciation) on written options	—	—	—	177	—
Net Assets	<u>\$ 2,530,560</u>	<u>\$ 482,092</u>	<u>\$ 2,945</u>	<u>\$ 168,315</u>	<u>\$ 151,465</u>
Net Assets:					
Class A	\$ 387,067	\$ 85,666	\$ 98	\$ 110,184	\$ 147,564
Class C	\$ 154,512	\$ 29,275	\$ 98	\$ 30,324	\$ 3,901
Class I	\$ 1,983,100	\$ 350,259	\$ 103	\$ 21,256	\$ —
Class R6	\$ 5,881	\$ 16,892	\$ 2,646	\$ 6,551	\$ —
Shares Outstanding (unlimited number of shares authorized, no par value):					
Class A	13,112,696	4,652,827	10,000	5,900,293	15,721,112
Class C	5,778,120	1,624,775	10,000	1,820,170	404,363
Class I	65,998,095	18,999,071	10,517	1,140,891	—
Class R6	195,693	915,749	270,000	351,517	—
Net Asset Value and Redemption Price Per Share:					
Class A	\$ 29.52	\$ 18.41	\$ 9.80	\$ 18.67	\$ 9.39
Class C	\$ 26.74	\$ 18.02	\$ 9.79	\$ 16.66	\$ 9.65
Class I	\$ 30.05	\$ 18.44	\$ 9.80	\$ 18.63	\$ —
Class R6	\$ 30.05	\$ 18.45	\$ 9.80	\$ 18.63	\$ —
Offering Price Per Share NAV/(1-5.75%):					
Class A	\$ 31.32	\$ 19.53	\$ 10.40	\$ 19.81	\$ 9.96
⁽¹⁾ Investments in unaffiliated securities at cost	\$ 1,970,091	\$ 359,145	\$ 2,917	\$ 149,470	\$ 128,683
⁽²⁾ Investments in affiliated securities at cost	\$ —	\$ —	\$ —	\$ —	\$ 1,322
⁽³⁾ Foreign currency at cost	\$ — ⁽⁴⁾	\$ — ⁽⁴⁾	\$ —	\$ —	\$ —
⁽⁴⁾ Amount is less than \$500.					
⁽⁵⁾ Written options premiums received	\$ —	\$ —	\$ —	\$ 314	\$ (2)

See Notes to Financial Statements

VIRTUS EQUITY TRUST
STATEMENTS OF OPERATIONS (Unaudited)
SIX MONTHS ENDED MARCH 31, 2018

(\$ reported in thousands)

	KAR Capital Growth Fund	KAR Global Quality Dividend Fund	KAR Mid-Cap Core Fund	KAR Mid-Cap Growth Fund	KAR Small-Cap Core Fund
Investment Income					
Dividends	\$ 1,888	\$ 1,024	\$ 594	\$ 313	\$ 6,657
Interest	— ⁽¹⁾	—	—	—	—
Foreign taxes withheld	(8)	(54)	(7)	(2)	(19)
Total investment income	<u>1,880</u>	<u>970</u>	<u>587</u>	<u>311</u>	<u>6,638</u>
Expenses					
Investment advisory fees	1,772	193	524	407	3,266
Distribution and service fees Class A	594	50	34	113	135
Distribution and service fees, Class C	71	30	103	26	348
Administration fees	241	23	62	48	422
Sub-administration fees	33	3	9	7	57
Transfer agent fees and expenses	278	29	34	55	195
Sub-transfer agent fees and expenses, Class A	83	8	12	16	42
Sub-transfer agent fees and expenses, Class C	5	2	9	3	27
Sub-transfer agent fees and expenses, Class I	5	3	40	2	219
Interest expenses	—	1	—	—	—
Registration fees	30	26	32	27	46
Printing fees and expenses	26	4	8	6	35
Custodian fees	3	8	1	2	3
Professional fees	14	10	11	10	13
Trustees' fees and expenses	19	2	4	4	24
Miscellaneous expenses	14	2	3	3	13
Total expenses	<u>3,188</u>	<u>394</u>	<u>886</u>	<u>729</u>	<u>4,845</u>
Less expenses reimbursed and/or waived by investment adviser	— ⁽¹⁾	(33)	(128)	(5)	—
Low balance account fees	(21)	(1)	— ⁽¹⁾	(3)	— ⁽¹⁾
Net expenses	<u>3,167</u>	<u>360</u>	<u>758</u>	<u>721</u>	<u>4,845</u>
Net investment income (loss)	<u>(1,287)</u>	<u>610</u>	<u>(171)</u>	<u>(410)</u>	<u>1,793</u>
Net Realized and Unrealized Gain (Loss) on Investments					
Net realized gain (loss) from:					
Unaffiliated investments	26,461	1,598	2,373	4,127	21,719
Foreign currency transactions	—	(5)	—	—	(46)
Net change in unrealized appreciation (depreciation) from:					
Unaffiliated investments	24,740	(2,308)	10,421	13,173	96,774
Foreign currency transactions	—	— ⁽¹⁾	—	—	—
Net realized and unrealized gain (loss) on investments	<u>51,201</u>	<u>(715)</u>	<u>12,794</u>	<u>17,300</u>	<u>118,447</u>
Net increase (decrease) in net assets resulting from operations	<u>\$49,914</u>	<u>\$ (105)</u>	<u>\$12,623</u>	<u>\$16,890</u>	<u>\$120,240</u>

⁽¹⁾ Amount is less than \$500.

See Notes to Financial Statements

VIRTUS EQUITY TRUST
STATEMENTS OF OPERATIONS (Unaudited) (Continued)
SIX MONTHS ENDED MARCH 31, 2018

(\$ reported in thousands)

	KAR Small-Cap Growth Fund	KAR Small-Cap Value Fund	KAR Small-Mid Cap Core Fund ⁽¹⁾	Rampart Enhanced Core Equity Fund	Tactical Allocation Fund
Investment Income					
Dividends	\$ 8,535	\$5,241	\$ 1	\$ 1,752	\$ 439
Dividends from affiliated fund	—	—	—	—	38
Interest	—	—	—	—	1,365
Foreign taxes withheld	—	(27)	—	— ⁽¹⁾	(17)
Total investment income	<u>8,535</u>	<u>5,214</u>	<u>1</u>	<u>1,752</u>	<u>1,825</u>
Expenses					
Investment advisory fees	7,876	1,625	2	699	524
Distribution and service fees Class A	403	110	— ⁽²⁾	152	182
Distribution and service fees, Class C	597	149	— ⁽²⁾	162	20
Administration fees	913	220	— ⁽²⁾	87	71
Sub-administration fees	122	30	— ⁽²⁾	12	13
Transfer agent fees and expenses	443	124	— ⁽²⁾	77	70
Sub-transfer agent fees and expenses, Class A	147	46	—	32	27
Sub-transfer agent fees and expenses, Class C	54	10	—	10	2
Sub-transfer agent fees and expenses, Class I	646	133	—	10	—
Registration fees	89	52	5	28	19
Printing fees and expenses	81	25	— ⁽²⁾	10	8
Custodian fees	5	2	— ⁽²⁾	3	10
Professional fees	17	13	3	8	14
Trustees' fees and expenses	51	16	— ⁽²⁾	8	6
Miscellaneous expenses	21	10	— ⁽²⁾	5	6
Total expenses	<u>11,465</u>	<u>2,565</u>	<u>10</u>	<u>1,303</u>	<u>972</u>
Less expenses reimbursed and/or waived by investment adviser	—	—	(7)	(104)	(5)
Low balance account fees	(3)	(1)	—	(2)	(4)
Net expenses	<u>11,462</u>	<u>2,564</u>	<u>3</u>	<u>1,197</u>	<u>963</u>
Net investment income (loss)	<u>(2,927)</u>	<u>2,650</u>	<u>(2)</u>	<u>555</u>	<u>862</u>
Net Realized and Unrealized Gain (Loss) on Investments					
Net realized gain (loss) from:					
Unaffiliated investments	44,012	4,049	(6)	5,052	3,022
Written options	—	—	—	(16,439)	—
Foreign currency transactions	(146)	—	—	—	— ⁽²⁾
Net change in unrealized appreciation (depreciation) from:					
Affiliated investments	—	—	—	—	(19)
Unaffiliated investments	231,538	507	(52)	8,255	4,412
Written options	—	—	—	(63)	—
Foreign currency transactions	—	—	—	—	— ⁽²⁾
Net realized and unrealized gain (loss) on investments	<u>275,404</u>	<u>4,556</u>	<u>(58)</u>	<u>(3,195)</u>	<u>7,415</u>
Net increase (decrease) in net assets resulting from operations	<u>\$272,477</u>	<u>\$7,206</u>	<u>\$(60)</u>	<u>(2,640)</u>	<u>\$8,277</u>

⁽¹⁾ Inception date March 7, 2018.

⁽²⁾ Amount is less than \$500.

See Notes to Financial Statements

VIRTUS EQUITY TRUST STATEMENTS OF CHANGES IN NET ASSETS

(\$ reported in thousands)

	KAR Capital Growth Fund			KAR Global Quality Dividend Fund		
	Six Months Ended March 31, 2018 (Unaudited)	Fiscal Period Ended September 30, 2017 ⁽¹⁾	Year Ended March 31, 2017	Six Months Ended March 31, 2018 (Unaudited)	Fiscal Period Ended September 30, 2017 ⁽¹⁾	Year Ended March 31, 2017
Increase (Decrease) in Net Assets Resulting From Operations						
Net investment income (loss)	\$ (1,287)	\$ (961)	\$ (1,557)	\$ 610	\$ 1,042	\$ 786
Net realized gain (loss)	26,461	26,076	37,319	1,593	966	18,741
Net change in unrealized appreciation (depreciation)	24,740	41,631	12,779	(2,308)	479	(12,232)
Increase (decrease) in net assets resulting from operations ..	<u>49,914</u>	<u>66,746</u>	<u>48,541</u>	<u>(105)</u>	<u>2,487</u>	<u>7,295</u>
Dividends and Distributions to Shareholders:						
Net Investment Income:						
Class A	—	—	—	(698)	(702)	(462)
Class C	—	—	—	(88)	(52)	—
Class I	—	—	—	(88)	(126)	(73)
Net Realized Gains:						
Class A	(23,456)	(4,395)	(31,380)	(4,311)	(2,728)	—
Class B	—	—	(68)	—	—	—
Class C	(887)	(170)	(1,402)	(618)	(413)	—
Class I	(664)	(114)	(670)	(528)	(417)	—
Dividends and distributions to shareholders	<u>(25,007)</u>	<u>(4,679)</u>	<u>(33,520)</u>	<u>(6,331)</u>	<u>(4,438)</u>	<u>(535)</u>
Change in Net Assets From Capital Transactions (See Note 6)						
Class A	16,474	(14,052)	(13,975)	(12,345)	(999)	(8,659)
Class B	—	—	(1,437)	—	—	—
Class C	(526)	(1,139)	(6,689)	135	(626)	(2,075)
Class I	1,471	719	1,623	(984)	(321)	(98)
Class R6	5,659	—	—	—	—	—
Increase (decrease) in net assets from share transactions . . .	<u>23,078</u>	<u>(14,472)</u>	<u>(20,478)</u>	<u>(13,194)</u>	<u>(1,946)</u>	<u>(10,832)</u>
Net increase (decrease) in net assets	47,985	47,595	(5,457)	(19,630)	(3,897)	(4,072)
Net Assets						
Beginning of period	473,238	425,643	431,100	56,819	60,716	64,788
End of period	<u>\$521,223</u>	<u>\$473,238</u>	<u>\$425,643</u>	<u>\$ 37,189</u>	<u>\$56,819</u>	<u>\$ 60,716</u>
Accumulated undistributed net investment income (loss) at end of period	\$ (1,307)	\$ (20)	\$ (118)	\$ 606	\$ 870	\$ 711

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

See Notes to Financial Statements

VIRTUS EQUITY TRUST
STATEMENTS OF CHANGES IN NET ASSETS (Continued)

(\$ reported in thousands)

	KAR Mid-Cap Core Fund			KAR Mid-Cap Growth Fund		
	Six Months Ended March 31, 2018 (Unaudited)	Fiscal Period Ended September 30, 2017 ⁽¹⁾	Year Ended March 31, 2017	Six Months Ended March 31, 2018 (Unaudited)	Fiscal Period Ended September 30, 2017 ⁽¹⁾	Year Ended March 31, 2017
Increase (Decrease) in Net Assets Resulting From Operations						
Net investment income (loss)	\$ (171)	\$ (161)	\$ (181)	\$ (410)	\$ (421)	\$ (636)
Net realized gain (loss)	2,373	(1,087)	369	4,127	5,473	2,053
Net change in unrealized appreciation (depreciation)	10,421	9,658	7,696	13,173	6,593	9,805
Increase (decrease) in net assets resulting from operations ..	<u>12,623</u>	<u>8,410</u>	<u>7,884</u>	<u>16,890</u>	<u>11,645</u>	<u>11,222</u>
Dividends and Distributions to Shareholders:						
Net Realized Gains:						
Class A	—	(81)	—	(4,734)	(402)	(1,177)
Class B	—	—	—	—	—	(3)
Class C	—	(56)	—	(334)	(29)	(100)
Class I	—	(196)	—	(242)	(20)	(50)
Dividends and distributions to shareholders	<u>—</u>	<u>(333)</u>	<u>—</u>	<u>(5,310)</u>	<u>(451)</u>	<u>(1,330)</u>
Change in Net Assets From Capital Transactions (See Note 6)						
Class A	(2,204)	3,725	(3,230)	1,082	(5,804)	(4,977)
Class B	—	—	—	—	—	(349)
Class C	3,396	2,347	6,343	357	(990)	(466)
Class I	20,202	14,098	39,940	5,751	32	501
Class R6	100	—	—	100	—	—
Increase (decrease) in net assets from share transactions	<u>21,494</u>	<u>20,170</u>	<u>43,053</u>	<u>7,290</u>	<u>(6,762)</u>	<u>(5,291)</u>
Net increase (decrease) in net assets	34,117	28,247	50,937	18,870	4,432	4,601
Net Assets						
Beginning of period	114,063	85,816	34,879	94,302	89,870	85,269
End of period	<u>\$148,180</u>	<u>\$114,063</u>	<u>\$85,816</u>	<u>\$113,172</u>	<u>\$94,302</u>	<u>\$89,870</u>
Accumulated undistributed net investment income (loss) at end of period	\$ (175)	\$ (4)	\$ (64)	\$ (414)	\$ (4)	\$ (128)

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

See Notes to Financial Statements

VIRTUS EQUITY TRUST
STATEMENTS OF CHANGES IN NET ASSETS (Continued)

(\$ reported in thousands)

	KAR Small-Cap Core Fund			KAR Small-Cap Growth Fund		
	Six Months Ended March 31, 2018 (Unaudited)	Fiscal Period Ended September 30, 2017 ⁽¹⁾	Year Ended March 31, 2017	Six Months Ended March 31, 2018 (Unaudited)	Fiscal Period Ended September 30, 2017 ⁽¹⁾	Year Ended March 31, 2017
Increase (Decrease) in Net Assets Resulting From Operations						
Net investment income (loss)	\$ 1,793	\$ (949)	\$ (882)	\$ (2,927)	\$ (3,445)	\$ (2,732)
Net realized gain (loss)	21,673	977	13,272	43,866	(179)	(530)
Net change in unrealized appreciation (depreciation)	96,774	82,548	58,696	231,538	192,974	89,239
Increase (decrease) in net assets resulting from operations ..	<u>120,240</u>	<u>82,576</u>	<u>71,086</u>	<u>272,477</u>	<u>189,350</u>	<u>85,977</u>
Dividends and Distributions to Shareholders:						
Net Realized Gains:						
Class A	(148)	(33)	(3,619)	—	(4)	(3,423)
Class C	(110)	(29)	(2,464)	—	(1)	(815)
Class I	(781)	(183)	(14,391)	—	(11)	(3,649)
Class R6	(71)	(16)	(1,436)	—	—	—
Dividends and distributions to shareholders	<u>(1,110)</u>	<u>(261)</u>	<u>(21,910)</u>	<u>—</u>	<u>(16)</u>	<u>(7,887)</u>
Change in Net Assets From Capital Transactions (See Note 6)						
Class A	24,340	7,469	669	76,466	39,060	66,312
Class C	18,669	4,421	9,088	44,029	21,772	32,713
Class I	310,540	76,745	115,257	687,487	461,883	348,597
Class R6	18,506	7,704	7,139	5,830	—	—
Increase (decrease) in net assets from share transactions . . .	<u>372,055</u>	<u>96,339</u>	<u>132,153</u>	<u>813,812</u>	<u>522,715</u>	<u>447,622</u>
Net increase (decrease) in net assets	491,185	178,655	181,329	1,086,289	712,049	525,712
Net Assets						
Beginning of period	655,395	476,740	295,411	1,444,271	732,222	206,510
End of period	<u>\$1,146,580</u>	<u>\$655,395</u>	<u>\$476,740</u>	<u>\$2,530,560</u>	<u>\$1,444,271</u>	<u>\$732,222</u>
Accumulated undistributed net investment income (loss) at end of period	\$ 1,770	\$ (23)	\$ (17)	\$ (2,969)	\$ (42)	\$ (1,112)

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

See Notes to Financial Statements

VIRTUS EQUITY TRUST
STATEMENTS OF CHANGES IN NET ASSETS (Continued)

(\$ reported in thousands)

	KAR Small-Cap Value Fund			KAR Small-Mid Cap Core Fund
	Six Months Ended March 31, 2018 (Unaudited)	Fiscal Period Ended September 30, 2017 ⁽¹⁾	Year Ended March 31, 2017	From inception March 7, 2018 to March 31, 2018 (Unaudited)
Increase (Decrease) in Net Assets Resulting From Operations				
Net investment income (loss)	\$ 2,650	\$ 776	\$ 4,329	\$ (2)
Net realized gain (loss)	4,049	7,206	22,843	(6)
Net change in unrealized appreciation (depreciation)	507	25,088	35,164	(52)
Increase (decrease) in net assets resulting from operations	<u>7,206</u>	<u>33,070</u>	<u>62,336</u>	<u>(60)</u>
Dividends and Distributions to Shareholders:				
Net Investment Income:				
Class A	(23)	(85)	(1,269)	—
Class C	—	—	(219)	—
Class I	(314)	(607)	(3,715)	—
Class R6	(16)	(12)	(1)	—
Net Realized Gains:				
Class A	(1,379)	(3,083)	(5,493)	—
Class C	(474)	(1,062)	(1,848)	—
Class I	(5,128)	(9,201)	(12,527)	—
Class R6	(220)	(143)	(2)	—
Dividends and distributions to shareholders	<u>(7,554)</u>	<u>(14,193)</u>	<u>(25,074)</u>	<u>—</u>
Change in Net Assets From Capital Transactions (See Note 6)				
Class A	(1,750)	(5,537)	8,100	100
Class C	(422)	(823)	2,713	100
Class I	50,302	44,299	73,702	105
Class R6	6,692	9,553	103	2,700
Increase (decrease) in net assets from share transactions	<u>54,822</u>	<u>47,492</u>	<u>84,618</u>	<u>3,005</u>
Net increase (decrease) in net assets	54,474	66,369	121,880	2,945
Net Assets				
Beginning of period	427,618	361,249	239,369	—
End of period	<u>\$482,092</u>	<u>\$427,618</u>	<u>\$361,249</u>	<u>\$2,945</u>
Accumulated undistributed net investment income (loss) at end of period	\$ 2,622	\$ 325	\$ 253	\$ (2)

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

See Notes to Financial Statements

VIRTUS EQUITY TRUST
STATEMENTS OF CHANGES IN NET ASSETS (Continued)

(\$ reported in thousands)

	Rampart Enhanced Core Equity Fund			Tactical Allocation Fund		
	Six Months Ended March 31, 2018 (Unaudited)	Fiscal Period Ended September 30, 2017 ⁽¹⁾	Year Ended March 31, 2017	Six Months Ended March 31, 2018 (Unaudited)	Fiscal Period Ended September 30, 2017 ⁽¹⁾	Year Ended March 31, 2017
Increase (Decrease) in Net Assets Resulting From Operations						
Net investment income (loss)	\$ 555	\$ 452	\$ 1,073	\$ 862	\$ 1,295	\$ 2,835
Net realized gain (loss)	(11,387)	13,531	23,880	3,022	1,582	11,061
Net change in unrealized appreciation (depreciation)	8,192	1,571	(1,318)	4,393	9,870	(1,016)
Increase (decrease) in net assets resulting from operations ..	<u>(2,640)</u>	<u>15,554</u>	<u>23,635</u>	<u>8,277</u>	<u>12,747</u>	<u>12,880</u>
Dividends and Distributions to Shareholders:						
Net Investment Income:						
Class A	(323)	(334)	(1,189)	(871)	(1,295)	(2,473)
Class B	—	—	—	—	—	(1)
Class C	—	(33)	(23)	(7)	(20)	(43)
Class I	(128)	(75)	(299)	—	—	—
Net Realized Gains:						
Class A	(7,666)	(9,614)	(2,709)	(1,113)	(274)	(11,015)
Class B	—	—	—	—	—	(10)
Class C	(2,242)	(3,015)	(981)	(30)	(8)	(349)
Class I	(2,098)	(1,784)	(465)	—	—	—
Dividends and distributions to shareholders	<u>(12,457)</u>	<u>(14,855)</u>	<u>(5,666)</u>	<u>(2,021)</u>	<u>(1,597)</u>	<u>(13,891)</u>
Change in Net Assets From Capital Transactions (See Note 6)						
Class A	(525)	6,623	524	(1,002)	(5,732)	(9,161)
Class B	—	—	—	—	—	(208)
Class C	429	(4,434)	(3,110)	(324)	(649)	(1,069)
Class I	(9,457)	11,030	6,999	—	—	—
Class R6	7,325	—	—	—	—	—
Increase (decrease) in net assets from share transactions	<u>(2,228)</u>	<u>13,219</u>	<u>4,413</u>	<u>(1,326)</u>	<u>(6,381)</u>	<u>(10,438)</u>
Net increase (decrease) in net assets	(17,325)	13,918	22,382	4,930	4,769	(11,449)
Net Assets						
Beginning of period	185,640	171,722	149,340	146,535	141,766	153,215
End of period	<u>\$168,315</u>	<u>\$185,640</u>	<u>\$171,722</u>	<u>\$151,465</u>	<u>\$146,535</u>	<u>\$141,766</u>
Accumulated undistributed net investment income (loss) at end of period	\$ 540	\$ 436	\$ 426	\$ (166)	\$ (150)	\$ (9)

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

See Notes to Financial Statements

VIRTUS EQUITY TRUST
FINANCIAL HIGHLIGHTS
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽²⁾⁽⁴⁾	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Gross Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Net Investment Income (Loss) to Average Net Assets ⁽³⁾	Portfolio Turnover Rate ⁽⁶⁾
KAR Capital Growth Fund															
Class A															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$16.18	(0.04)	1.71	1.67	—	(0.86)	(0.86)	0.81	\$16.99	10.51%	\$486,704	1.24% ⁽¹²⁾	1.25%	(0.50)%	10%
4/1/17 to 9/30/17 ⁽¹⁶⁾	14.10	(0.03)	2.27	2.24	—	(0.16)	(0.16)	2.08	16.18	15.93	446,720	1.30 ⁽¹²⁾	1.30	(0.40)	13
4/1/16 to 3/31/17	13.66	(0.05)	1.64	1.59	—	(1.15)	(1.15)	0.44	14.10	12.34 ⁽¹⁴⁾	402,118	1.33 ⁽⁸⁾⁽¹²⁾⁽¹⁴⁾	1.34	(0.40) ⁽¹⁴⁾	21
4/1/15 to 3/31/16	14.23	(0.05)	0.13	0.08	—	(0.65)	(0.65)	(0.57)	13.66	0.39	401,617	1.30 ⁽¹²⁾	1.30	(0.32)	20
4/1/14 to 3/31/15	12.41	(0.03)	2.40	2.37	—	(0.55)	(0.55)	1.82	14.23	19.29	433,635	1.28 ⁽¹²⁾	1.28	(0.22)	28
4/1/13 to 3/31/14	10.45	(0.01)	2.00	1.99	(0.03)	—	(0.03)	1.96	12.41	19.11	399,131	1.28 ⁽¹²⁾	1.28	(0.11)	26
4/1/12 to 3/31/13	10.05	0.03	0.37	0.40	—	—	—	0.40	10.45	3.98	373,069	1.34 ⁽¹²⁾	1.34	0.31	20
Class C															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$12.91	(0.09)	1.36	1.27	—	(0.86)	(0.86)	0.41	\$13.32	10.06%	\$ 14,016	2.01% ⁽¹²⁾	2.02%	(1.28)%	10%
4/1/17 to 9/30/17 ⁽¹⁶⁾	11.32	(0.07)	1.82	1.75	—	(0.16)	(0.16)	1.59	12.91	15.51	14,052	2.08 ⁽¹²⁾	2.08	(1.18)	13
4/1/16 to 3/31/17	11.27	(0.13)	1.33	1.20	—	(1.15)	(1.15)	0.05	11.32	11.47 ⁽¹⁴⁾	13,345	2.08 ⁽⁸⁾⁽¹²⁾⁽¹⁴⁾	2.09	(1.16) ⁽¹⁴⁾	21
4/1/15 to 3/31/16	11.93	(0.12)	0.11	(0.01)	—	(0.65)	(0.65)	(0.66)	11.27	(0.31)	19,832	2.05 ⁽¹²⁾	2.06	(1.07)	20
4/1/14 to 3/31/15	10.57	(0.11)	2.02	1.91	—	(0.55)	(0.55)	1.36	11.93	18.28	11,999	2.02 ⁽¹²⁾	2.02	(0.97)	28
4/1/13 to 3/31/14	8.94	(0.08)	1.71	1.63	—	—	—	1.63	10.57	18.23	6,329	2.03 ⁽¹²⁾	2.03	(0.86)	26
4/1/12 to 3/31/13	8.66	(0.04)	0.32	0.28	—	—	—	0.28	8.94	3.23	5,993	2.09 ⁽¹²⁾	2.09	(0.44)	20
Class I															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$16.69	(0.02)	1.76	1.74	—	(0.86)	(0.86)	0.88	\$17.57	10.67%	\$ 15,146	0.99% ⁽¹²⁾	1.00%	(0.28)%	10%
4/1/17 to 9/30/17 ⁽¹⁶⁾	14.52	(0.01)	2.34	2.33	—	(0.16)	(0.16)	2.17	16.69	16.09	12,466	1.08 ⁽¹²⁾	1.08	(0.18)	13
4/1/16 to 3/31/17	14.00	(0.01)	1.68	1.67	—	(1.15)	(1.15)	0.52	14.52	12.61 ⁽¹⁴⁾	10,180	1.08 ⁽⁸⁾⁽¹²⁾⁽¹⁴⁾	1.09	(0.15) ⁽¹⁴⁾	21
4/1/15 to 3/31/16	14.53	(0.01)	0.13	0.12	—	(0.65)	(0.65)	(0.53)	14.00	0.66	8,227	1.05 ⁽¹²⁾	1.05	(0.07)	20
4/1/14 to 3/31/15	12.64	— ⁽⁵⁾	2.44	2.44	—	(0.55)	(0.55)	1.89	14.53	19.50	8,595	1.02 ⁽¹²⁾	1.02	0.03	28
4/1/13 to 3/31/14	10.64	0.02	2.04	2.06	(0.06)	—	(0.06)	2.00	12.64	19.45	5,532	1.03 ⁽¹²⁾	1.03	0.14	26
4/1/12 to 3/31/13	10.21	0.06	0.37	0.43	—	—	—	0.43	10.64	4.21	5,650	1.09 ⁽¹²⁾	1.09	0.57	20
Class R6															
1/30/18 ⁽⁷⁾ to 3/31/18 ⁽¹⁷⁾	\$18.46	— ⁽⁵⁾	(0.89)	(0.89)	—	—	—	(0.89)	\$17.57	(4.82)%	\$ 5,357	0.90% ⁽⁸⁾	0.93%	0.07%	10% ⁽¹⁸⁾
KAR Global Quality Dividend Fund															
Class A															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$16.20	0.18	(0.18)	0.00	(0.26)	(1.61)	(1.87)	(1.87)	\$14.33	(0.29)%	\$ 26,755	1.35%	1.48%	2.34%	21%
4/1/17 to 9/30/17 ⁽¹⁶⁾	16.81	0.30	0.41	0.71	(0.27)	(1.05)	(1.32)	(0.61)	16.20	4.31 ⁽⁴⁾	44,188	1.35	1.56	3.65	13
4/1/16 to 3/31/17	15.09	0.20	1.66	1.86	(0.14)	—	(0.14)	1.72	16.81	12.42	46,670	1.36 ⁽⁶⁾	1.48	1.29	119
4/1/15 to 3/31/16	15.40	0.14	(0.37)	(0.23)	(0.08)	—	(0.08)	(0.31)	15.09	(1.53)	50,081	1.35	1.44	0.94	25
4/1/14 to 3/31/15	13.93	0.10	1.49	1.59	(0.12)	—	(0.12)	1.47	15.40	11.45	55,215	1.35	1.42	0.71	56
4/1/13 to 3/31/14	11.96	0.10	1.98	2.08	(0.11)	—	(0.11)	1.97	13.93	17.50	49,275	1.35	1.43	0.81	23
4/1/12 to 3/31/13	10.76	0.13	1.18	1.31	(0.11)	—	(0.11)	1.20	11.96	12.36	48,193	1.35	1.47	1.19	32

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

See Notes to Financial Statements

VIRTUS EQUITY TRUST
FINANCIAL HIGHLIGHTS (Continued)
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽²⁾⁽⁴⁾	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Gross Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Net Investment Income (Loss) to Average Net Assets ⁽³⁾	Portfolio Turnover Rate ⁽⁶⁾
KAR Global Quality Dividend Fund (Continued)															
Class C															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$15.82	0.15	(0.19)	(0.04)	(0.23)	(1.61)	(1.84)	(1.88)	\$13.94	(0.58)%	\$ 5,509	2.09%	2.23%	2.02%	21%
4/1/17 to 9/30/17 ⁽¹⁶⁾	16.38	0.23	0.39	0.62	(0.13)	(1.05)	(1.18)	(0.56)	15.82	3.86	6,107	2.10	2.33	2.87	13
4/1/16 to 3/31/17	14.68	0.08	1.62	1.70	—	—	—	1.70	16.38	11.58	6,950	2.11 ⁽⁹⁾	2.23	0.54	119
4/1/15 to 3/31/16	15.03	0.01	(0.35)	(0.34)	(0.01)	—	(0.01)	(0.35)	14.68	(2.26)	8,211	2.10	2.18	0.10	25
4/1/14 to 3/31/15	13.67	0.01	1.43	1.44	(0.08)	—	(0.08)	1.36	15.03	10.64	20,383	2.10	2.16	0.07	56
4/1/13 to 3/31/14	11.77	0.01	1.94	1.95	(0.05)	—	(0.05)	1.90	13.67	16.56	3,803	2.10	2.18	0.05	23
4/1/12 to 3/31/13	10.60	0.04	1.18	1.22	(0.05)	—	(0.05)	1.17	11.77	11.57	3,452	2.10	2.23	0.42	32
Class I															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$16.20	0.23	(0.20)	0.03	(0.27)	(1.61)	(1.88)	(1.85)	\$14.35	(0.11)%	\$ 4,925	1.10%	1.25%	2.99%	21%
4/1/17 to 9/30/17 ⁽¹⁶⁾	16.84	0.29	0.44	0.73	(0.32)	(1.05)	(1.37)	(0.64)	16.20	4.41	6,524	1.10	1.33	3.53	13
4/1/16 to 3/31/17	15.12	0.25	1.65	1.90	(0.18)	—	(0.18)	1.72	16.84	12.66	7,096	1.11 ⁽⁹⁾	1.23	1.59	119
4/1/15 to 3/31/16	15.40	0.17	(0.35)	(0.18)	(0.10)	—	(0.10)	(0.28)	15.12	(1.21)	6,496	1.10	1.18	1.15	25
4/1/14 to 3/31/15	13.93	0.14	1.49	1.63	(0.16)	—	(0.16)	1.47	15.40	11.72	9,776	1.10	1.17	0.96	56
4/1/13 to 3/31/14	11.97	0.13	1.97	2.10	(0.14)	—	(0.14)	1.96	13.93	17.70	9,546	1.10	1.18	0.99	23
4/1/12 to 3/31/13	10.76	0.20	1.15	1.35	(0.14)	—	(0.14)	1.21	11.97	12.73	30,360	1.10	1.12	1.73	32
KAR Mid-Cap Core Fund															
Class A															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$27.95	(0.05)	3.06	3.01	—	—	—	3.01	\$30.96	10.77%	\$26,831	1.20%	1.40%	(0.30)%	12%
4/1/17 to 9/30/17 ⁽¹⁶⁾	25.80	(0.05)	2.29	2.24	—	(0.09)	(0.09)	2.15	27.95	8.70	26,238	1.20	1.49	(0.35)	11
4/1/16 to 3/31/17	22.60	(0.08)	3.28	3.20	—	—	—	3.20	25.80	14.16	20,615	1.26 ⁽⁸⁾⁽⁹⁾	1.55	(0.32)	28
4/1/15 to 3/31/16	23.00	(0.06)	(0.20)	(0.26)	—	(0.14)	(0.14)	(0.40)	22.60	(1.14)	20,639	1.35	1.64	(0.27)	21
4/1/14 to 3/31/15	19.80	(0.07)	4.47	4.40	—	(1.20)	(1.20)	3.20	23.00	22.75	13,080	1.35	2.46	(0.34)	26
4/1/13 to 3/31/14	17.49	(0.06)	2.68	2.62	—	(0.31)	(0.31)	2.31	19.80	15.17	3,027	1.35	3.08	(0.31)	30
4/1/12 to 3/31/13	15.80	0.19	1.86	2.05	(0.25)	(0.11)	(0.36)	1.69	17.49	13.21	1,691	1.35	3.92	1.20	62
Class C															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$26.38	(0.15)	2.89	2.74	—	—	—	2.74	\$29.12	10.39%	\$23,136	1.95%	2.15%	(1.06)%	12%
4/1/17 to 9/30/17 ⁽¹⁶⁾	24.45	(0.14)	2.16	2.02	—	(0.09)	(0.09)	1.93	26.38	8.28	17,870	1.95	2.25	(1.10)	11
4/1/16 to 3/31/17	21.57	(0.24)	3.12	2.88	—	—	—	2.88	24.45	13.35	14,279	2.00 ⁽⁸⁾⁽⁹⁾	2.28	(1.04)	28
4/1/15 to 3/31/16	22.12	(0.22)	(0.19)	(0.41)	—	(0.14)	(0.14)	(0.55)	21.57	(1.91)	6,670	2.10	2.38	(1.03)	21
4/1/14 to 3/31/15	19.23	(0.23)	4.32	4.09	—	(1.20)	(1.20)	2.89	22.12	21.84	4,363	2.10	2.83	(1.10)	26
4/1/13 to 3/31/14	17.12	(0.18)	2.60	2.42	—	(0.31)	(0.31)	2.11	19.23	14.32	209	2.10	3.84	(1.01)	30
4/1/12 to 3/31/13	15.50	0.06	1.83	1.89	(0.16)	(0.11)	(0.27)	1.62	17.12	12.42	226	2.10	4.70	0.36	62

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

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VIRTUS EQUITY TRUST
FINANCIAL HIGHLIGHTS (Continued)
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽²⁾⁽⁴⁾	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Gross Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Net Investment Income (Loss) to Average Net Assets ⁽³⁾	Portfolio Turnover Rate ⁽⁶⁾
KAR Mid-Cap Core Fund (Continued)															
Class I															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$28.34	(0.01)	3.10	3.09	—	—	—	3.09	\$31.43	10.94%	\$98,117	0.95%	1.14%	(0.05)%	12%
4/1/17 to 9/30/17 ⁽¹⁶⁾	26.12	(0.01)	2.32	2.31	—	(0.09)	(0.09)	2.22	28.34	8.82	69,955	0.95	1.25	(0.10)	11
4/1/16 to 3/31/17	22.82	(0.01)	3.31	3.30	—	—	—	3.30	26.12	14.46	50,922	0.99 ⁽⁹⁾⁽⁹⁾	1.26	(0.02)	28
4/1/15 to 3/31/16	23.17	(0.01)	(0.20)	(0.21)	—	(0.14)	(0.14)	(0.35)	22.82	(0.92)	7,570	1.10	1.38	(0.03)	21
4/1/14 to 3/31/15	19.89	(0.03)	4.51	4.48	—	(1.20)	(1.20)	3.28	23.17	23.05	4,804	1.10	2.17	(0.16)	26
4/1/13 to 3/31/14	17.52	(0.01)	2.69	2.68	—	(0.31)	(0.31)	2.37	19.89	15.48	1,178	1.10	2.85	(0.08)	30
4/1/12 to 3/31/13	15.84	0.25	1.84	2.09	(0.30)	(0.11)	(0.41)	1.68	17.52	13.50	1,316	1.10	3.65	1.56	62
Class R6															
1/30/18 ⁽⁷⁾ to 3/31/18 ⁽¹⁷⁾	\$32.78	— ⁽⁵⁾	(1.35)	(1.35)	—	—	—	(1.35)	\$31.43	(4.12)%	\$ 96	0.87%	1.05%	(0.06)%	12% ⁽¹⁸⁾
KAR Mid-Cap Growth Fund															
Class A															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$27.74	(0.12)	4.97	4.85	—	(1.56)	(1.56)	3.29	\$31.03	18.13%	\$96,396	1.39%	1.41%	(0.79)%	12%
4/1/17 to 9/30/17 ⁽¹⁶⁾	24.56	(0.12)	3.43	3.31	—	(0.13)	(0.13)	3.18	27.74	13.48	84,912	1.40	1.49	(0.88)	12
4/1/16 to 3/31/17	21.92	(0.16)	3.15	2.99	—	(0.35)	(0.35)	2.64	24.56	13.81 ⁽¹⁴⁾	80,648	1.41 ⁽⁹⁾⁽¹⁴⁾	1.52	(0.75) ⁽¹⁴⁾	20
4/1/15 to 3/31/16	22.80	(0.18)	(0.36)	(0.54)	—	(0.34)	(0.34)	(0.88)	21.92	(2.51)	76,660	1.39	1.49	(0.84)	26
4/1/14 to 3/31/15	21.30	(0.15)	2.34	2.19	—	(0.69)	(0.69)	1.50	22.80	10.50	83,158	1.43 ⁽⁸⁾	1.46	(0.71)	27
4/1/13 to 3/31/14	19.02	(0.15)	2.43	2.28	—	—	—	2.28	21.30	11.99	81,016	1.45	1.44	(0.74)	32
4/1/12 to 3/31/13	17.44	(0.08)	1.66	1.58	—	—	—	1.58	19.02	9.06	79,561	1.45	1.51	(0.49)	35
Class C															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$22.54	(0.18)	3.99	3.81	—	(1.56)	(1.56)	2.25	\$24.79	17.73%	\$ 5,846	2.14%	2.22%	(1.53)%	12%
4/1/17 to 9/30/17 ⁽¹⁶⁾	20.06	(0.17)	2.78	2.61	—	(0.13)	(0.13)	2.48	22.54	13.01	4,971	2.15	2.28	(1.63)	12
4/1/16 to 3/31/17	18.09	(0.27)	2.59	2.32	—	(0.35)	(0.35)	1.97	20.06	13.03 ⁽¹⁴⁾	5,350	2.16 ⁽⁹⁾⁽¹⁴⁾	2.27	(1.50) ⁽¹⁴⁾	20
4/1/15 to 3/31/16	19.02	(0.29)	(0.30)	(0.59)	—	(0.34)	(0.34)	(0.93)	18.09	(3.23)	5,319	2.14	2.24	(1.60)	26
4/1/14 to 3/31/15	18.01	(0.26)	1.96	1.70	—	(0.69)	(0.69)	1.01	19.02	9.68	5,976	2.18 ⁽⁸⁾	2.21	(1.46)	27
4/1/13 to 3/31/14	16.21	(0.26)	2.06	1.80	—	—	—	1.80	18.01	11.10	5,233	2.20	2.19	(1.49)	32
4/1/12 to 3/31/13	14.97	(0.18)	1.42	1.24	—	—	—	1.24	16.21	8.28	4,850	2.20	2.26	(1.24)	35
Class I															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$28.49	(0.07)	5.10	5.03	—	(1.56)	(1.56)	3.47	\$31.96	18.32%	\$10,829	1.14%	1.17%	(0.45)%	12%
4/1/17 to 9/30/17 ⁽¹⁶⁾	25.20	(0.09)	3.51	3.42	—	(0.13)	(0.13)	3.29	28.49	13.58	4,419	1.15	1.27	(0.63)	12
4/1/16 to 3/31/17	22.42	(0.11)	3.24	3.13	—	(0.35)	(0.35)	2.78	25.20	14.13 ⁽¹⁴⁾	3,872	1.16 ⁽⁹⁾⁽¹⁴⁾	1.27	(0.50) ⁽¹⁴⁾	20
4/1/15 to 3/31/16	23.26	(0.13)	(0.37)	(0.50)	—	(0.34)	(0.34)	(0.84)	22.42	(2.24)	2,961	1.14	1.24	(0.60)	26
4/1/14 to 3/31/15	21.66	(0.10)	2.39	2.29	—	(0.69)	(0.69)	1.60	23.26	10.79	3,288	1.18 ⁽⁸⁾	1.21	(0.46)	27
4/1/13 to 3/31/14	19.30	(0.10)	2.46	2.36	—	—	—	2.36	21.66	12.23	2,324	1.20	1.19	(0.49)	32
4/1/12 to 3/31/13	17.65	(0.04)	1.69	1.65	—	—	—	1.65	19.30	9.35	1,932	1.20	1.26	(0.24)	35
Class R6															
1/30/18 ⁽⁷⁾ to 3/31/18 ⁽¹⁷⁾	\$31.74	(0.01)	0.23	0.22	—	—	—	0.22	\$31.96	0.69%	\$ 101	1.06% ⁽⁸⁾	1.08%	(0.28)%	12% ⁽¹⁸⁾

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

See Notes to Financial Statements

VIRTUS EQUITY TRUST
FINANCIAL HIGHLIGHTS (Continued)
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽²⁾⁽⁴⁾	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Gross Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Net Investment Income (Loss) to Average Net Assets ⁽³⁾	Portfolio Turnover Rate ⁽⁴⁾
KAR Small-Cap Core Fund															
Class A															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$28.05	0.04	4.58	4.62	—	(0.04)	(0.04)	4.58	\$32.63	16.49%	\$119,107	1.27%	1.27%	0.26%	8%
4/1/17 to 9/30/17 ⁽¹⁶⁾	24.21	(0.06)	3.91	3.85	—	(0.01)	(0.01)	3.84	28.05	15.92	79,752	1.33	1.33	(0.49)	2
4/1/16 to 3/31/17	21.39	(0.07)	4.26	4.19	—	(1.37)	(1.37)	2.82	24.21	20.26 ⁽¹⁴⁾	62,122	1.37 ⁽⁹⁾⁽¹⁴⁾	1.37	(0.31) ⁽¹⁴⁾	24
4/1/15 to 3/31/16	25.65	(0.05)	0.01	(0.04)	(0.05)	(4.17)	(4.22)	(4.26)	21.39	0.02	53,722	1.37	1.37	(0.21)	33
4/1/14 to 3/31/15	24.19	0.03	3.07	3.10	—	(1.64)	(1.64)	1.46	25.65	13.28	67,696	1.34	1.34	0.12	28
4/1/13 to 3/31/14	21.41	(0.02)	2.84	2.82	(0.03)	(0.01)	(0.04)	2.78	24.19	13.17	162,302	1.39	1.39	(0.09)	31
4/1/12 to 3/31/13	20.07	0.10	1.75	1.85	(0.18)	(0.33)	(0.51)	1.34	21.41	9.64	143,293	1.37	1.37	0.52	15 ⁽¹¹⁾
Class C															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$23.90	(0.07)	3.90	3.83	—	(0.04)	(0.04)	3.79	\$27.69	16.05%	\$ 84,809	2.01%	2.01%	(0.50)%	8%
4/1/17 to 9/30/17 ⁽¹⁶⁾	20.71	(0.14)	3.34	3.20	—	(0.01)	(0.01)	3.19	23.90	15.47	56,526	2.08	2.08	(1.23)	2
4/1/16 to 3/31/17	18.61	(0.21)	3.68	3.47	—	(1.37)	(1.37)	2.10	20.71	19.39 ⁽¹⁴⁾	44,789	2.12 ⁽⁹⁾⁽¹⁴⁾	2.12	(1.10) ⁽¹⁴⁾	24
4/1/15 to 3/31/16	22.98	(0.19)	(0.01)	(0.20)	—	(4.17)	(4.17)	(4.37)	18.61	(0.73)	31,711	2.12	2.12	(0.95)	33
4/1/14 to 3/31/15	21.99	(0.11)	2.74	2.63	—	(1.64)	(1.64)	0.99	22.98	12.44	33,735	2.09	2.09	(0.50)	28
4/1/13 to 3/31/14	19.58	(0.18)	2.60	2.42	— ⁽⁵⁾	(0.01)	(0.01)	2.41	21.99	12.35	33,437	2.14	2.14	(0.84)	31
4/1/12 to 3/31/13	18.38	(0.04)	1.61	1.57	(0.04)	(0.33)	(0.37)	1.20	19.58	8.84	27,641	2.12	2.12	(0.23)	15 ⁽¹¹⁾
Class I															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$29.44	0.09	4.80	4.89	—	(0.04)	(0.04)	4.85	\$34.29	16.63%	\$871,688	1.00%	1.00%	0.52%	8%
4/1/17 to 9/30/17 ⁽¹⁶⁾	25.37	(0.03)	4.11	4.08	—	(0.01)	(0.01)	4.07	29.44	16.10	474,552	1.08	1.08	(0.23)	2
4/1/16 to 3/31/17	22.30	(0.03)	4.47	4.44	—	(1.37)	(1.37)	3.07	25.37	20.57 ⁽¹⁴⁾	338,491	1.12 ⁽⁹⁾⁽¹⁴⁾	1.12	(0.11) ⁽¹⁴⁾	24
4/1/15 to 3/31/16	26.58	0.01	0.01	0.02	(0.13)	(4.17)	(4.30)	(4.28)	22.30	0.28	189,167	1.12	1.12	0.04	33
4/1/14 to 3/31/15	24.95	0.13	3.14	3.27	—	(1.64)	(1.64)	1.63	26.58	13.57	248,933	1.08	1.08	0.53	28
4/1/13 to 3/31/14	22.04	0.04	2.92	2.96	(0.04)	(0.01)	(0.05)	2.91	24.95	13.44	242,400	1.14	1.14	0.19	31
4/1/12 to 3/31/13	20.65	0.13	1.83	1.96	(0.24)	(0.33)	(0.57)	1.39	22.04	9.92	164,483	1.12	1.12	0.63	15 ⁽¹¹⁾
Class R6															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$29.52	0.09	4.83	4.92	—	(0.04)	(0.04)	4.88	\$34.40	16.69%	\$ 70,976	0.93%	0.93%	0.57%	8%
4/1/17 to 9/30/17 ⁽¹⁶⁾	25.44	(0.02)	4.11	4.09	—	(0.01)	(0.01)	4.08	29.52	16.14	44,565	0.99	0.99	(0.14)	2
4/1/16 to 3/31/17	22.33	— ⁽⁵⁾	4.48	4.48	—	(1.37)	(1.37)	3.11	25.44	20.68 ⁽¹⁴⁾	31,338	1.01 ⁽⁹⁾⁽¹⁴⁾	1.01	0.01 ⁽¹⁴⁾	24
4/1/15 to 3/31/16	26.59	0.07	(0.01)	0.06	(0.15)	(4.17)	(4.32)	(4.26)	22.33	0.41	20,811	1.01	1.02	0.33	33
11/12/14 ⁽⁷⁾ to 3/31/15	25.99	0.12	1.36	1.48	—	(0.88)	(0.88)	0.60	26.59	5.83 ⁽⁴⁾	106	0.97 ⁽³⁾	0.97 ⁽³⁾	1.18 ⁽³⁾	28 ⁽¹³⁾
KAR Small-Cap Growth Fund															
Class A															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$25.43	(0.06)	4.15	4.09	—	—	—	4.09	\$29.52	16.08%	\$387,067	1.37% ⁽¹²⁾	1.37%	(0.46)%	10%
4/1/17 to 9/30/17 ⁽¹⁶⁾	21.12	(0.09)	4.40	4.31	— ⁽⁵⁾	—	— ⁽⁵⁾	4.31	25.43	20.41	263,281	1.50 ⁽⁶⁾	1.46	(0.81)	1
4/1/16 to 3/31/17	17.67	(0.14)	4.14	4.00	—	(0.55)	(0.55)	3.45	21.12	23.25 ⁽¹⁴⁾	184,302	1.50 ⁽⁹⁾⁽¹⁴⁾	1.51	(0.73) ⁽¹⁴⁾	21
4/1/15 to 3/31/16	17.54	(0.10)	0.73	0.63	—	(0.50)	(0.50)	0.13	17.67	3.69	88,715	1.49	1.53	(0.59)	27
4/1/14 to 3/31/15	16.97	(0.13)	2.46	2.33	—	(1.76)	(1.76)	0.57	17.54	14.56	83,611	1.50	1.57	(0.76)	27
4/1/13 to 3/31/14	14.92	(0.15)	2.68	2.53	—	(0.48)	(0.48)	2.05	16.97	17.15	94,902	1.50	1.56	(0.93)	23
4/1/12 to 3/31/13	12.95	(0.03)	2.00	1.97	—	—	—	1.97	14.92	15.21	70,107	1.61 ⁽⁸⁾	1.67	(0.24)	24

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

See Notes to Financial Statements

VIRTUS EQUITY TRUST
FINANCIAL HIGHLIGHTS (Continued)
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽²⁾⁽⁴⁾	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Gross Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Net Investment Income (Loss) to Average Net Assets ⁽⁹⁾	Portfolio Turnover Rate ⁽⁴⁾
KAR Small-Cap Growth Fund (Continued)															
Class C															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$23.13	(0.15)	3.76	3.61	—	—	—	3.61	\$26.74	15.66%	\$ 154,512	2.11% ⁽¹²⁾	2.11%	(1.20)%	10%
4/1/17 to 9/30/17 ⁽¹⁶⁾	19.28	(0.17)	4.02	3.85	— ⁽⁵⁾	—	— ⁽⁵⁾	3.85	23.13	19.97	93,560	2.25 ⁽⁶⁾	2.21	(1.56)	1
4/1/16 to 3/31/17	16.30	(0.26)	3.79	3.53	—	(0.55)	(0.55)	2.98	19.28	22.30 ⁽¹⁴⁾	58,327	2.26 ⁽⁹⁾⁽¹⁴⁾	2.26	(1.49) ⁽¹⁴⁾	21
4/1/15 to 3/31/16	16.33	(0.21)	0.68	0.47	—	(0.50)	(0.50)	(0.03)	16.30	2.97	19,525	2.25	2.28	(1.34)	27
4/1/14 to 3/31/15	16.03	(0.24)	2.30	2.06	—	(1.76)	(1.76)	0.30	16.33	13.68	15,594	2.25	2.32	(1.51)	27
4/1/13 to 3/31/14	14.22	(0.26)	2.55	2.29	—	(0.48)	(0.48)	1.81	16.03	16.29	13,298	2.25	2.31	(1.68)	23
4/1/12 to 3/31/13	12.44	(0.12)	1.90	1.78	—	—	—	1.78	14.22	14.31	7,555	2.36 ⁽⁸⁾	2.42	(0.96)	24
Class I															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$25.86	(0.03)	4.22	4.19	—	—	—	4.19	\$30.05	16.25%	\$1,983,100	1.11% ⁽¹²⁾	1.11%	(0.20)%	10%
4/1/17 to 9/30/17 ⁽¹⁶⁾	21.45	(0.07)	4.48	4.41	— ⁽⁵⁾	—	— ⁽⁵⁾	4.41	25.86	20.56	1,087,430	1.25 ⁽⁶⁾	1.21	(0.55)	1
4/1/16 to 3/31/17	17.89	(0.10)	4.21	4.11	—	(0.55)	(0.55)	3.56	21.45	23.59 ⁽¹⁴⁾	489,593	1.26 ⁽⁹⁾⁽¹⁴⁾	1.26	(0.50) ⁽¹⁴⁾	21
4/1/15 to 3/31/16	17.70	(0.05)	0.74	0.69	—	(0.50)	(0.50)	0.19	17.89	4.00	98,270	1.25	1.29	(0.31)	27
4/1/14 to 3/31/15	17.08	(0.08)	2.46	2.38	—	(1.76)	(1.76)	0.62	17.70	14.83	35,058	1.25	1.32	(0.47)	27
4/1/13 to 3/31/14	14.98	(0.11)	2.69	2.58	—	(0.48)	(0.48)	2.10	17.08	17.42	20,685	1.25	1.30	(0.68)	23
4/1/12 to 3/31/13	12.96	(0.01)	2.03	2.02	—	—	—	2.02	14.98	15.59	10,026	1.36 ⁽⁸⁾	1.42	(0.04)	24
Class R6															
1/30/18 ⁽⁷⁾ to 3/31/18 ⁽¹⁷⁾	\$29.81	— ⁽⁵⁾	0.24	0.24	—	—	—	0.24	\$30.05	0.81%	\$ 5,881	1.03% ⁽¹²⁾	1.03%	(0.05)%	10% ⁽¹⁸⁾
KAR Small-Cap Value Fund															
Class A															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$18.41	0.09	0.21	0.30	(0.01)	(0.29)	(0.30)	0.00	\$18.41	1.64%	\$ 85,666	1.28% ⁽¹²⁾	1.28%	0.94%	6%
4/1/17 to 9/30/17 ⁽¹⁶⁾	17.61	0.03	1.44	1.47	(0.02)	(0.65)	(0.67)	0.80	18.41	8.56	87,399	1.32 ⁽¹²⁾	1.32	0.29	10
4/1/16 to 3/31/17	15.67	0.22	3.16	3.38	(0.26)	(1.18)	(1.44)	1.94	17.61	22.86	89,050	1.32 ⁽⁹⁾⁽¹²⁾	1.32	1.35	22
4/1/15 to 3/31/16	16.61	0.07	0.07	0.14	(0.10)	(0.98)	(1.08)	(0.94)	15.67	0.94	71,280	1.30 ⁽¹²⁾	1.30	0.49	15
4/1/14 to 3/31/15	16.74	0.09	1.38	1.47	(0.03)	(1.57)	(1.60)	(0.13)	16.61	9.33	74,738	1.28 ⁽⁶⁾	1.28	0.54	24
4/1/13 to 3/31/14	13.91	0.04	2.84	2.88	(0.05)	—	(0.05)	2.83	16.74	20.78	137,496	1.32 ⁽⁶⁾	1.32	0.24	24
4/1/12 to 3/31/13	13.22	0.16	0.78	0.94	(0.25)	—	(0.25)	0.69	13.91	7.37	118,376	1.42 ⁽⁶⁾	1.34	1.29	16 ⁽¹¹⁾
Class C															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$18.08	0.02	0.21	0.23	—	(0.29)	(0.29)	(0.06)	\$18.02	1.31%	\$ 29,275	1.99% ⁽¹²⁾	1.99%	0.24%	6%
4/1/17 to 9/30/17 ⁽¹⁶⁾	17.35	(0.04)	1.42	1.38	—	(0.65)	(0.65)	0.73	18.08	8.17	29,795	2.06 ⁽¹²⁾	2.06	(0.45)	10
4/1/16 to 3/31/17	15.45	0.10	3.11	3.21	(0.13)	(1.18)	(1.31)	1.90	17.35	21.95	29,416	2.07 ⁽⁹⁾⁽¹²⁾	2.07	0.65	22
4/1/15 to 3/31/16	16.41	(0.04)	0.06	0.02	—	(0.98)	(0.98)	(0.96)	15.45	0.17	23,602	2.05 ⁽¹²⁾	2.05	(0.26)	15
4/1/14 to 3/31/15	16.65	(0.02)	1.35	1.33	—	(1.57)	(1.57)	(0.24)	16.41	8.49	25,634	2.03 ⁽⁶⁾	2.03	(0.12)	24
4/1/13 to 3/31/14	13.89	(0.08)	2.84	2.76	—	—	—	2.76	16.65	19.87	27,132	2.07 ⁽⁶⁾	2.07	(0.52)	24
4/1/12 to 3/31/13	13.20	0.07	0.77	0.84	(0.15)	—	(0.15)	0.69	13.89	6.57	23,793	2.17 ⁽⁶⁾	2.09	0.56	16 ⁽¹¹⁾

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See Notes to Financial Statements

VIRTUS EQUITY TRUST
FINANCIAL HIGHLIGHTS (Continued)
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THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽²⁾⁽⁴⁾	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Gross Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Net Investment Income (Loss) to Average Net Assets ⁽⁹⁾	Portfolio Turnover Rate ⁽⁶⁾
KAR Small-Cap Value Fund (Continued)															
Class I															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$18.41	0.12	0.22	0.34	(0.02)	(0.29)	(0.31)	0.03	\$18.44	1.82%	\$350,259	0.99% ⁽¹²⁾	0.99%	1.26%	6%
4/1/17 to 9/30/17 ⁽¹⁶⁾	17.62	0.05	1.43	1.48	(0.04)	(0.65)	(0.69)	0.79	18.41	8.72	300,259	1.07 ⁽¹²⁾	1.07	0.55	10
4/1/16 to 3/31/17	15.69	0.26	3.17	3.43	(0.32)	(1.18)	(1.50)	1.93	17.62	23.20	242,661	1.07 ⁽⁹⁾⁽¹²⁾	1.07	1.63	22
4/1/15 to 3/31/16	16.64	0.11	0.07	0.18	(0.15)	(0.98)	(1.13)	(0.95)	15.69	1.17	144,487	1.05 ⁽¹²⁾	1.05	0.74	15
4/1/14 to 3/31/15	16.77	0.16	1.35	1.51	(0.07)	(1.57)	(1.64)	(0.13)	16.64	9.59	163,082	1.03 ⁽⁶⁾	1.03	0.97	24
4/1/13 to 3/31/14	13.92	0.08	2.84	2.92	(0.07)	—	(0.07)	2.85	16.77	21.06	104,149	1.07 ⁽⁶⁾	1.07	0.49	24
4/1/12 to 3/31/13	13.23	0.15	0.82	0.97	(0.28)	—	(0.28)	0.69	13.92	7.64	91,502	1.17 ⁽⁶⁾	1.10	1.19	16 ⁽¹¹⁾
Class R6															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$18.42	0.13	0.21	0.34	(0.02)	(0.29)	(0.31)	0.03	\$18.45	1.84%	\$ 16,892	0.91% ⁽¹²⁾	0.91%	1.43%	6%
4/1/17 to 9/30/17 ⁽¹⁶⁾	17.63	0.05	1.44	1.49	(0.05)	(0.65)	(0.70)	0.79	18.42	8.78	10,165	0.99 ⁽¹²⁾	0.99	0.52	10
11/3/16 ⁽⁷⁾ to 3/31/17	14.90	0.05	3.15	3.20	(0.22)	(0.25)	(0.47)	2.73	17.63	21.58	122	0.98 ⁽¹²⁾	0.98	0.68	22 ⁽¹⁵⁾
KAR Small-Mid Cap Core Fund															
Class A															
3/7/18 ⁽⁷⁾ to 3/31/18 ⁽¹⁷⁾	\$10.00	(0.01)	(0.19)	(0.20)	—	—	—	(0.20)	\$ 9.80	(2.00)%	\$ 98	1.30%	4.82%	(0.93)%	3%
Class C															
3/7/18 ⁽⁷⁾ to 3/31/18 ⁽¹⁷⁾	\$10.00	(0.03)	(0.18)	(0.21)	—	—	—	(0.21)	\$ 9.79	(2.10)%	\$ 98	2.05%	5.57%	(1.67)%	3%
Class I															
3/7/18 ⁽⁷⁾ to 3/31/18 ⁽¹⁷⁾	\$10.00	(0.01)	(0.19)	(0.20)	—	—	—	(0.20)	\$ 9.80	(2.00)%	\$ 103	1.05%	4.60%	(0.67)%	3%
Class R6															
3/7/18 ⁽⁷⁾ to 3/31/18 ⁽¹⁷⁾	\$10.00	(0.01)	(0.19)	(0.20)	—	—	—	(0.20)	\$ 9.80	(2.00)%	\$ 2,646	0.97%	4.57%	(0.60)%	3%
Rampart Enhanced Core Equity Fund															
Class A															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$20.26	0.07	(0.29)	(0.22)	(0.06)	(1.31)	(1.37)	(1.59)	\$18.67	(1.69)%	\$110,184	1.20%	1.31%	0.68%	10%
4/1/17 to 9/30/17 ⁽¹⁶⁾	20.27	0.06	1.72	1.78	(0.06)	(1.73)	(1.79)	(0.01)	20.26	9.26	120,445	1.23 ⁽⁸⁾	1.39	0.63	110
4/1/16 to 3/31/17	18.14	0.15	2.68	2.83	(0.22)	(0.48)	(0.70)	2.13	20.27	15.85 ⁽¹⁴⁾	113,442	1.26 ⁽⁹⁾⁽¹⁴⁾	1.40	0.81 ⁽¹⁴⁾	496
4/1/15 to 3/31/16	20.97	0.14	0.56	0.70	(0.15)	(3.38)	(3.53)	(2.83)	18.14	4.02	101,113	1.25	1.38	0.74	312
4/1/14 to 3/31/15	21.94	0.17	1.84	2.01	(0.08)	(2.90)	(2.98)	(0.97)	20.97	9.75	116,725	1.25	1.36	0.82	345
4/1/13 to 3/31/14	19.51	0.14	4.02	4.16	(0.10)	(1.63)	(1.73)	2.43	21.94	21.84	111,074	1.25	1.39	0.66	283
4/1/12 to 3/31/13	17.93	0.09	1.53	1.62	(0.04)	—	(0.04)	1.58	19.51	9.12	100,976	1.25	1.44	0.52	65
Class C															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$18.23	(0.01)	(0.25)	(0.26)	—	(1.31)	(1.31)	(1.57)	\$16.66	(2.06)%	\$ 30,324	1.95%	2.07%	(0.06)%	10%
4/1/17 to 9/30/17 ⁽¹⁶⁾	18.44	(0.02)	1.56	1.54	(0.02)	(1.73)	(1.75)	(0.21)	18.23	8.85	32,710	1.98 ⁽⁸⁾	2.15	(0.17)	110
4/1/16 to 3/31/17	16.48	0.01	2.44	2.45	(0.01)	(0.48)	(0.49)	1.96	18.44	15.01 ⁽¹⁴⁾	37,269	2.00 ⁽⁹⁾⁽¹⁴⁾	2.15	0.04 ⁽¹⁴⁾	496
4/1/15 to 3/31/16	19.42	— ⁽⁵⁾	0.51	0.51	(0.07)	(3.38)	(3.45)	(2.94)	16.48	3.27	36,236	2.00	2.13	0.01	312
4/1/14 to 3/31/15	20.60	0.01	1.72	1.73	(0.01)	(2.90)	(2.91)	(1.18)	19.42	8.91	37,312	2.00	2.12	0.06	345
4/1/13 to 3/31/14	18.46	(0.02)	3.81	3.79	(0.02)	(1.63)	(1.65)	2.14	20.60	20.93	27,930	2.00	2.14	(0.09)	283
4/1/12 to 3/31/13	17.05	(0.04)	1.45	1.41	—	—	—	1.41	18.46	8.27	24,782	2.00	2.19	(0.23)	65

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

See Notes to Financial Statements

VIRTUS EQUITY TRUST
FINANCIAL HIGHLIGHTS (Continued)
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Dividends from Net Investment Income	Distributions from Net Realized Gains	Total Distributions	Change in Net Asset Value	Net Asset Value, End of Period	Total Return ⁽²⁾⁽⁴⁾	Net Assets, End of Period (in thousands)	Ratio of Net Expenses to Average Net Assets ⁽³⁾⁽⁶⁾	Ratio of Gross Expenses to Average Net Assets ⁽³⁾⁽¹⁰⁾	Ratio of Net Investment Income (Loss) to Average Net Assets ⁽³⁾	Portfolio Turnover Rate ⁽⁴⁾
Rampart Enhanced Core Equity Fund (Continued)															
Class I															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$20.22	0.09	(0.29)	(0.20)	(0.08)	(1.31)	(1.39)	(1.59)	\$18.63	(1.58)%	\$ 21,256	0.95%	1.05%	0.89%	10%
4/1/17 to 9/30/17 ⁽¹⁶⁾	20.22	0.09	1.71	1.80	(0.07)	(1.73)	(1.80)	—	20.22	9.41	32,485	0.98 ⁽⁸⁾	1.15	0.91	110
4/1/16 to 3/31/17	18.13	0.21	2.66	2.87	(0.30)	(0.48)	(0.78)	2.09	20.22	16.16 ⁽¹⁴⁾	21,011	1.01 ⁽⁹⁾⁽¹⁴⁾	1.15	1.13 ⁽¹⁴⁾	496
4/1/15 to 3/31/16	20.96	0.21	0.53	0.74	(0.19)	(3.38)	(3.57)	(2.83)	18.13	4.25	11,991	1.00	1.13	1.13	312
4/1/14 to 3/31/15	21.90	0.22	1.85	2.07	(0.11)	(2.90)	(3.01)	(0.94)	20.96	10.06	8,969	1.00	1.11	1.05	345
4/1/13 to 3/31/14	19.48	0.19	4.01	4.20	(0.15)	(1.63)	(1.78)	2.42	21.90	22.12	11,291	1.00	1.14	0.90	283
4/1/12 to 3/31/13	17.91	0.14	1.51	1.65	(0.08)	—	(0.08)	1.57	19.48	9.28	11,589	1.00	1.17	0.78	65
Class R6															
1/30/18 ⁽⁷⁾ to 3/31/18 ⁽¹⁷⁾	\$20.70	0.04	(2.11)	(2.07)	—	—	—	(2.07)	\$18.63	(10.00)%	\$ 6,551	0.90%	0.99%	1.40%	10% ⁽¹⁸⁾
Tactical Allocation Fund															
Class A															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$ 9.00	0.05	0.47	0.52	(0.06)	(0.07)	(0.13)	0.39	\$ 9.39	5.78%	\$147,564	1.27%	1.28%	1.17%	23%
4/1/17 to 9/30/17 ⁽¹⁶⁾	8.33	0.08	0.69	0.77	(0.08)	(0.02)	(0.10)	0.67	9.00	9.25	142,481	1.38	1.38	1.81	26
4/1/16 to 3/31/17	8.44	0.17	0.56	0.73	(0.15)	(0.69)	(0.84)	(0.11)	8.33	9.20 ⁽¹⁴⁾	137,388	1.37 ⁽⁹⁾⁽¹⁴⁾	1.38	1.86 ⁽¹⁴⁾	104
4/1/15 to 3/31/16	9.75	0.20	(0.88)	(0.68)	(0.17)	(0.46)	(0.63)	(1.31)	8.44	(7.36)	147,546	1.32	1.33	2.25	81
4/1/14 to 3/31/15	10.06	0.21	0.15	0.36	(0.20)	(0.47)	(0.67)	(0.31)	9.75	3.60	180,435	1.30	1.30	2.09	69
4/1/13 to 3/31/14	9.88	0.22	1.13	1.35	(0.21)	(0.96)	(1.17)	0.18	10.06	14.84	195,509	1.29	1.29	2.22	61
4/1/12 to 3/31/13	9.47	0.21	0.53	0.74	(0.22)	(0.11)	(0.33)	0.41	9.88	8.00	186,662	1.30	1.30	2.26	94
Class C															
10/1/17 to 3/31/18 ⁽¹⁷⁾	\$ 9.24	0.02	0.48	0.50	(0.02)	(0.07)	(0.09)	0.41	\$ 9.65	5.43%	\$ 3,901	2.04%	2.05%	0.39%	23%
4/1/17 to 9/30/17 ⁽¹⁶⁾	8.55	0.05	0.70	0.75	(0.04)	(0.02)	(0.06)	0.69	9.24	8.80	4,054	2.14	2.15	1.05	26
4/1/16 to 3/31/17	8.64	0.11	0.57	0.68	(0.08)	(0.69)	(0.77)	(0.09)	8.55	8.37 ⁽¹⁴⁾	4,378	2.11 ⁽⁹⁾⁽¹⁴⁾	2.13	1.13 ⁽¹⁴⁾	104
4/1/15 to 3/31/16	9.96	0.14	(0.90)	(0.76)	(0.10)	(0.46)	(0.56)	(1.32)	8.64	(8.02)	5,460	2.07	2.08	1.51	81
4/1/14 to 3/31/15	10.27	0.13	0.16	0.29	(0.13)	(0.47)	(0.60)	(0.31)	9.96	2.81	6,328	2.04	2.04	1.29	69
4/1/13 to 3/31/14	10.07	0.15	1.15	1.30	(0.14)	(0.96)	(1.10)	0.20	10.27	13.90	3,785	2.04	2.04	1.46	61
4/1/12 to 3/31/13	9.65	0.15	0.53	0.68	(0.15)	(0.11)	(0.26)	0.42	10.07	7.17	3,021	2.05	2.05	1.51	94

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

See Notes to Financial Statements

VIRTUS EQUITY TRUST
FINANCIAL HIGHLIGHTS (Continued)
SELECTED PER SHARE DATA AND RATIOS FOR A SHARE OUTSTANDING
THROUGHOUT EACH PERIOD

Footnote Legend:

- ⁽¹⁾ Calculated using average shares outstanding.
⁽²⁾ Sales charges, where applicable, are not reflected in the total return calculation.
⁽³⁾ Annualized for periods less than one year.
⁽⁴⁾ Not annualized for periods less than one year.
⁽⁵⁾ Amount is less than \$0.005 per share.
⁽⁶⁾ See Note 4D in the Notes to Financial Statements for information on recapture of expenses previously waived.
⁽⁷⁾ Inception date.
⁽⁸⁾ Represents a blended ratio.
⁽⁹⁾ Net expense ratio includes extraordinary proxy expenses.
⁽¹⁰⁾ Each Fund will also indirectly bear their prorated share of expenses of the underlying funds in which they invest. Such expenses are not included in the calculation of this ratio.
⁽¹¹⁾ Portfolio turnover calculation excludes security transactions distributed as a result of a redemption-in-kind.
⁽¹²⁾ The Fund is currently under its expense limitation.
⁽¹³⁾ Portfolio turnover is representative of the Fund for the entire year ended March 31, 2015.
⁽¹⁴⁾ State Street Bank & Trust, custodian for some of the Funds through January 29, 2010, reimbursed the Funds for out-of-pocket custody expenses overbilled for the period 1998 through January 29, 2010. Custody fees reimbursed were excluded from the Ratio of Net Expenses to Average Net Assets and the Ratio of Net Investment Income (Loss) to Average Net Assets. If it was included the impact would have been to lower the Ratio of Net Expenses and increase the Ratio of Net Investment Income (Loss) as follows:

	<u>Class A</u>	<u>Class C</u>	<u>Class I</u>	<u>Class R6</u>
KAR Capital Growth Fund	0.06%	0.05%	0.06%	N/A
KAR Mid-Cap Growth Fund	0.05%	0.05%	0.05%	N/A
KAR Small-Cap Core Fund*	—	—	—	—
KAR Small-Cap Growth Fund*	—	—	—	N/A
Rampart Enhanced Core Equity Fund*	—	—	—	N/A
Tactical Allocation Fund	0.08%	0.08%	N/A	N/A

* Amount is less than 0.005%

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

	<u>Class A</u>	<u>Class C</u>	<u>Class I</u>	<u>Class R6</u>
KAR Capital Growth Fund	0.06%	0.06%	0.06%	N/A
KAR Mid-Cap Growth Fund	0.05%	0.05%	0.05%	N/A
KAR Small-Cap Core Fund*	—	—	—	—
KAR Small-Cap Growth Fund*	—	—	—	N/A
Rampart Enhanced Core Equity Fund*	—	—	—	N/A
Tactical Allocation Fund	0.08%	0.08%	N/A	N/A

* Amount is less than 0.005%.

- ⁽¹⁵⁾ Portfolio turnover is representative of the Fund for the entire year ended March 31, 2017.
⁽¹⁶⁾ The Fund changed its fiscal period end to September 30 during the period.
⁽¹⁷⁾ Unaudited.
⁽¹⁸⁾ Portfolio turnover is representative of the Fund for the six months ended March 31, 2018.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Unaudited)
MARCH 31, 2018

Note 1. Organization

Virtus Equity Trust (the “Trust”) is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. Effective September 21, 2017 the Funds changed their fiscal year end from March 31 to September 30.

As of the date of this report, 11 diversified funds of the Trust are offered for sale, of which 10 (the “Funds”) are reported in this semiannual report. Each Fund has a distinct investment objective outlined below.

<u>Fund</u>	<u>Each Fund Seeks to Provide</u>
KAR Capital Growth Fund	Long-term capital growth.
KAR Global Quality Dividend Fund	Long-term capital appreciation and current income.
KAR Mid-Cap Core Fund	Long-term capital appreciation.
KAR Mid-Cap Growth Fund	Capital appreciation.
KAR Small-Cap Core Fund	Long-term capital appreciation, with dividend income a secondary consideration.
KAR Small-Cap Growth Fund	Long-term capital appreciation.
KAR Small-Cap Value Fund	Long-term capital appreciation.
KAR Small-Mid Cap Core Fund	Long-term capital appreciation with dividend income a secondary consideration.
Rampart Enhanced Core Equity Fund	Capital appreciation and current income.
Tactical Allocation Fund	Capital appreciation and income.

There is no guarantee that the Funds will achieve their objectives.

All of the Funds offer Class A shares and Class C shares. All Funds with the exception of the Tactical Allocation Fund offer Class I shares. All Funds with the exception of KAR Global Quality Dividend Fund and Tactical Allocation Fund offer class R6 shares. Effective March 6, 2017, all Class B shares were converted to Class A shares. Prior to March 6, 2017, Class B shares could be purchased by existing shareholders through qualifying transactions.

Class A shares are sold with a front-end sales charge of up to 5.75% with some exceptions. Generally, Class A shares are not subject to any charges by the Funds 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 Funds 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 applicable 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 Funds’ distributor’s or an affiliate’s resources on sales of or investments in Class R6 shares.

The 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 Funds. These fees are reflected as “Low balance account fees” in each Fund’s Statements of Operations for the period, as applicable.

Each class of shares has identical voting, dividend, liquidation and other rights and the same terms and conditions, except that each class bears any expenses attributable specifically to that class (“class-specific expenses”) and has exclusive voting rights with respect to any Rule 12b-1 and/or shareholder service plan (“12b-1 Plan”) approved by the Board. Class I shares and Class R6 shares are not subject to a 12b-1 Plan. Class-specific expenses may include shareholder servicing fees, sub-transfer agency fees, and fees under a 12b-1 Plan, as well as certain other expenses as designated by the Funds’ Treasurer and approved by the Board. Investment income, common operating expenses and realized and unrealized gains and losses of each Fund are borne pro-rata by the holders of each class of shares.

Note 2. Significant Accounting Policies

The Trust is an investment company that follows the accounting and reporting guidance of Accounting Standards Codification Topic 946 applicable to Investment Companies. The following is a summary of the significant accounting policies consistently followed by the Funds in the preparation of their 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, and 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 each Fund, which include nightly price variance, as well as back-testing items such as bi-weekly unchanged price, monthly secondary source and transaction analysis, have been approved by the Board. All internally fair valued securities are approved by a valuation committee appointed by the Board (the “Valuation Committee”). The Valuation Committee is comprised of certain members of management as identified to the Board and convenes independently from portfolio management. All internally fair valued securities are updated daily and reviewed in detail by the Valuation Committee monthly unless changes occur within the period. The Valuation Committee reviews the validity of the model inputs and any changes to the model. Fair valuations are reviewed by the Board at least quarterly.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

Each Fund utilizes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The Funds' 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 a Fund's major categories of assets and liabilities measured at fair value on a recurring basis is as follows:

Equity securities are valued at the official closing price (typically last sale) on the exchange on which the securities are primarily traded or, if no closing price is available, at the last bid price and are categorized as Level 1 in the hierarchy. Restricted equity securities and private placements that are illiquid, or are internally fair valued by the Valuation Committee, are generally categorized as Level 3 in the hierarchy.

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 a Fund calculates its net asset value ("NAV") (at the close of regular trading on the 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 Funds fair value non-U.S. securities using an independent pricing service which considers the correlation of the trading patterns of the non-U.S. security to the intraday trading in the U.S. markets for investments such as ADRs, financial futures, ETFs, and certain indexes, as well as prices for similar securities. Such fair valuations are categorized as Level 2 in the hierarchy. Because the frequency of significant events is not predictable, fair valuation of certain non-U.S. common stocks may occur on a frequent basis.

Debt securities, including restricted securities, are valued based on evaluated quotations received from independent pricing services or from dealers who make markets in such securities. For most bond types, the pricing service utilizes matrix pricing that considers one or more of the following factors: yield or price of bonds of comparable quality, coupon, maturity, current cash flows, type, and current day trade information, as well as dealer-supplied prices. These valuations are generally categorized as Level 2 in the hierarchy. Structured debt instruments, such as mortgage-backed and asset-backed securities, may also incorporate collateral analysis and utilize cash flow models for valuation and are generally categorized as Level 2 in the hierarchy. Pricing services do not provide pricing for all securities and therefore indicative bids from dealers are utilized which are based on pricing models used by market makers in the security and are generally categorized as Level 2 in the hierarchy. Debt securities that are internally fair valued by the Valuation Committee are generally categorized as Level 3 in the hierarchy.

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

Listed derivatives, such as options, 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 a Fund's net assets by each major security type is disclosed at the end of the Schedule of Investments for each 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 sales 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 a Fund is notified. Interest income is recorded on the accrual basis. Each Fund amortizes premiums and accretes discounts using the effective interest method. Any distributions from underlying funds are recorded in accordance with the character of the distributions as designated by the underlying funds.

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 domestic REIT after its fiscal period-end, and may differ from the estimated amounts.

C. Income Taxes

Each Fund is treated as a separate taxable entity. It is the intention of each 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.

Certain Funds may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable. Each 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 Funds has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements. As of March 31, 2018, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations are from the year 2014 forward (with limited exceptions).

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

D. Distributions to Shareholders

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

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

F. Foreign Currency Transactions

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

G. When-Issued and Forward Commitments (Delayed Delivery)

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

H. Leveraged Loans

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

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

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

As of March 31, 2018, the Tactical Allocation Fund had the following unfunded loan commitments:

<u>Borrower</u>	<u>Unfunded Loan Commitment</u>
CFSP Acquisition Corp.	\$ 3
Pearl Intermediate Parent LLC	19
Spectrum Holdings III Corp.	4

I. Securities Lending

Each Fund is permitted to loan securities from its portfolio to qualifying brokers, dealers and other financial institutions deemed creditworthy and receive, as collateral, cash or United States government securities including agency securities which at all times while the loan is outstanding will be maintained in amounts equal to at least 100% of the current market value of the loaned securities. Any cash collateral will be invested in short-term securities expected to increase the current income of the Fund lending its securities. Lending portfolio securities involves a risk of delay in the recovery of the loaned securities or in the declining value of the collateral. During the period ended March 31, 2018, the Funds did not loan securities.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

Note 3. Derivative Financial Instruments and Transactions
(\$ reported in thousands)

Disclosures about derivative instruments and hedging activities are intended to enable investors to understand how and why a Fund uses derivatives, how derivatives are accounted for, and how derivative instruments affect a Fund's results of operations and financial position. Summarized below are such disclosures and accounting policies for each specific type of derivative instrument used by certain Funds.

Options Contracts: An options contract provides the purchaser with the right, but not the obligation, to buy (call option) or sell (put option) a financial instrument at an agreed-upon price. Certain Funds may purchase or write both put and call options on portfolio securities for hedging purposes or to facilitate the rapid implementation of investment strategies if the Fund anticipates a significant market or sector advance. The Funds are subject to equity price risk in the normal course of pursuing their investment objectives. The Funds may use options contracts to hedge against changes in the values of equities.

When a Fund purchases an option, it pays a premium and an amount equal to that premium is recorded as an asset. When a Fund writes an option, it receives a premium and an amount equal to that premium is recorded as a liability. The asset or liability is adjusted daily to reflect the current market value of the option. Holdings of the Fund designated to cover outstanding written options are noted in the Schedules of Investments. Purchased options are reported as an asset within "Investment in unaffiliated securities at value" in the Statements of Assets and Liabilities. Options written are reported as a liability within "Written options at value." Changes in value of the purchased option are included in "Net change in unrealized appreciation (depreciation) from unaffiliated investments" in the Statements of Operations. Changes in value of written options are included in "Net change in unrealized appreciation (depreciation) from written options" in the Statements of Operations.

If an option expires unexercised, the Fund realizes a gain or loss to the extent of the premium received or paid. If an option is exercised, the premium received or paid is recorded as an adjustment to the proceeds from the sale or the cost basis of the purchase. The difference between the premium and the amount received or paid on effecting a closing purchase or sale transaction is also treated as a realized gain or loss. Gain or loss on purchased options is included in "Net realized gain (loss) from unaffiliated investments" in the Statements of Operations. Gain or loss on written options is presented separately as "Net realized gain (loss) from written options" in the Statements of Operations.

The risk in writing call options is that the Fund gives up the opportunity for profit if the market price of the security increases and the option is exercised. The risk in writing put options is that the Fund may incur a loss if the market price of the security decreases and the option is exercised. The risk in buying options is that the Fund pays a premium whether or not the option is exercised. The use of such instruments may involve certain additional risks as a result of unanticipated movements in the market. Writers (sellers) of options are subject to unlimited risk of loss, as the seller will be obligated to deliver or take delivery of the security at a predetermined price which may, upon exercise of the option, be significantly different from the then-market value.

The Rampart Enhanced Core Equity Fund invested in written covered call options contracts in an attempt to manage equity price risk and with the purpose of generating realized gains.

The following is a summary of the Rampart Enhanced Core Equity Fund's options contracts as categorized equity risk, presented in the financial statements as of March 31, 2018:

<u>Statements of Assets and Liabilities</u>	<u>Rampart Enhanced Core Equity Fund</u>	<u>Statements of Operations</u>	<u>Rampart Enhanced Core Equity Fund</u>
Assets: Purchased options at value	\$ 29 ⁽¹⁾	Net realized gain (loss) on purchased options	\$ 3,708 ⁽²⁾
Liabilities: Written options at value	(137)	Net realized gain (loss) on written options	(16,439)
Net asset (liability) balance	<u>\$(108)</u>	Net change in unrealized appreciation (depreciation) from purchased options	12 ⁽³⁾
		Net change in unrealized appreciation (depreciation) from written options	(63)
		Total net realized and unrealized gain (loss) on purchased and written options	<u>\$(12,782)</u>

⁽¹⁾ Amount included in Investment in unaffiliated securities at value.

⁽²⁾ Amount included in Net realized gain (loss) from unaffiliated investments.

⁽³⁾ Amount included in Net change in unrealized appreciation (depreciation) from unaffiliated investments.

For the period ended March 31, 2018, the average daily premiums paid by the Rampart Enhanced Core Equity Fund for purchased options were \$311 and the average daily premiums received for written options by the Rampart Enhanced Core Equity Fund were \$(599).

Note 4. 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 Funds' investment programs and general operations of the Funds, including oversight of the Funds' subadvisers.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

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

KAR Small-Cap Core Fund	0.75%		
KAR Small-Cap Value Fund	0.70		
	<u>First \$400 Million</u>	<u>\$400+ Million through \$1 Billion</u>	<u>\$1+ Billion</u>
KAR Small-Cap Growth Fund	0.90%	0.85%	0.80%
	<u>First \$500 Million</u>	<u>Over \$500 Million</u>	
KAR Mid-Cap Growth Fund	0.80%	0.70%	
	<u>First \$1 Billion</u>	<u>Over \$1 Billion</u>	
KAR Small-Mid Cap Core Fund	0.75%	0.70%	
	<u>First \$1 Billion</u>	<u>\$1+ Billion through \$2 Billion</u>	<u>\$2+ Billion</u>
KAR Capital Growth Fund	0.70%	0.65%	0.60%
KAR Global Quality Dividend Fund	0.75	0.70	0.65
KAR Mid-Cap Core Fund	0.80	0.75	0.70
Rampart Enhanced Core Equity Fund	0.75	0.70	0.65
Tactical Allocation Fund	0.70	0.65	0.60

During the period covered by these financial statements, the Tactical Allocation Fund invested a portion of its assets in Virtus Newfleet Credit Opportunities Fund, an affiliated mutual fund. In order to avoid any duplication of advisory fees, the Adviser has voluntarily waived its advisory fees in an amount equal to that which would otherwise be paid by the Fund on the assets invested in the Virtus Credit Opportunities Fund. For the period covered by these financial statements, the waiver amounted to \$5. This waiver is in addition to the expense limitation and/or fee waiver covered elsewhere in these financial statements and is included in "Less expenses reimbursed and/or waived by investment adviser" in the Statements of Operations.

B. Subadvisers

The subadvisers manage the investments of each Fund, for which they are paid a fee by the Adviser. A list of the subadvisers and the Funds they serve as of the end of the period is as follows:

<u>Fund</u>	<u>Subadviser</u>	<u>Fund</u>	<u>Subadviser</u>
KAR Capital Growth Fund	KAR ⁽¹⁾⁽³⁾	KAR Small-Cap Value Fund	KAR ⁽¹⁾⁽³⁾
KAR Global Quality Dividend Fund	KAR ⁽¹⁾⁽³⁾	KAR Small-Mid Cap Core Fund	KAR ⁽¹⁾⁽³⁾
KAR Mid-Cap Core Fund	KAR ⁽¹⁾⁽³⁾	Rampart Enhanced Core Equity Fund	Rampart Investment Management Company, LLC ⁽³⁾
KAR Mid-Cap Growth Fund	KAR ⁽¹⁾⁽³⁾	Tactical Allocation Fund (Domestic Equity Portfolio)	KAR ⁽¹⁾⁽³⁾
KAR Small-Cap Core Fund	KAR ⁽¹⁾⁽³⁾	Tactical Allocation Fund (International Equity Portfolio)	DPIM ⁽²⁾⁽³⁾
KAR Small-Cap Growth Fund	KAR ⁽¹⁾⁽³⁾	Tactical Allocation Fund (Fixed Income Portfolio)	Newfleet Asset Management, LLC ⁽³⁾

⁽¹⁾ Kayne Anderson Rudnick Investment Management, LLC ("KAR")

⁽²⁾ Duff & Phelps Investment Management Co. ("DPIM")

⁽³⁾ An indirect, wholly-owned subsidiary of Virtus.

C. Expense Limits and Fee Waivers

The Adviser has contractually agreed to limit certain Funds' total operating expenses (excluding front-end or contingent deferred loads, taxes, leverage expenses, interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, unusual or infrequently occurring expenses (such as litigation), acquired fund fees and expenses, and dividend expenses, if any), so that such expenses do not exceed the following percentages of the average annual daily net asset values for the following Funds.

	<u>Class A</u>	<u>Class C</u>	<u>Class I</u>	<u>Class R6</u>	<u>Through Date</u>
KAR Capital Growth Fund*	1.47%‡	2.22%‡	1.22%‡	0.78%	3/31/19
KAR Global Quality Dividend Fund	1.35	2.10	1.10	—	3/31/19
KAR Mid-Cap Core Fund**	1.20	1.95	0.95	0.87	3/31/19
KAR Mid-Cap Growth Fund#	1.40	2.15	1.15	0.90	3/31/19
KAR Small-Cap Growth Fund‡**	1.50	2.25	1.25	1.18	3/31/19
KAR Small-Cap Value Fund‡	1.42	2.17	1.17	1.06	3/31/19
KAR Small-Mid Cap Core Fund	1.30	2.05	1.05	0.97	3/31/19
Rampart Enhanced Core Equity Fund**	1.20	1.95	0.95	0.91	3/31/19

‡ Each share class is currently below its expense cap.

* Effective March 29, 2018 for Class R6. For the period of January 30, 2018 (inception of the class) to March 28, 2018 the expense cap for Class R6 was 1.19%.

Effective March 29, 2018 for Class R6. For the period of January 30, 2018 (inception of the class) to March 28, 2018, the expense cap for Class R6 was 1.11%.

** Effective January 30, 2018 (inception date of Class) for Class R6.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

D. Expense Recapture

For certain Funds, the Adviser may recapture operating expenses waived or reimbursed under these arrangements, within three years after the date in which such waiver or reimbursement occurred. A Fund must pay its ordinary operating expenses before the Adviser is entitled to any reimbursement and must remain in compliance with any applicable expense limitations or, if none, the expense limitation in effect at the time of the waiver or reimbursement. All or a portion of the following Adviser reimbursed expenses may be recaptured as follows:

<u>Fund</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>
KAR Capital Growth Fund					
Class R6	\$—	\$ —	\$ —	\$— ⁽¹⁾	\$ — ⁽¹⁾
KAR Global Quality Dividend Fund					
Class A	15	63	70	25	173
Class C	4	11	11	4	30
Class I	2	8	11	4	25
KAR Mid-Cap Core Fund					
Class A	18	69	62	27	176
Class C	7	22	39	20	88
Class I	7	29	133	81	250
Class R6	—	—	—	— ⁽¹⁾	— ⁽¹⁾
KAR Mid-Cap Growth Fund					
Class A	21	96	70	4	192
Class C	2	7	5	1	15
Class I	1	4	4	—	10
Class R6	—	—	—	— ⁽¹⁾	— ⁽¹⁾
KAR Small-Mid Cap Core Fund					
Class A	—	—	—	— ⁽¹⁾	— ⁽¹⁾
Class C	—	—	—	— ⁽¹⁾	— ⁽¹⁾
Class I	—	—	—	— ⁽¹⁾	— ⁽¹⁾
Class R6	—	—	—	6	6
Rampart Enhanced Core Equity Fund					
Class A	69	145	158	69	441
Class C	24	53	51	19	147
Class I	5	19	34	15	74
Class R6	—	—	—	1	1

⁽¹⁾ Amount is less than \$500.

E. Distributor

VP Distributors, LLC (“VP Distributors”), an indirect, wholly-owned subsidiary of Virtus, serves as the distributor of each Fund’s shares. VP Distributors has advised the Funds that for the fiscal period (the “period”) ended March 31, 2018, it retained net commissions of \$232 for Class A shares and CDSC of \$—⁽¹⁾, and \$10 for Class A shares, and Class C shares, respectively.

⁽¹⁾ Amount is less than \$500.

In addition, each 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%; Class C shares 1.00%; Class I shares and Class R6 shares are not subject to a 12b-1 Plan.

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

F. Administrator and Transfer Agent

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

For the period ended March 31, 2018, the Funds incurred administration fees totaling \$2,087 which are included in the Statements of Operations within the line item “Administration fees”.

For the period ended March 31, 2018, the Funds incurred transfer agent fees totaling \$2,513 which are included in the Statements of Operations within the line items “Transfer agent fees and expenses” and “Sub-transfer agent fees and expenses”. A portion of these fees was paid to outside entities that also provide services to the Trust.

**G. Affiliated Shareholders
(\$ reported in thousands)**

At March 31, 2018, Virtus and its affiliates and the retirement plans of Virtus and its affiliates held shares of certain Funds which may be redeemed at any time that aggregated to the following:

	<u>Shares</u>	<u>Aggregate Net Asset Value</u>
KAR Capital Growth Fund		
Class A	14	\$ — ⁽¹⁾
Class R6	299,398	5,260

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

	<u>Shares</u>	<u>Aggregate Net Asset Value</u>
KAR Mid-Cap Core Fund		
Class R6	3,051	\$ 96
KAR Mid-Cap Growth		
Class R6	3,151	101
KAR Small-Cap Growth Fund		
Class R6	131,675	3,957
KAR Small-Cap Value Fund		
Class R6	313,854	5,791
KAR Small-Mid Cap Core Fund		
Class A	10,000	98
Class C	10,000	98
Class I	10,000	98
Class R6	270,000	2,646
Rampart Enhanced Core Equity Fund		
Class R6	351,517	6,549

⁽¹⁾ Amount is less than \$500.

H. Investments in Affiliates

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

	<u>Value, beginning of period</u>	<u>Purchases</u>	<u>Sales</u>	<u>Net Realized gain (loss)</u>	<u>Net change in unrealized appreciation (depreciation)</u>	<u>Shares</u>	<u>Value, end of period</u>	<u>Dividend Income</u>	<u>Distributions of Realized Gains</u>
Affiliated Mutual Fund - 0.8%									
Virtus Newfleet Credit Opportunities Fund Class R6 ⁽¹⁾	\$1,295	\$—	\$—	\$—	\$(19)	132,261	\$1,276	\$38	\$—

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

I. Trustee Compensation

The Trust provides a deferred compensation plan for its Trustees who receive compensation from the Trust. Under the deferred compensation plan, Trustees may elect to defer all or a portion of their compensation. Amounts deferred are retained by the Trust, and then, to the extent permitted by the 1940 Act, in turn, may be invested in the shares of affiliated or unaffiliated mutual funds selected by the participating Trustees. Investments in such instruments are included in "Other assets" in the Statements of Assets and Liabilities at March 31, 2018.

Note 5. Purchases and Sales of Securities
(\$ reported in thousands)

Purchases and sales of securities (excluding U.S. Government and agency securities, short-term securities, and written options securities) during the period ended March 31, 2018, were as follows:

	<u>Purchases</u>	<u>Sales</u>
KAR Capital Growth Fund	\$ 49,477	\$ 58,636
KAR Global Quality Dividend Fund	10,314	29,130
KAR Mid-Cap Core Fund	40,806	14,627
KAR Mid-Cap Growth Fund	12,519	11,883
KAR Small-Cap Core Fund	415,453	62,867
KAR Small-Cap Growth Fund	805,958	165,101
KAR Small-Cap Value Fund	71,059	25,182
KAR Small-Mid Cap Core Fund	3,020	97
Rampart Enhanced Core Equity Fund	18,223	44,863
Tactical Allocation Fund	33,745	36,413

The Tactical Allocation Fund had purchases of \$891, and sales of \$809 of long-term U.S. Government and agency securities during the period ended March 31, 2018.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 2018

Note 6. Capital Share Transactions
(reported in thousands)

Transactions in shares of capital stock, during the periods ended as indicated below, were as follows:

KAR Capital Growth Fund

	Six Months Ended March 31, 2018 (Unaudited)		Fiscal Period Ended September 30, 2017 ⁽¹⁾		Year Ended March 31, 2017	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
Class A						
Sale of shares	1,164	\$ 19,480	209	\$ 3,179	403	\$ 5,482
Conversion from Class B shares ⁽²⁾	—	—	—	—	43	602
Reinvestment of distributions	1,328	21,556	263	4,031	2,208	28,727
Shares repurchased	(1,442)	(24,562)	(1,396)	(21,262)	(3,521)	(48,786)
Net Increase / (Decrease)	<u>1,050</u>	<u>\$ 16,474</u>	<u>(924)</u>	<u>\$ (14,052)</u>	<u>(867)</u>	<u>\$ (13,975)</u>
Class B						
Sale of shares	—	\$ —	—	\$ —	— ⁽³⁾	\$ — ⁽⁴⁾
Reinvestment of distributions	—	—	—	—	6	67
Shares repurchased	—	—	—	—	(78)	(902)
Conversion to Class A shares ⁽²⁾	—	—	—	—	(54)	(602)
Net Increase / (Decrease)	<u>—</u>	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>	<u>(126)</u>	<u>\$ (1,437)</u>
Class C						
Sale of shares	48	\$ 649	77	\$ 918	88	\$ 972
Reinvestment of distributions	64	817	12	152	109	1,140
Shares repurchased	(148)	(1,992)	(180)	(2,209)	(777)	(8,801)
Net Increase / (Decrease)	<u>(36)</u>	<u>\$ (526)</u>	<u>(91)</u>	<u>\$ (1,139)</u>	<u>(580)</u>	<u>\$ (6,689)</u>
Class I						
Sale of shares	502	\$ 8,572	120	\$ 1,893	272	\$ 3,894
Reinvestment of distributions	35	585	6	102	47	637
Shares repurchased	(422)	(7,686)	(81)	(1,276)	(206)	(2,908)
Net Increase / (Decrease)	<u>115</u>	<u>\$ 1,471</u>	<u>45</u>	<u>\$ 719</u>	<u>113</u>	<u>\$ 1,623</u>
Class R6						
Sale of shares	324	\$ 5,979	—	\$ —	—	\$ —
Shares repurchased	(19)	(320)	—	—	—	—
Net Increase / (Decrease)	<u>305</u>	<u>\$ 5,659</u>	<u>—</u>	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>

KAR Global Quality Dividend Fund

	Six Months Ended March 31, 2018 (Unaudited)		Fiscal Period Ended September 30, 2017 ⁽¹⁾		Year Ended March 31, 2017	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
Class A						
Sale of shares	33	\$ 493	44	\$ 724	128	\$ 1,985
Reinvestment of distributions	328	4,834	207	3,317	29	451
Shares repurchased	(1,222)	(17,672)	(298)	(5,040)	(700)	(11,095)
Net Increase / (Decrease)	<u>(861)</u>	<u>\$ (12,345)</u>	<u>(47)</u>	<u>\$ (999)</u>	<u>(543)</u>	<u>\$ (8,659)</u>
Class C						
Sale of shares	14	\$ 207	7	\$ 116	59	\$ 906
Reinvestment of distributions	43	618	26	403	—	—
Shares repurchased	(47)	(690)	(71)	(1,145)	(194)	(2,981)
Net Increase / (Decrease)	<u>10</u>	<u>\$ 135</u>	<u>(38)</u>	<u>\$ (626)</u>	<u>(135)</u>	<u>\$ (2,075)</u>
Class I						
Sale of shares	171	\$ 2,776	38	\$ 626	94	\$ 1,535
Reinvestment of distributions	40	588	33	522	4	68
Shares repurchased	(271)	(4,348)	(89)	(1,469)	(107)	(1,701)
Net Increase / (Decrease)	<u>(60)</u>	<u>\$ (984)</u>	<u>(18)</u>	<u>\$ (321)</u>	<u>(9)</u>	<u>\$ (98)</u>

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

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

⁽³⁾ Amount is less than 500 shares.

⁽⁴⁾ Amount is less than \$500.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 2018

KAR Mid-Cap Core Fund

	Six Months Ended March 31, 2018 (Unaudited)		Fiscal Period Ended September 30, 2017 ⁽¹⁾		Year Ended March 31, 2017	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
Class A						
Sale of shares	113	\$ 3,456	209	\$ 5,573	860	\$ 20,379
Reinvestment of distributions	—	—	3	80	—	—
Shares repurchased	(185)	(5,660)	(72)	(1,928)	(974)	(23,609)
Net Increase / (Decrease)	<u>(72)</u>	<u>\$ (2,204)</u>	<u>140</u>	<u>\$ 3,725</u>	<u>(114)</u>	<u>\$ (3,230)</u>
Class C						
Sale of shares	172	\$ 4,958	138	\$ 3,470	409	\$ 9,372
Reinvestment of distributions	—	—	2	56	—	—
Shares repurchased	(54)	(1,562)	(47)	(1,179)	(134)	(3,029)
Net Increase / (Decrease)	<u>118</u>	<u>\$ 3,396</u>	<u>93</u>	<u>\$ 2,347</u>	<u>275</u>	<u>\$ 6,343</u>
Class I						
Sale of shares	1,050	\$ 32,414	968	\$ 26,148	1,943	\$ 47,890
Reinvestment of distributions	—	—	7	194	—	—
Shares repurchased	(397)	(12,212)	(456)	(12,244)	(325)	(7,950)
Net Increase / (Decrease)	<u>653</u>	<u>\$ 20,202</u>	<u>519</u>	<u>\$ 14,098</u>	<u>1,618</u>	<u>\$ 39,940</u>
Class R6						
Sale of shares	3	\$ 100	—	\$ —	—	\$ —
Net Increase / (Decrease)	<u>3</u>	<u>\$ 100</u>	<u>—</u>	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>

KAR Mid-Cap Growth Fund

	Six Months Ended March 31, 2018 (Unaudited)		Fiscal Period Ended September 30, 2017 ⁽¹⁾		Year Ended March 31, 2017	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
Class A						
Sale of shares	45	\$ 1,311	55	\$ 1,451	127	\$ 2,897
Conversion from Class B shares ⁽²⁾	—	—	—	—	6	156
Reinvestment of distributions	157	4,354	14	370	48	1,082
Shares repurchased	(156)	(4,583)	(291)	(7,625)	(396)	(9,112)
Net Increase / (Decrease)	<u>46</u>	<u>\$ 1,082</u>	<u>(222)</u>	<u>\$ (5,804)</u>	<u>(215)</u>	<u>\$ (4,977)</u>
Class B						
Sale of shares	—	\$ —	—	\$ —	—	\$ — ⁽⁴⁾
Reinvestment of distributions	—	—	—	—	— ⁽³⁾	3
Shares repurchased	—	—	—	—	(10)	(196)
Conversion to Class A shares ⁽²⁾	—	—	—	—	(8)	(156)
Net Increase / (Decrease)	<u>—</u>	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>	<u>(18)</u>	<u>\$ (349)</u>
Class C						
Sale of shares	26	\$ 638	15	\$ 330	89	\$ 1,704
Reinvestment of distributions	15	332	1	29	5	89
Shares repurchased	(26)	(613)	(63)	(1,349)	(121)	(2,259)
Net Increase / (Decrease)	<u>15</u>	<u>\$ 357</u>	<u>(47)</u>	<u>\$ (990)</u>	<u>(27)</u>	<u>\$ (466)</u>
Class I						
Sale of shares	183	\$ 5,728	14	\$ 389	47	\$ 1,092
Reinvestment of distributions	8	227	1	19	2	47
Shares repurchased	(7)	(204)	(14)	(376)	(27)	(638)
Net Increase / (Decrease)	<u>184</u>	<u>\$ 5,751</u>	<u>1</u>	<u>\$ 32</u>	<u>22</u>	<u>\$ 501</u>
Class R6						
Sale of shares	3	\$ 100	—	\$ —	—	\$ —
Net Increase / (Decrease)	<u>3</u>	<u>\$ 100</u>	<u>—</u>	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

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

⁽³⁾ Amount is less than 500 shares.

⁽⁴⁾ Amount is less than \$500.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 2018

KAR Small-Cap Core Fund

	Six Months Ended March 31, 2018 (Unaudited)		Fiscal Period Ended September 30, 2017 ⁽¹⁾		Year Ended March 31, 2017	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
Class A						
Sale of shares	1,520	\$ 46,516	608	\$ 16,037	1,507	\$ 34,529
Reinvestment of distributions	4	131	1	30	153	3,396
Shares repurchased	(717)	(22,307)	(332)	(8,598)	(1,606)	(37,256)
Net Increase / (Decrease)	<u>807</u>	<u>\$ 24,340</u>	<u>277</u>	<u>\$ 7,469</u>	<u>54</u>	<u>\$ 669</u>
Class C						
Sale of shares	887	\$ 23,659	420	\$ 9,214	778	\$ 15,284
Reinvestment of distributions	4	108	1	29	123	2,351
Shares repurchased	(194)	(5,098)	(220)	(4,822)	(442)	(8,547)
Net Increase / (Decrease)	<u>697</u>	<u>\$ 18,669</u>	<u>201</u>	<u>\$ 4,421</u>	<u>459</u>	<u>\$ 9,088</u>
Class I						
Sale of shares	11,432	\$ 380,504	4,161	\$ 114,129	7,980	\$ 188,854
Reinvestment of distributions	21	670	6	167	571	13,259
Shares repurchased	(2,151)	(70,634)	(1,387)	(37,551)	(3,695)	(86,856)
Net Increase / (Decrease)	<u>9,302</u>	<u>\$ 310,540</u>	<u>2,780</u>	<u>\$ 76,745</u>	<u>4,856</u>	<u>\$ 115,257</u>
Class R6						
Sale of shares	633	\$ 21,092	373	\$ 10,312	446	\$ 10,598
Reinvestment of distributions	2	71	1	16	62	1,435
Shares repurchased	(81)	(2,657)	(97)	(2,624)	(208)	(4,894)
Net Increase / (Decrease)	<u>554</u>	<u>\$ 18,506</u>	<u>277</u>	<u>\$ 7,704</u>	<u>300</u>	<u>\$ 7,139</u>

KAR Small-Cap Growth Fund

	Six Months Ended March 31, 2018 (Unaudited)		Fiscal Period Ended September 30, 2017 ⁽¹⁾		Year Ended March 31, 2017	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
Class A						
Sale of shares	4,598	\$ 127,692	3,221	\$ 75,203	9,213	\$ 178,982
Reinvestment of distributions	—	—	— ⁽²⁾	3	186	3,272
Shares repurchased	(1,837)	(51,226)	(1,594)	(36,146)	(5,694)	(115,942)
Net Increase / (Decrease)	<u>2,761</u>	<u>\$ 76,466</u>	<u>1,627</u>	<u>\$ 39,060</u>	<u>3,705</u>	<u>\$ 66,312</u>
Class C						
Sale of shares	2,076	\$ 52,659	1,339	\$ 28,543	2,108	\$ 37,801
Reinvestment of distributions	—	—	— ⁽²⁾	1	44	711
Shares repurchased	(344)	(8,630)	(319)	(6,772)	(325)	(5,799)
Net Increase / (Decrease)	<u>1,732</u>	<u>\$ 44,029</u>	<u>1,020</u>	<u>\$ 21,772</u>	<u>1,827</u>	<u>\$ 32,713</u>
Class I						
Sale of shares	31,162	\$ 890,158	22,541	\$ 539,222	22,582	\$ 452,219
Reinvestment of distributions	—	—	— ⁽²⁾	10	170	3,037
Shares repurchased	(7,223)	(202,671)	(3,312)	(77,349)	(5,416)	(106,659)
Net Increase / (Decrease)	<u>23,939</u>	<u>\$ 687,487</u>	<u>19,229</u>	<u>\$ 461,883</u>	<u>17,336</u>	<u>\$ 348,597</u>
Class R6						
Sale of shares	201	\$ 5,990	—	\$ —	—	\$ —
Shares repurchased	(6)	(160)	—	—	—	—
Net Increase / (Decrease)	<u>195</u>	<u>\$ 5,830</u>	<u>—</u>	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

⁽²⁾ Amount is less than 500 shares.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 2018

KAR Small-Cap Value Fund

	Six Months Ended March 31, 2018 (Unaudited)		Fiscal Period Ended September 30, 2017 ⁽¹⁾		Year Ended March 31, 2017	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
Class A						
Sale of shares	318	\$ 5,993	318	\$ 5,561	1,626	\$ 26,711
Reinvestment of distributions	68	1,277	168	2,887	396	6,244
Shares repurchased	(481)	(9,020)	(794)	(13,985)	(1,515)	(24,855)
Net Increase / (Decrease)	<u>(95)</u>	<u>\$ (1,750)</u>	<u>(308)</u>	<u>\$ (5,537)</u>	<u>507</u>	<u>\$ 8,100</u>
Class C						
Sale of shares	99	\$ 1,818	107	\$ 1,853	417	\$ 6,683
Reinvestment of distributions	25	464	61	1,032	123	1,918
Shares repurchased	(148)	(2,704)	(215)	(3,708)	(373)	(5,888)
Net Increase / (Decrease)	<u>(24)</u>	<u>\$ (422)</u>	<u>(47)</u>	<u>\$ (823)</u>	<u>167</u>	<u>\$ 2,713</u>
Class I						
Sale of shares	5,223	\$ 98,153	4,212	\$ 73,980	8,261	\$ 134,255
Reinvestment of distributions	284	5,358	560	9,602	1,006	15,898
Shares repurchased	(2,815)	(53,209)	(2,237)	(39,283)	(4,704)	(76,451)
Net Increase / (Decrease)	<u>2,692</u>	<u>\$ 50,302</u>	<u>2,535</u>	<u>\$ 44,299</u>	<u>4,563</u>	<u>\$ 73,702</u>
Class R6						
Sale of Shares	453	\$ 8,381	559	\$ 9,803	7	\$ 100
Reinvestment of distributions	13	236	9	155	— ⁽²⁾	3
Shares repurchased	(102)	(1,925)	(23)	(405)	—	—
Net Increase / (Decrease)	<u>364</u>	<u>\$ 6,692</u>	<u>545</u>	<u>\$ 9,553</u>	<u>7</u>	<u>\$ 103</u>

**KAR Small-Mid Cap
Core Fund**

	From inception March 7, 2018 to March 31, 2018 (Unaudited)	
	SHARES	AMOUNT
Class A		
Sale of shares	10	\$ 100
Net Increase / (Decrease)	<u>10</u>	<u>\$ 100</u>
Class C		
Sale of shares	10	\$ 100
Net Increase / (Decrease)	<u>10</u>	<u>\$ 100</u>
Class I		
Sale of shares	11	\$ 105
Net Increase / (Decrease)	<u>11</u>	<u>\$ 105</u>
Class R6		
Sale of shares	270	\$ 2,700
Net Increase / (Decrease)	<u>270</u>	<u>\$ 2,700</u>

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

⁽²⁾ Amount is less than 500 shares.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Continued)
MARCH 31, 2018

Rampart Enhanced Core Equity Fund

	Six Months Ended March 31, 2018 (Unaudited)		Fiscal Period Ended September 30, 2017 ⁽¹⁾		Year Ended March 31, 2017	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
Class A						
Sale of shares	133	\$ 2,701	296	\$ 6,015	750	\$ 14,419
Reinvestment of distributions	362	7,382	477	9,158	191	3,644
Shares repurchased	(539)	(10,608)	(424)	(8,550)	(920)	(17,539)
Net Increase / (Decrease)	(44)	\$ (525)	349	\$ 6,623	21	\$ 524
Class C						
Sale of shares	87	\$ 1,558	43	\$ 773	402	\$ 6,824
Reinvestment of distributions	119	2,172	169	2,918	51	887
Shares repurchased	(181)	(3,301)	(438)	(8,125)	(630)	(10,821)
Net Increase / (Decrease)	25	\$ 429	(226)	\$ (4,434)	(177)	\$ (3,110)
Class I						
Sale of shares	172	\$ 3,517	664	\$ 13,051	671	\$ 12,576
Reinvestment of distributions	104	2,108	90	1,722	38	713
Shares repurchased	(742)	(15,082)	(186)	(3,743)	(331)	(6,290)
Net Increase / (Decrease)	(466)	\$ (9,457)	568	\$ 11,030	378	\$ 6,999
Class R6						
Sale of shares	365	\$ 7,574	—	\$ —	—	\$ —
Shares repurchased	(14)	(250)	—	—	—	—
Net Increase / (Decrease)	351	\$ 7,324	—	\$ —	—	\$ —

Tactical Allocation Fund

	Six Months Ended March 31, 2018 (Unaudited)		Fiscal Period Ended September 30, 2017 ⁽¹⁾		Year Ended March 31, 2017	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
Class A						
Sale of shares	453	\$ 4,267	55	\$ 472	131	\$ 1,089
Conversion from Class B shares ⁽²⁾	—	—	—	—	12	97
Reinvestment of distributions	194	1,790	161	1,411	1,531	12,254
Shares repurchased	(758)	(7,059)	(873)	(7,615)	(2,669)	(22,601)
Net Increase / (Decrease)	(111)	\$ (1,002)	(657)	\$ (5,732)	(995)	\$ (9,161)
Class B						
Sale of shares	—	\$ —	—	\$ —	— ⁽³⁾	\$ — ⁽⁴⁾
Reinvestment of distributions	—	—	—	—	1	11
Shares repurchased	—	—	—	—	(13)	(122)
Conversion to Class A shares ⁽²⁾	—	—	—	—	(12)	(97)
Net Increase / (Decrease)	—	\$ —	—	\$ —	(24)	\$ (208)
Class C						
Sale of shares	14	\$ 128	14	\$ 127	63	\$ 536
Reinvestment of distributions	4	35	3	26	45	367
Shares repurchased	(52)	(487)	(90)	(802)	(228)	(1,972)
Net Increase / (Decrease)	(34)	\$ (324)	(73)	\$ (649)	(120)	\$ (1,069)

⁽¹⁾ The Fund changed its fiscal year end to September 30 during the period.

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

⁽³⁾ Amount is less than 500 shares.

⁽⁴⁾ Amount is less than \$500.

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

Note 7. 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 Funds enter into contracts that provide a variety of indemnifications to other parties. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds and that have not occurred. However, the Funds have not had prior claims or losses pursuant to these arrangements and expect the risk of loss to be remote.

Note 8. Credit Risk and Asset Concentration

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

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

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

At March 31, 2018, the following Funds held securities issued by various companies in specific sectors as detailed below:

Fund	Sector	Percentage of Total Investments
KAR Capital Growth Fund	Information Technology	39%
KAR Capital Growth Fund	Consumer Discretionary	25
KAR Mid-Cap Growth Fund	Information Technology	37
KAR Small-Cap Core Fund	Industrials	30
KAR Small-Cap Core Fund	Information Technology	26
KAR Small-Cap Growth Fund	Information Technology	31
KAR Small-Mid Cap Core Fund	Industrials	33
Rampart Enhanced Core Equity Fund	Information Technology	25

Note 9. 10% Shareholders

At March 31, 2018, certain Funds had individual shareholder account(s), and/or omnibus shareholder account(s) (comprised of a group of individual shareholders), which individually amounted to more than 10% of the total shares outstanding of each such Fund as detailed below:

	% of Shares Outstanding	Number of Accounts
KAR Mid-Cap Core Fund	37%	2
KAR Small-Cap Core Fund	15	1
KAR Small-Cap Growth Fund	26	2
KAR Small-Cap Value Fund	45	2
KAR Small-Mid Cap Core Fund	90	1*

* Account is affiliated.

Note 10. Federal Income Tax Information

(\$ reported in thousands)

At March 31, 2018, federal tax cost and aggregate gross unrealized appreciation (depreciation) of securities held by the Funds were as follows:

Fund	Federal Tax Cost	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation (Depreciation)
KAR Capital Growth Fund	\$ 284,610	\$238,826	\$ (2,130)	\$236,696
KAR Global Quality Dividend Fund	36,073	2,891	(1,957)	934
KAR Mid-Cap Core Fund	118,085	30,544	(609)	29,935
KAR Mid-Cap Growth Fund	62,632	51,767	(1,277)	50,490
KAR Small-Cap Core Fund	862,128	301,281	(10,520)	290,761
KAR Small-Cap Growth Fund	1,970,091	566,795	(15,159)	551,636
KAR Small-Cap Value Fund	359,145	130,542	(10,231)	120,311
KAR Small-Mid Cap Core Fund	2,917	21	(73)	(52)
Rampart Enhanced Core Equity Fund – Investments (including Purchased Options)	151,883	20,678	(5,007)	15,671
Rampart Enhanced Core Equity Fund – Written Options	(314)	182	(5)	177
Tactical Allocation Fund	130,293	24,898	(2,782)	22,116

Certain Funds have capital loss carryovers available to offset future realized capital gains, through the indicated expiration dates shown below:

	No Expiration		Total	
	Short-Term	Long-Term	Short-Term	Long-Term
KAR Mid-Cap Core Fund	\$ 970	\$150	\$ 970	\$150
KAR Small-Cap Growth Fund	2,841	—	2,841	—

VIRTUS EQUITY TRUST
NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
MARCH 31, 2018

The Trust may not realize the benefit of these losses to the extent each Fund does not realize gains on investments prior to the expiration of the capital loss carryovers.

Under the Regulated Investment Company Modernization Act of 2010 (the "Act"), net capital losses recognized for tax years beginning after December 22, 2010, may be carried forward indefinitely, and their character is retained as short-term and/or long-term losses. Previously, net capital losses were carried forward for eight years and treated as short-term losses. As a transition rule, the Act requires that post-enactment net capital losses be used before pre-enactment net capital losses. Capital loss carryover may be subject to limits on use of losses.

Note 11. Borrowings
(\$ reported in thousands)

On September 18, 2017, the Funds and certain other affiliated funds entered into an \$150,000 unsecured line of credit. This Credit Agreement, as amended, 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 or one-fifth 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 or the Federal Funds rate plus an additional percentage rate on the amount borrowed. Commitment fees are charged on the undrawn balance. The Funds 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.

From February 14, 2018 to February 19, 2018, the KAR Global Quality Dividend Fund made borrowings. The average daily borrowings under the agreement and the daily average interest rate was \$2,967 and 2.84% respectively. No other Funds had borrowings during the period and no Fund had borrowings at March 31, 2018.

Note 12. 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.

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

At March 31, 2018, the Funds did not hold any securities that were restricted.

Note 13. Regulatory Matters and Litigation

From time to time, the Trust, the Funds' Adviser and/or subadvisers 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 Funds' Adviser believes that the outcomes of such matters are not likely, either individually or in the aggregate, to be material to these financial statements.

Note 14. Recent Accounting Pronouncement

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

Note 15. Subsequent Events

Management has evaluated the impact of all subsequent events on the Funds through the date the financial statements were available for issuance and has determined that there are no subsequent events requiring recognition or disclosure in these financial statements.

CONSIDERATION OF ADVISORY AND SUBADVISORY AGREEMENTS BY THE BOARD OF TRUSTEES

The Board of Trustees (the "Board") of Virtus Equity Trust (the "Trust") is responsible for determining whether to approve the continuation of the investment advisory agreement (the "Advisory Agreement") between the Trust and Virtus Investment Advisers, Inc. ("VIA") and of each subadvisory agreement (each, a "Subadvisory Agreement" and collectively, the "Subadvisory Agreements") (together with the Advisory Agreement, the "Agreements") with respect to the funds of the Trust, including Virtus Contrarian Value Fund, Virtus KAR Capital Growth Fund (formerly known as Virtus Strategic Growth Fund), Virtus KAR Global Quality Dividend Fund, Virtus KAR Mid-Cap Core Fund, Virtus KAR Mid-Cap Growth Fund, Virtus KAR Small-Cap Core Fund, Virtus KAR Small-Cap Growth Fund (formerly known as Virtus Small-Cap Sustainable Growth Fund), Virtus KAR Small-Cap Value Fund (formerly known as Virtus Quality Small-Cap Fund), Virtus Rampart Enhanced Core Equity Fund and Virtus Tactical Allocation Fund (individually and collectively, the "Funds") of the Trust. At in-person meetings held on November 3, 2017 and November 15-16, 2017 (the "Meetings"), the Board, including a majority of the Trustees who are not interested persons of the Trust as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (such Act, the "1940 Act" and such Trustees, the "Independent Trustees"), considered and approved the continuation of each Agreement due for renewal, as further discussed below. In addition, prior to the Meetings, the Independent Trustees met with their independent legal counsel to discuss and consider the information provided by management and submitted questions to management, and they considered the responses provided.

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

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

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

Nature, Extent and Quality of Services

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

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

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

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

Investment Performance

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

The Board considered, among other performance data, the information set forth below with respect to the performance of each Fund for the period ended June 30, 2017.

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

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

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

Virtus KAR Mid-Cap Core Fund. The Board noted that the Fund outperformed the median of its Performance Universe for the 3- and 5-year periods and outperformed its benchmark for the 3-year period. The Board also noted that the Fund underperformed the median of its Performance Universe for the 1-year period and underperformed its benchmark for the 1- and 5-year periods.

Virtus KAR Mid-Cap Growth Fund. The Board noted that the Fund outperformed the median of its Performance Universe and outperformed its benchmark for the 1- and 3-year periods. The Board also noted that the Fund underperformed the median of its Performance Universe and underperformed its benchmark for the 5- and 10-year periods.

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

Virtus KAR Small-Cap Growth Fund. The Board noted that the Fund outperformed the median of its Performance Universe and outperformed its benchmark for the 1-, 3-, 5- and 10-year periods.

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

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

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

With respect to certain Funds, including Virtus KAR Mid-Cap Growth Fund, Virtus KAR Global Quality Dividend Fund, Virtus KAR Capital Growth Fund, Virtus Rampart Enhanced Core Equity Fund and Virtus Tactical Allocation Fund, the Board also considered management's discussion about the reasons for each Fund's underperformance relative to its peer group or benchmark. With respect to Virtus Global Quality Dividend Fund, the Board considered that the Fund's investment strategy had recently changed, so that the performance shown included that of a prior strategy. With respect to Virtus Tactical Allocation Fund, the Board also considered that the Fund had recently replaced one of the subadvisers, so that the longer-term performance shown included that of a prior subadviser. With respect to Virtus Contrarian Value Fund, the Board considered that there was a proposal out to shareholders that the Fund merge with and into Virtus Ceredex Mid-Cap Value Equity Fund, and as a result management anticipated that the proposed renewal would only be necessary for a short period prior to the expected merger. After reviewing these and related factors, the Board concluded that each Fund's overall performance, or reasons for or plans discussed to address underperformance, was satisfactory.

Management Fees and Total Expenses

The Board considered the fees charged to the Funds for advisory services as well as the total expense levels of the Funds. This information included comparisons of each Fund's net management fee and total expense level to those of its peer group (the "Expense Group"). In comparing each Fund's net management fee to that of comparable funds, the Board noted that in the materials presented such fee included both advisory and administrative fees. The Board also noted that certain of the Funds had fee waivers and/or expense caps in place to limit the total expenses incurred by those Funds and their shareholders. The Board also noted that the subadvisory fees were paid by VIA out of its management fees rather than paid separately by the Funds. In this regard, the Board took into account management's discussion with respect to the advisory/subadvisory fee structure, including the amount of the advisory fee retained by VIA after payment of the subadvisory fee. The Board also took into account the size of each of the Funds and the impact on expenses. The Subadvisers provided, and the Board considered, fee information of comparable accounts managed by the Subadvisers, as applicable.

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

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

Virtus Contrarian Value Fund. The Board considered that the Fund's net management fee and net total expenses after waivers were above the median of the Expense Group.

Virtus KAR Capital Growth Fund. The Board considered that the Fund's net management fee and net total expenses were above the median of the Expense Group.

Virtus KAR Global Quality Dividend Fund. The Board considered that the Fund's net management fee and net total expenses after waivers were above the median of the Expense Group.

Virtus KAR Mid-Cap Core Fund. The Board considered that the Fund's net management fee and net total expenses after waivers were below the median of the Expense Group.

Virtus KAR Mid-Cap Growth Fund. The Board considered that the Fund's net management fee and net total expenses after waivers were above the median of the Expense Group.

Virtus KAR Small-Cap Core Fund. The Board considered that the Fund's net management fee and net total expenses were below the median of the Expense Group.

Virtus KAR Small-Cap Growth Fund. The Board considered that the Fund's net management fee and net total expenses after waivers were above the median of the Expense Group.

Virtus KAR Small-Cap Value Fund. The Board considered that the Fund's net management fee and net total expenses were equal to the median of the Expense Group.

Virtus Rampart Enhanced Core Equity Fund. The Board considered that the Fund's net management fee after waivers was below the median of the Expense Group and net total expenses after waivers were above the median of the Expense Group.

Virtus Tactical Allocation Fund. The Board considered that the Fund's net management fee and net total expenses after waivers were above the median of the Expense Group.

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

Profitability

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

In considering the profitability to the Subadvisers in connection with their relationship to the Funds, the Board noted that the fees under the Subadvisory Agreements are paid by VIA out of the fees that VIA receives under the Advisory Agreement, so that Fund shareholders are not directly impacted by those fees. In considering the reasonableness of the fees payable by VIA to the affiliated Subadvisers, the Board noted that, because such Subadvisers are affiliates of VIA, such profitability might be directly or indirectly shared by VIA. In addition, with respect to Sasco Capital, Inc., the unaffiliated Subadviser, the Board relied on the ability of VIA to negotiate the Subadvisory Agreement and the fees thereunder at arm's length. For each of the above reasons, the Board concluded that the profitability to the Subadvisers and their affiliates from their relationship with the Funds was not a material factor in approval of the Subadvisory Agreements.

Economies of Scale

The Board received and discussed information concerning whether VIA realizes economies of scale as the Funds' assets grow. The Board noted that the management fees for several of the Funds included breakpoints based on assets under management, and that fee waivers and/or expense caps were also in place for certain Funds. The Board also took into account management's discussion of the Funds' management fee and subadvisory fee structure, including with respect to the Funds that do not currently have breakpoints. The Board also took into account the current size of the Fund(s). The Board concluded that no changes to the advisory fee structure of the Funds were necessary at this time. The Board noted that VIA and the Funds may realize certain economies of scale if the assets of the Funds were to increase, particularly in relationship to certain fixed costs, and that shareholders of the Funds would have an opportunity to benefit from these economies of scale.

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

Other Factors. The Board considered other benefits that may be realized by VIA and each Subadviser and their respective affiliates from their relationships with the applicable Fund. Among them, the Board recognized that VP Distributors, LLC, an affiliate of VIA, serves as the distributor for the Trust, and, as such, receives payments pursuant to Rule 12b-1 from the Funds to compensate it for providing selling activities, which could lead to growth in the Trust's assets and corresponding benefits from such growth, including economies of scale. The Board noted that an affiliate of VIA also provides administrative and transfer agency services to the Trust. The Board noted management's discussion of the fact that, while certain of the Subadvisers are affiliates of VIA, there are no other direct benefits to the Subadvisers or VIA in providing investment advisory services to the Fund(s), other than the fee to be earned under the applicable Agreement(s). There may be certain indirect benefits gained, including to the extent that serving the Fund(s) could provide the opportunity to provide advisory services to additional portfolios of the Trust or certain reputational benefits.

Conclusion

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

CONSIDERATION OF ADVISORY AND SUBADVISORY AGREEMENTS FOR VIRTUS KAR SMALL-MID CAP CORE FUND (THE “FUND”) BY THE BOARD OF TRUSTEES

The Board of Trustees (the “Board”) of Virtus Equity Trust (the “Trust”) is responsible for determining whether to approve the establishment and continuation of the investment advisory agreement (the “Advisory Agreement”) between the Fund and Virtus Investment Advisers, Inc. (“VIA”) and the subadvisory agreement (the “Subadvisory Agreement”) and together with the Advisory Agreement, the “Agreements”) among the Fund, VIA and Kayne Anderson Rudnick Investment Management, LLC (“KAR” or the “Subadviser”). At an in-person meeting held on March 1, 2018, (the “Meeting”), the Board, including a majority of the Trustees who are not interested persons of the Trust as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the “Independent Trustees”), considered and approved the establishment of the Agreements, as further discussed below.

In connection with the approval of the Agreements, the Board requested and evaluated information provided by VIA and the Subadviser which, in the Board’s view, constituted information necessary for the Board to form a judgment as to whether the approval of each of the Agreements would be in the best interests of the Fund and its shareholders. The Board noted the affiliation of the Subadviser with VIA and any potential conflicts of interest.

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

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

Nature, Extent and Quality of Services

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

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

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

Investment Performance

Because the Fund had not commenced operations, the Board could not evaluate prior investment performance for the Fund. The Board reviewed and was satisfied with the comparative performance of representative accounts that was based upon the Fund’s proposed investment strategies.

Management Fees and Total Expenses

The Board considered the fees proposed for the Fund for advisory services as well as the expected total expense levels of the Fund. Among other data provided, the Board noted that the proposed management fee and total expenses for the Fund were within the range of other funds deemed to be comparable to the Fund by management. The Board noted that the Fund was expected to have an expense cap in place to limit the total expenses incurred

**CONSIDERATION OF ADVISORY AND SUBADVISORY AGREEMENTS FOR
VIRTUS KAR SMALL-MID CAP CORE FUND (THE “FUND”)
BY THE BOARD OF TRUSTEES (Continued)**

by the Fund and its shareholders. The Board also noted that the subadvisory fee for the Fund would be paid by VIA out of its advisory fee rather than paid separately by the Fund. In this regard, the Board took into account management’s discussion with respect to the advisory/subadvisory fee structure, including the amount of the advisory fee retained by VIA after payment of the subadvisory fee. The Board also took into account the expected size of the Fund and the impact on expenses. The Subadviser provided, and the Board considered, fee information of comparable accounts managed by the Subadviser, as applicable.

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

Projected Profitability

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

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

Economies of Scale

The Board received and discussed information concerning whether VIA should be expected to realize economies of scale as the Fund’s assets grow. The Board noted that expense caps were expected to be implemented for the Fund. The Board noted that the management fee for the Fund included a breakpoint based on assets under management. The Board also took into account management’s discussion of the Fund’s management fee and subadvisory fee structure. The Board also took into account the projected size of the Fund. The Board noted that VIA and the Fund may realize certain economies of scale if the assets of the Fund were to be materially higher than anticipated, particularly in relationship to certain fixed costs, and that shareholders of the Fund would have an opportunity to benefit from these economies of scale.

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

Other Factors. The Board considered other benefits that may be realized by VIA and the Subadviser and their respective affiliates from their relationships with the Fund. Among them, the Board recognized that VP Distributors, LLC, an affiliate of VIA, serves as the distributor for the Trust, and, as such, was expected to receive payments pursuant to Rule 12b-1 from the Fund to compensate it for performing selling activities, which could lead to growth in the Fund’s assets and corresponding benefits from such growth, including economies of scale. The Board also noted that an affiliate of VIA also provides administrative and transfer agency services to the Trust. The Board noted management’s discussion of the fact that, while the Subadviser is an affiliate of VIA, there are no other expected direct benefits to the Subadviser or VIA in providing investment advisory services to the Fund, other than the fee to be earned under the applicable Agreement. There may be certain indirect benefits gained, including to the extent that serving the Fund could provide the opportunity to provide advisory services to additional portfolios of the Trust or certain reputational benefits.

Conclusion

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

Virtus KAR Capital Growth Fund and Virtus KAR Mid-Cap Growth Fund, each a series of Virtus Equity Trust

Supplement dated March 19, 2018 to the Summary Prospectuses
and the Virtus Equity Trust Statutory Prospectus,
dated March 6, 2018, each as supplemented

IMPORTANT NOTICE TO INVESTORS

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

Virtus KAR Capital Growth Fund

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

Annual Fund Operating Expenses (<i>expenses that you pay each year as a percentage of the value of your investment</i>)	Class R6
Management Fees	0.70%
Distribution and Shareholder Servicing (12b-1) Fees	None
Other Expenses	0.31% ^(c)
Total Annual Fund Operating Expenses	1.01%
Less: Fee Waiver and/or Expense Reimbursement ^(d)	(0.23%)
Total Annual Fund Operating Expenses After Expense Reimbursement ^(d)	0.78%

^(c) Estimated for current fiscal year, as annualized.

^(d) The fund's investment adviser has contractually agreed to limit the fund's total operating expenses (excluding certain expenses, such as front-end or contingent deferred sales charges, taxes, leverage expenses, interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, unusual or infrequently occurring expenses (such as litigation), acquired fund fees and expenses, and dividend expenses, if any) so that such expenses do not exceed 1.47% for Class A Shares, 2.22% for Class C Shares, 1.22% for Class I Shares, 0.78% for Class R6 Shares and 1.47% for Class T Shares through March 31, 2019. Following the contractual period, the adviser may discontinue these expense reimbursement arrangements at any time. Under certain conditions, the adviser may recapture operating expenses reimbursed under these arrangements for a period of three years after the date on which it was incurred or waived by Virtus.

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

	Share Status	1 Year	3 Years	5 Years	10 Years
Class R6	Sold or Held	\$80	\$299	\$535	\$1,215

Virtus KAR Mid-Cap Growth Fund

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

Annual Fund Operating Expenses (<i>expenses that you pay each year as a percentage of the value of your investment</i>)	Class R6
Management Fees	0.80%
Distribution and Shareholder Servicing (12b-1) Fees	None
Other Expenses	0.40% ^(c)
Total Annual Fund Operating Expenses	1.20%
Less: Fee Waiver and/or Expense Reimbursement ^(d)	(0.30%)
Total Annual Fund Operating Expenses After Expense Reimbursement ^(d)	0.90%

^(c) Estimated for current fiscal year, as annualized.

^(d) The fund's investment adviser has contractually agreed to limit the fund's total operating expenses (excluding certain expenses, such as front-end or contingent deferred sales charges, taxes, leverage expenses, interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, unusual or infrequently occurring expenses (such as litigation), acquired fund fees and expenses, and dividend expenses, if any) so that such expenses do not exceed 1.40% for Class A Shares, 2.15% for Class C Shares, 1.15% for Class I Shares, 0.90% for Class R6 Shares and 1.40% for Class T Shares through March 31, 2019. Following the contractual period, the adviser may discontinue these expense reimbursement arrangements at any time. Under certain conditions, the adviser may recapture operating expenses reimbursed under these arrangements for a period of three years after the date on which it was incurred or waived by Virtus.

Under “Fees and Expenses” in the fund’s summary prospectus and the summary section of the statutory prospectus, the row showing Class R6 Shares in the “Example” table will be replaced with the following:

	Share Status	1 Year	3 Years	5 Years	10 Years
Class R6	Sold or Held	\$92	\$351	\$631	\$1,428

All Funds

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

	Class A Shares	Class C Shares	Class I Shares	Class R6 Shares	Class T Shares
Virtus KAR Capital Growth Fund	1.47% ⁽¹⁾	2.22% ⁽¹⁾	1.22% ⁽¹⁾	0.78%	1.47% ⁽¹⁾
Virtus KAR Mid-Cap Growth Fund	1.40%	2.15%	1.15%	0.90%	1.40%

⁽¹⁾ Fund expenses currently below the capped level.

In the second table in the section “More Information About Fund Expenses” on page 133 of the statutory prospectus, the row corresponding to each of the funds will be replaced and a new footnote added as follows:

	Class A Shares	Class C Shares	Class I Shares	Class R6 Shares
Virtus KAR Capital Growth Fund	1.30%	2.08%	1.08%	1.01% ⁽¹⁾⁽²⁾
Virtus KAR Mid-Cap Growth Fund	1.40%	2.15%	1.15%	1.11% ⁽¹⁾⁽²⁾

⁽¹⁾ Estimated based on then-existing share classes.

⁽²⁾ Reflects estimated expenses under prior expense limitation arrangements.

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

VIRTUS EQUITY TRUST

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Trustees

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Roger A. Gelfenbien
Sidney E. Harris
John R. Mallin
Hassell H. McClellan
Connie D. McDaniel
Philip R. McLoughlin, Chairman
Geraldine M. McNamara
James M. Oates
Richard E. Segerson

Officers

George R. Aylward, President
Peter Batchelar, Senior Vice President
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
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Important Notice to Shareholders

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



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