

INVESTMENT OVERVIEW

The Fund seeks long-term capital appreciation by investing in a diversified portfolio of futures contracts across major stock, bond, currency, interest rate, and commodity markets. The FORT strategy is systematic and seeks to profit from both positive and negative price trends.

KEY FEATURES

A Differentiated Source and Pattern of Returns — Managed futures have historically provided attractive returns with low correlation to traditional stock and bond portfolios.

Opportunity to Perform in Diverse Markets — Taking long and short positions in a broad range of global markets allows for the potential to profit from rising or falling markets, but may not when no major price trends develop.

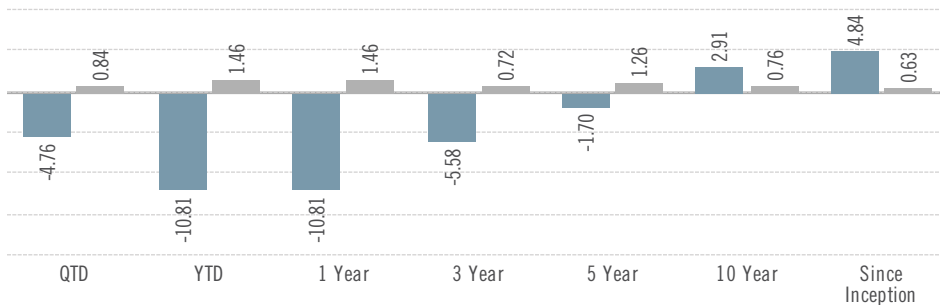
A Potential Hedge for Traditional Portfolios — The historical relative performance during periods of equity market duress is a key differentiator for managed futures.

FUND INFORMATION

	Ticker	CUSIP
A Shares	VAPAX	92828R255
C Shares	VAPCX	92828R248
I Shares	VAPIX	92828R230
R6 Shares	VRPAX	92828W536

Inception Date	07/01/10
Number of Holdings	8
AUM (\$ millions)	117.7
Dividends	Semi-Annually
Morningstar Category	Systematic Trend
Lipper Category	Multi-Cap Core Funds
Index	ICE BofA US Treasury Bill 3 Month Index

AVERAGE ANNUAL TOTAL RETURNS (%) as of 12/30/2022 ■ Fund Class I ■ Index



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 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 for details.

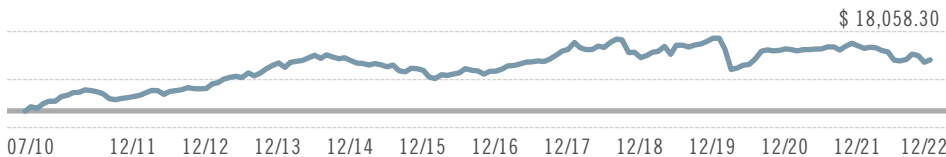
The fund class gross expense ratio is 1.38%. The net expense ratio is 1.35%, which reflects a contractual expense reimbursement in effect through 1/31/2023.

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 (%)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fund	-10.81	2.35	-7.79	16.58	-6.47	20.86	-0.73	-8.51	2.03	29.58
Index	1.46	0.05	0.67	2.28	1.87	0.86	0.33	0.05	0.03	0.07

GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 7/1/2010. As of 12/30/2022 the fund value would have been \$18,058.30. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

INVESTMENT ADVISER

Virtus Alternative Investment Advisers, Inc.

INVESTMENT SUBADVISER



FORT is a quantitative investment management firm that has produced a range of systematic strategies since its founding in 1993. FORT's programs strive to be uncorrelated to equity markets and are fully liquid, systematic, and adaptive.

PORTFOLIO MANAGERS

Sanjiv Kumar, Ph.D.

Industry start date: 1985

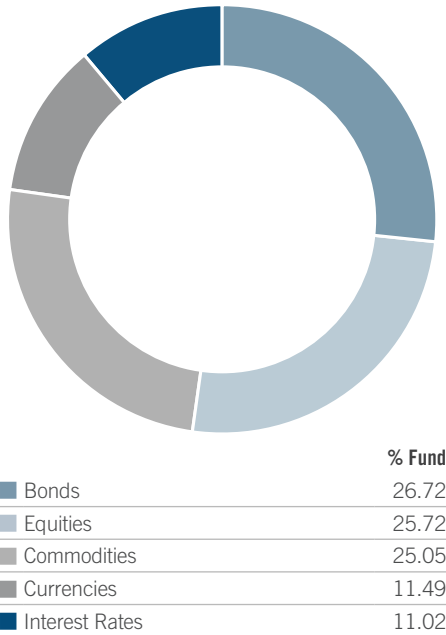
Start date as Fund Portfolio Manager: 2020

Sumit Kumar

Industry start date: 2004

Start date as Fund Portfolio Manager: 2023

RISK ALLOCATION BY SECTOR



RISK STATISTICS

(3 YEAR)	Fund	Index
Alpha	-5.26	n/a
Beta	-14.18	1.00
R ²	0.13	1.00
Sharpe Ratio	-0.46	0.04
Standard Deviation	13.54	0.34

IMPORTANT RISK CONSIDERATIONS

Quantitative Model: Investments selected using quantitative models may perform differently from the market as a whole or from their expected performance. There can be no assurance that use of a quantitative model will enable the portfolio to achieve positive returns or outperform the market. **Derivatives:** Derivatives may include, among other things, futures, options, forwards and swap agreements and may be used in order to hedge portfolio risks, create leverage, or attempt to increase returns. Investments in derivatives may result in increased volatility and the portfolio may incur a loss greater than its principal investment. **Commodity and Commodity-Linked Instruments:** Commodity and commodity-linked instruments may experience a return different than the commodity they attempt to track and may also be exposed to counterparty risk. **Interest Rate:** The values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced for securities with longer maturities. **Foreign & Emerging Markets:** Investing in foreign securities, especially in emerging markets, subjects the portfolio to additional risks such as increased volatility, currency fluctuations, less liquidity, and political, regulatory, economic, and market risk. **Leverage:** When a portfolio leverages its portfolio by certain types of transactions or instruments, including derivatives, the portfolio may liquidate positions at an unfavorable time, and its value more volatile. **Short Sales:** The portfolio may engage in short sales, and may incur a loss if the price of a borrowed security increases before the date on which the portfolio replaces the security. **Portfolio Turnover:** The portfolio's principal investment strategies may result in a consistently high portfolio turnover rate. A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when the portfolio is held in a taxable account. **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 (e.g.,

RISK ALLOCATION DETAIL

	% Fund
North America	30.90
Interest Rates	3.37
Bonds	10.81
Currencies	1.23
Equities	15.49
Europe	25.19
Interest Rates	4.62
Bonds	10.72
Currencies	4.07
Equities	5.78
Asia & Australia	11.51
Interest Rates	0.23
Bonds	1.72
Currencies	5.59
Equities	3.98
UK	9.08
Interest Rates	2.82
Bonds	3.46
Currencies	2.33
Equities	0.47
Commodities	25.05
Agriculture	3.50
Energy	18.82
Metals	2.73

TOP HOLDINGS BY SECTOR

	% Fund
Bonds	
Gilt (Short)	3.46
US 10y (Short)	3.17
Bund (Short)	2.96
Currencies	
US-JY (Long)	3.55
US-EU (Long)	3.17
US-BP (Short)	2.33
Equities	
S&P 500 (Short)	7.10
NASDAQ 100 (Short)	6.13
EURO STOXX 50 (Long)	2.89
Commodities	
Natural Gas (Short)	4.45
Brent (Short)	4.02
Gas Oil (Long)	3.51
Interest Rates	
Euribor (Short)	4.62
SOFR (Short)	3.22
SONIA (Short)	2.82

Source: FORT Investment Management. Risk allocations are calculated by dividing the estimated position volatility by the sum of all position volatilities. Portfolio allocation, sectors and holdings are subject to change.

LONG/SHORT POSITIONS

Total Long Positions	31
Total Short Positions	34

Russia's invasion of Ukraine), acts of terrorism, the spread of infectious illness (e.g., COVID-19 pandemic) or other public health issues, recessions, or other events could have a significant impact on the portfolio and its investments, including hampering the ability of the portfolio's manager(s) to invest the portfolio's assets as intended. **Prospectus:** For additional information on risks, please see the fund's prospectus.

GLOSSARY

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. **R²:** 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 ICE BofA US Treasury Bill 3 Month Index measures performance of the three-month Treasury bill, based on monthly average auction rates. 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 is not available for direct investment.

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