

## INVESTMENT OVERVIEW

The Fund seeks capital growth and income by investing in mid-capitalization companies at the intersection of value, quality, and shareholder yield. NFJ seeks to invest in companies diversified across industries with superior competitive positions and consistent financials, employing a time-tested process that capitalizes on low market expectations and strong prospects.

## KEY FEATURES

**Innovative Approach to Value** — The investment team uses big data and data analytics to uncover differentiated insights into valuations quickly and efficiently

**Focus on Fundamentals** — A disciplined, fundamental research process helps identify companies with attractive quality characteristics, shareholder yield, and consistent financials

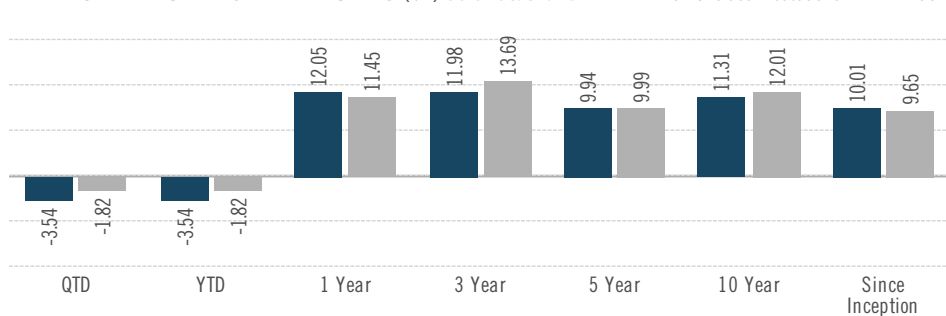
**Decades of Value Investing Experience** — NFJ's boutique structure and flat organization has fostered an entrepreneurial mindset and collaborative culture since 1989

## FUND INFORMATION

	Ticker	CUSIP
A Shares	PQNAX	92837N279
ADMIN Shares	PRAAX	92837N212
C Shares	PQNCX	92837N261
Institutional Shares	PRNIX	92837N220
P Shares	ANRPX	92837N238
R6 Shares	ANPRX	92837N246

Inception Date	12/30/97
AUM (\$ millions)	1,327.4
Number of Holdings	109
Dividends	Annually
Morningstar Category	Mid-Cap Value
Lipper Category	Multi-Cap Value Funds
Index	Russell Midcap® Value Index

## AVERAGE ANNUAL TOTAL RETURNS (%) as of 03/31/2022



Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit [virtus.com](http://virtus.com) for performance data current to the most recent month end. This share class has no sales charges and is not available to all investors. Other share classes have sales charges. See [virtus.com](http://virtus.com) for details.

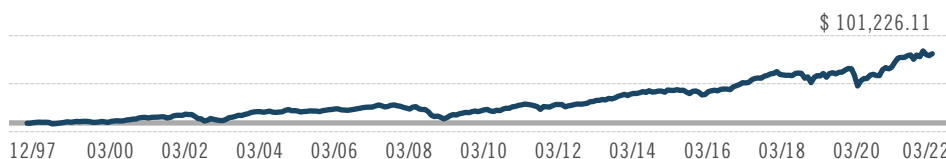
The fund class gross expense ratio is 0.82%. The net expense ratio is 0.65%, which reflects a contractual expense reimbursement in effect through 2/1/2023.

Average annual total return is the annual compound return for the indicated period and reflects the change in share price and the reinvestment of all dividends and capital gains. Returns for periods of one year or less are cumulative returns.

## ANNUAL PERFORMANCE (%)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	26.37	1.32	29.42	-15.99	27.05	17.24	-3.09	8.83	32.42	15.71
Index	28.34	4.96	27.06	-12.29	13.34	20.00	-4.78	14.75	33.46	18.51

## GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 12/30/1997. As of 3/31/2022 the fund value would have been \$101,226.11. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

## MORNINGSTAR RATINGS

Time Period	# of Stars	# of Funds
Overall	★★★★★	390
3 Year	★★★★	390
5 Year	★★★★★	354
10 Year	★★★★★	263

Morningstar ratings are based on risk-adjusted returns. Strong ratings are not indicative of positive fund performance.

## INVESTMENT ADVISER

Virtus Investment Advisers, Inc.

## INVESTMENT SUBADVISER



A Virtus  
Investment Partner

NFJ Investment Group (NFJ) is a global value equity manager with a rich heritage and deep roots in Dallas, Texas, dating to 1989. NFJ is unwavering in its commitment to investing at the intersection of value, quality, and shareholder yield, seeking to identify companies with low market expectations and the strongest prospects for returning capital to shareholders.

## PORTFOLIO MANAGERS

### Paul A. Magnuson

Industry start date: 1985

Start date as Fund Portfolio Manager: 2009

### John R. Mowrey, CFA

Industry start date: 2007

Start date as Fund Portfolio Manager: 2014

### Jeff N. Reed, CFA

Industry start date: 2004

Start date as Fund Portfolio Manager: 2011

### J. Garth Reilly

Industry start date: 2005

Start date as Fund Portfolio Manager: 2020

## CHARACTERISTICS

	Fund	Index
Avg. Weighted Market Cap (bn)	34.91	22.62
Median Market Cap (bn)	28.88	10.42
Trailing P/E Ex-Negative Earnings	15.73	17.06
Price-to-Cash Flow	18.70	15.65
Price-to-Book Value	4.19	3.13
3-Year EPS Growth Rate	16.23	10.69
5-Year EPS Growth Rate	17.43	11.04
Active Share	81.56	n/a
3-Year DPS Growth Rate	10.69	5.79

## RISK STATISTICS (3 YEAR)

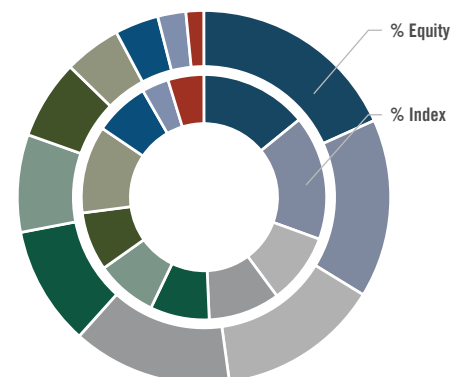
	Fund	Index
Alpha	-0.23	n/a
Beta	0.88	1.00
R <sup>2</sup>	0.93	1.00
Sharpe Ratio	0.57	0.60
Standard Deviation	19.83	21.63

## TOP TEN HOLDINGS

	% Fund
Veeva Systems Inc Class A	2.02
American Tower Corporation	1.72
Stanley Black & Decker, Inc.	1.49
LyondellBasell Industries NV	1.44
First Republic Bank	1.32
M.D.C. Holdings, Inc.	1.26
Cummins Inc.	1.24
AGNC Investment Corp.	1.10
Valero Energy Corporation	1.10
Dollar General Corporation	1.10

Holdings and sector weightings are subject to change.

## SECTOR ALLOCATIONS



	% Equity	% Index
Industrials	18.27	14.13
Financials	15.48	16.43
Consumer Discretionary	14.07	9.32
Information Technology	13.84	9.44
Health Care	10.32	7.80
Materials	8.46	8.10
Utilities	6.86	7.75
Real Estate	4.93	11.52
Energy	3.79	7.25
Communication Services	2.44	3.54
Consumer Staples	1.55	4.74

## IMPORTANT RISK CONSIDERATIONS

**Market Volatility:** The value of the securities in the portfolio may go up or down in response to the prospects of individual companies and/or general economic conditions. Price changes may be short- or long-term. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the fund and its investments, including hampering the ability of the fund's portfolio manager(s) to invest the portfolio's assets as intended. **Issuer Risk:** The portfolio will be affected by factors specific to the issuers of securities and other instruments in which the portfolio invests, including actual or perceived changes in the financial condition or business prospects of such issuers. **Equity Securities:** The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small or medium-sized companies may enhance that risk. **Prospectus:** For additional information on risks, please see the fund's prospectus.

## GLOSSARY

**Avg. Weighted Market Cap (bn):** The total dollar market value of all of a company's outstanding shares. **Trailing P/E Ex-Negative Earnings:** Per share stock price divided by the latest 12-months earnings per share. **Price-to-Cash Flow:** Per-share stock price divided by the per-share operating cash flow. **Price-to-Book Value:** A ratio used to compare a stock's market value to its book value. **3-Year EPS Growth Rate:** Average of earnings per share growth for latest 3-year period. **5-Year EPS Growth Rate:** Average of earnings per share growth for latest 5-year period. **Active Share:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **3-Year DPS Growth Rate:** Average of dividends per share growth for latest 3-year period. **Alpha:** A risk-adjusted measure of an investment's excess return relative to a benchmark. **Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. **R<sup>2</sup>:** A measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. **Sharpe Ratio:** A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. **Standard Deviation:** Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.

## INDEX DEFINITION

**Index:** The Russell Midcap® Value Index is a market capitalization-weighted index of medium-capitalization, value-oriented stocks of U.S. companies. The index is calculated on a total return basis with dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

**Morningstar Rating™** for funds, or 'star rating,' is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effect of sales charges and loads.

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