

Virtus Global Multi-Sector Income Fund
Form N-Q
October 27, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED

MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-22608

Virtus Global Multi-Sector Income Fund

(Exact name of registrant as specified in charter)

101 Munson Street

Greenfield, MA 01301-9683

(Address of principal executive offices) (Zip code)

William Renahan, Esq.

Vice President, Chief Legal Officer and Secretary for Registrant

100 Pearl Street

Hartford, CT 06103-4506

(Name and address of agent for service)

Registrant's telephone number, including area code: (866) 270-7788

Date of fiscal year end: November 30

Date of reporting period: August 31, 2017

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q

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unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments.

The Schedules of Investments are attached herewith.

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND**SCHEDULE OF INVESTMENTS (Unaudited)****AUGUST 31, 2017**

(\$ reported in thousands)

	PAR VALUE	VALUE
U.S. GOVERNMENT SECURITIES 1.2%		
U.S. Treasury Note		
1.625%, 2/15/26	\$ 675	\$ 652
2.250%, 8/15/27	1,800	1,820
TOTAL U.S. GOVERNMENT SECURITIES		
(Identified Cost \$2,456)		
		2,472
MUNICIPAL BONDS 0.8%		
California 0.4%		
State of California Build America Bond Taxable		
7.500%, 4/1/34	570	840
Illinois 0.4%		
State of Illinois Build America Bond Taxable		
6.900%, 3/1/35	700	776
TOTAL MUNICIPAL BONDS		
(Identified Cost \$1,489)		
		1,616
FOREIGN GOVERNMENT SECURITIES 24.1%		
Argentine Republic		
5.625%, 1/26/22	520	544
7.500%, 4/22/26	1,895	2,127
6.875%, 1/26/27	545	587
Series NY, 8.280%, 12/31/33	1,269	1,472
7.125%, 7/6/36	780	818

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7.625%, 4/22/46	590	648
Bermuda RegS 4.854%, 2/6/24 ⁽⁴⁾	700	766
Bolivarian Republic of Venezuela RegS 7.650%, 4/21/25 ⁽⁴⁾	1,380	490
Dominican Republic		
144A, 6.875%, 1/29/26 ⁽³⁾	155	178
144A, 6.850%, 1/27/45 ⁽³⁾	800	900
Federative Republic of Brazil		
12.500%, 1/5/22	2,185 ^{BRL}	788
Treasury Note Series F, 10.000%, 1/1/23	2,560 ^{BRL}	843
8.500%, 1/5/24	1,405 ^{BRL}	444
Treasury Note Series F, 10.000%, 1/1/25	1,960 ^{BRL}	642
10.250%, 1/10/28	2,960 ^{BRL}	1,023
5.625%, 1/7/41	725	726
Islamic Republic of Pakistan 144A 8.250%, 4/15/24 ⁽³⁾	600	676
Kingdom of Bahrain 144A 7.000%, 10/12/28 ⁽³⁾	795	819
	PAR VALUE	VALUE
Kingdom of Jordan 144A 5.750%, 1/31/27 ⁽³⁾	\$ 1,085	\$ 1,081
Kingdom of Morocco 144A 5.500%, 12/11/42 ⁽³⁾	800	908
Kingdom of Qatar 144A 4.625%, 6/2/46 ⁽³⁾	300	317
Mongolia RegS 5.125%, 12/5/22 ⁽⁴⁾	800	774
Provincia de Buenos Aires		
144A, 9.125%, 3/16/24 ⁽³⁾	730	843
144A, 7.875%, 6/15/27 ⁽³⁾	1,165	1,260
Republic of Armenia 144A 7.150%, 3/26/25 ⁽³⁾	700	780
Republic of Chile 5.500%, 8/5/20	547,000 ^{CLP}	930
Republic of Colombia		
Treasury Note, Series B, 11.250%, 10/24/18	998,500 ^{COP}	363
4.375%, 3/21/23	1,588,000 ^{COP}	505
3.875%, 4/25/27	805	820
9.850%, 6/28/27	824,000 ^{COP}	350
Republic of Costa Rica		
144A, 7.000%, 4/4/44 ⁽³⁾	800	841
RegS, 7.000%, 4/4/44 ⁽⁴⁾	1,000	1,051
Republic of Ecuador 144A 9.650%, 12/13/26 ⁽³⁾	960	1,012
Republic of El Salvador 144A 6.375%, 1/18/27 ⁽³⁾	1,320	1,270
Republic of Ghana 144A 10.750%, 10/14/30 ⁽³⁾	655	848
Republic of Indonesia		
Series FR63, 5.625%, 5/15/23	7,482,000 ^{IDR}	534
Series FR70, 8.375%, 3/15/24	7,827,000 ^{IDR}	637
Series FR56, 8.375%, 9/15/26	5,996,000 ^{IDR}	499
144A, 5.250%, 1/17/42 ⁽³⁾	850	942
Republic of Iraq RegS 5.800%, 1/15/28 ⁽⁴⁾	890	847
Republic of Kazakhstan 144A 5.125%, 7/21/25 ⁽³⁾	260	291
Republic of South Africa		
Series R203, 8.250%, 9/15/17	8,060 ^{ZAR}	620
Series R208, 6.750%, 3/31/21	1,940 ^{ZAR}	146
4.875%, 4/14/26	370	380
4.300%, 10/12/28	1,885	1,815
Republic of Turkey		
6.250%, 9/26/22	340	375

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7.375%, 2/5/25	1,215	1,435
4.875%, 10/9/26	2,185	2,220
6.000%, 3/25/27	650	712
4.875%, 4/16/43	935	862
Republic of Uruguay 5.100%, 6/18/50	500	527
Russian Federation		
144A, 7.850%, 3/10/18 ⁽³⁾	55,000 ^{RUB}	947
Series 6216, 6.700%, 5/15/19	48,000 ^{RUB}	816
Sultanate of Oman 144A 4.750%, 6/15/26 ⁽³⁾	1,280	1,277

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND

SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

AUGUST 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE
Ukraine		
144A, 7.750%, 9/1/22 ⁽³⁾	\$ 790	\$ 823
144A, 7.750%, 9/1/26 ⁽³⁾	730	748
United Mexican States		
Series M, 6.500%, 6/9/22	9,038 ^{MXN}	501
4.150%, 3/28/27	520	550
4.750%, 3/8/44	506	528
TOTAL FOREIGN GOVERNMENT SECURITIES		
(Identified Cost \$47,324)		47,476
MORTGAGE-BACKED SECURITIES 11.4%		
Agency 4.9%		
FHLMC 3.500%, 4/1/46	374	388
FNMA		
3.500%, 11/1/42 ⁽¹¹⁾	567	590
3.500%, 9/1/45 ⁽¹¹⁾	1,827	1,894
3.000%, 12/1/45 ⁽¹¹⁾	1,924	1,947
3.500%, 12/1/45 ⁽¹¹⁾	1,129	1,170
3.500%, 12/1/45	501	519
3.500%, 1/1/46 ⁽¹¹⁾	682	708
3.000%, 5/1/46 ⁽¹¹⁾	576	583
3.500%, 4/1/47	1,740	1,804
		9,603
Non-Agency 6.5%		
American Homes 4 Rent Trust 14-SFR2, C 144A 4.705%, 10/17/36 ⁽³⁾	770	840
Ameriquest Mortgage Securities, Inc. Pass- Through Certificates, 03-AR3, M4 (5.850% minus 1 month LIBOR) 4.290%, 6/25/33 ⁽²⁾	855	849
AMSR Trust 16-SFR1, D 144A, (1 month LIBOR + 2.400%) 3.628%, 11/17/33 ⁽²⁾⁽³⁾	665	674
	580	596

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Bank of America (Merrill Lynch) Commercial Mortgage Securities Trust 15-200P, A 144A 3.218%, 4/14/33 ⁽³⁾		
Bayview Opportunity Master Fund IV a Trust		
16-SPL1, B1 144A, 4.250%, 4/28/55 ⁽³⁾	540	558
17-SLP5, B1 144A, 4.000%, 6/28/57 ⁽²⁾⁽³⁾	130	137
Bayview Opportunity Master Fund IV b Trust 16-SPL2, B1 144A 4.250%, 6/28/53 ⁽²⁾⁽³⁾	385	398
CIT Home Equity Loan Trust 03-1, A5 5.480%, 7/20/34 ⁽²⁾	1,153	1,175
Credit Suisse Commercial Mortgage-Backed Trust 06-08, 3A1 6.000%, 10/25/21	215	206
	PAR VALUE	VALUE
Non-Agency (continued)		
GAHR Commercial Mortgage Trust 15-NRF, CFX 144A 3.495%, 12/15/34 ⁽²⁾⁽³⁾	\$ 525	\$ 536
GSAA Home Equity Trust 05-12, AF3W 4.999%, 9/25/35 ⁽²⁾	351	355
Home Equity Loan Trust 07-HSA3, AI4 6.110%, 6/25/37 ⁽²⁾	888	891
JPMorgan Chase Commercial Mortgage Securities Trust 07-LDP10, AM 5.464%, 1/15/49 ⁽²⁾	113	113
JPMorgan Chase Mortgage Trust 16-5, A1 144A 2.606%, 12/25/46 ⁽²⁾⁽³⁾	676	681
MASTR Alternative Loan Trust 04-6, 7A1 6.000%, 7/25/34	690	684
New Residential Mortgage Loan Trust 16-4A, B1A 144A 4.500%, 11/25/56 ⁽²⁾⁽³⁾	555	582
One Market Plaza Trust 17-1MKT, A 144A 3.614%, 2/10/32 ⁽³⁾	520	547
Towd Point Mortgage Trust		
15-6, M1 144A, 3.750%, 4/25/55 ⁽²⁾⁽³⁾	275	286
15-1, 1M1 144A, 3.250%, 11/25/60 ⁽²⁾⁽³⁾	1,665	1,664
VSD 17-PLT1, A 3.600%, 12/25/43	270	270
Wells Fargo Commercial Mortgage Trust 15-LC20, B 3.719%, 4/15/50	690	705
		12,747
TOTAL MORTGAGE-BACKED SECURITIES		
(Identified Cost \$22,122)		22,350
ASSET-BACKED SECURITIES 5.2%		
Carnow Auto Receivables Trust 16-1A, D 144A 7.340%, 11/15/21 ⁽³⁾	640	643
CKE Restaurant Holdings, Inc. 13-1A, A2 144A 4.474%, 3/20/43 ⁽³⁾	751	757
Drive Auto Receivables Trust 17-2, C 2.750%, 9/15/23	790	792
	691	694

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Drug Royalty III LP 1 16-1A, A 144A 3.979%, 4/15/27 ⁽³⁾		
Exeter Automobile Receivables Trust 14-3A, D 144A 5.690%, 4/15/21 ⁽³⁾	790	819
First Investors Auto Owner Trust 15-2A, E 144A 5.590%, 11/15/22 ⁽³⁾	800	809
Flagship Credit Auto Trust 16-3, D 144A 3.890%, 11/15/22 ⁽³⁾	785	796

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND**SCHEDULE OF INVESTMENTS (Unaudited) (Continued)****AUGUST 31, 2017**

(\$ reported in thousands)

	PAR VALUE	VALUE
GLS Auto Receivables Trust 17-1A, C 144A 3.500%, 7/15/22 ⁽³⁾	\$ 790	\$ 792
HOA Funding LLC 14-1A, A2 144A 4.846%, 8/20/44 ⁽³⁾	747	716
Prosper Marketplace Issuance Trust 17-21A, B 144A 3.480%, 9/15/23 ⁽³⁾	1,060	1,066
Santander Drive Auto Receivables Trust 17-2, D 3.490%, 7/17/23	790	806
TGIF Funding LLC 17-1A, A2 144A 6.202%, 4/30/47 ⁽³⁾	652	660
Wendy's Funding LLC 15-1A, A2II 144A 4.080%, 6/15/45 ⁽³⁾	771	796
TOTAL ASSET-BACKED		
SECURITIES		
(Identified Cost \$10,061)		10,146
CORPORATE BONDS AND NOTES 72.7%		
Consumer Discretionary 6.7%		
Altice Luxembourg S.A. 144A 7.625%, 2/15/25 ⁽³⁾	590	638
Beazer Homes USA, Inc. 6.750%, 3/15/25	240	253
Caesars Entertainment Operating Co., Inc. 9.000%, 2/15/20 ⁽¹²⁾	472	614
Caesars Entertainment Resort Properties LLC 8.000%, 10/1/20	500	513
Caesars Growth Properties Holdings LLC 9.375%, 5/1/22	905	974
CalAtlantic Group, Inc. 5.250%, 6/1/26	275	283
5.000%, 6/15/27	420	421
Charter Communications Operating LLC 4.908%, 7/23/25	655	702
Clear Channel Worldwide Holdings, Inc. Series B, 7.625%, 3/15/20	405	403
Eldorado Resorts, Inc. 6.000%, 4/1/25	105	112
Gateway Casinos & Entertainment Ltd. 144A 8.250%, 3/1/24 ⁽³⁾	555	579
Grupo Televisa SAB		

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4.625%, 1/30/26	525	568
7.250%, 5/14/43	8,000 ^{MXN}	354
iHeartCommunications, Inc. 9.000%, 12/15/19	315	250
Laureate Education, Inc. 144A 8.250%, 5/1/25 ⁽³⁾	155	169
Lear Corp. 3.800%, 9/15/27	785	787
M/I Homes, Inc. 144A 5.625%, 8/1/25 ⁽³⁾	545	553

PAR VALUE

VALUE

Consumer Discretionary (continued)

McGraw-Hill Global Education Holdings LLC 144A 7.875%, 5/15/24 ⁽³⁾	\$ 525	\$ 503
MDC Holdings, Inc. 5.500%, 1/15/24	680	734
PetSmart, Inc. 144A 8.875%, 6/1/25 ⁽³⁾	350	291
QVC, Inc. 5.125%, 7/2/22	690	740
SFR Group S.A. 144A 7.375%, 5/1/26 ⁽³⁾	490	529
TI Group Automotive Systems LLC 144A 8.750%, 7/15/23 ⁽³⁾	415	437
Toll Brothers Finance Corp. 4.875%, 11/15/25	80	83
TRI Pointe Group, Inc. 5.875%, 6/15/24	640	680
Vista Outdoor, Inc. 5.875%, 10/1/23	655	671
Ziggo Bond Finance BV 144A 6.000%, 1/15/27 ⁽³⁾	300	308

13,149

Consumer Staples 1.5%

BAT Capital Corp. 144A 3.557%, 8/15/27 ⁽³⁾	535	543
Cumberland Farms, Inc. 144A 6.750%, 5/1/25 ⁽³⁾	310	333
MARB BondCo PLC 144A 7.000%, 3/15/24 ⁽³⁾	400	395
Rite Aid Corp. 144A 6.125%, 4/1/23 ⁽³⁾	585	577
Safeway, Inc. 7.250%, 2/1/31	655	591
Tops Holding LLC 144A 8.000%, 6/15/22 ⁽³⁾	575	421

2,860

Energy 19.7%

Afren PLC 144A, 10.250%, 4/8/19 ⁽³⁾⁽¹⁰⁾⁽¹⁴⁾⁽²⁰⁾	635	(16)
144A, 6.625%, 12/9/20 ⁽³⁾⁽¹⁰⁾⁽¹⁴⁾⁽²⁰⁾	732	(16)
Alliance Resource Operating Partners LP 144A 7.500%, 5/1/25 ⁽³⁾	641	670
Alta Mesa Holdings LP 144A 7.875%, 12/15/24 ⁽³⁾	380	408
American Midstream Partners LP 144A 8.500%, 12/15/21 ⁽³⁾	315	313
Anadarko Petroleum Corp. 6.600%, 3/15/46	390	472
Blue Racer Midstream LLC 144A 6.125%, 11/15/22 ⁽³⁾	295	303
Callon Petroleum Co. 6.125%, 10/1/24	595	604
Carrizo Oil & Gas, Inc. 6.250%, 4/15/23	565	548
Cheniere Corpus Christi Holdings LLC 7.000%, 6/30/24	605	688
Chesapeake Energy Corp. 144A 8.000%, 6/15/27 ⁽³⁾	670	637
Continental Resources, Inc. 4.500%, 4/15/23	260	256
Denbury Resources, Inc. 5.500%, 5/1/22	300	137

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND

SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

AUGUST 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE
Energy (continued)		
Ecopetrol S.A. 5.875%, 9/18/23	\$ 535	\$ 596
5.375%, 6/26/26	1,610	1,713
Encana Corp. 3.900%, 11/15/21	275	283
8.125%, 9/15/30	280	362
EP Energy LLC 9.375%, 5/1/20	255	188
144A, 8.000%, 11/29/24 ⁽³⁾	440	430
Fermaca Enterprises S de RL de CV 144A 6.375%, 3/30/38 ⁽³⁾⁽¹¹⁾	1,319	1,428
FTS International, Inc. 6.250%, 5/1/22	620	536
Gazprom OAO 144A 4.950%, 2/6/28 ⁽³⁾⁽⁷⁾	1,300	1,320
Helmerich & Payne International Drilling Co. 4.650%, 3/15/25	405	434
Kinder Morgan, Inc. 7.750%, 1/15/32	980	1,261
Lukoil International Finance BV 144A, 6.125%, 11/9/20 ⁽³⁾⁽⁷⁾	1,100	1,199
144A, 4.563%, 4/24/23 ⁽³⁾	400	415
Matador Resources Co. 6.875%, 4/15/23	795	827
MEG Energy Corp. 144A 6.500%, 1/15/25 ⁽³⁾	370	344
Midcontinent Express Pipeline LLC 144A 6.700%, 9/15/19 ⁽³⁾⁽¹¹⁾	1,000	1,071
MPLX LP 4.875%, 12/1/24	725	781
Nabors Industries, Inc. 5.500%, 1/15/23	395	370
Noble Holding International Ltd. 7.750%, 1/15/24	355	274
NuStar Logistics LP 5.625%, 4/28/27	340	360
Oasis Petroleum, Inc. 6.875%, 1/15/23	635	608
Odebrecht Offshore Drilling Finance Ltd. 144A 6.750%, 10/1/22 ⁽³⁾⁽¹⁴⁾	1,265	471
Parker Drilling Co. 6.750%, 7/15/22	350	266
Peabody Energy Corp. 144A, 6.000%, 3/31/22 ⁽³⁾	75	77
144A, 6.375%, 3/31/25 ⁽³⁾	240	245
Pertamina Persero PT		

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144A, 6.000%, 5/3/42 ⁽³⁾⁽¹¹⁾	1,200	1,336
144A, 5.625%, 5/20/43 ⁽³⁾	410	439
Petrobras Global Finance BV		
8.375%, 5/23/21	355	403
8.750%, 5/23/26	1,210	1,450
7.375%, 1/17/27	260	288
6.750%, 1/27/41	1,800	1,778
	PAR VALUE	VALUE
Energy (continued)		
Petroleos de Venezuela S.A.		
144A, 8.500%, 10/27/20 ⁽³⁾	\$ 377	\$ 280
144A, 6.000%, 5/16/24 ⁽³⁾	1,445	434
Petroleos Mexicanos		
4.250%, 1/15/25	700	702
6.875%, 8/4/26	700	805
6.500%, 6/2/41	1,360	1,426
6.375%, 1/23/45	800	825
144A, 6.750%, 9/21/47 ⁽²⁾⁽³⁾	650	696
PTTEP Treasury Center Co., Ltd. 144A 4.875% ⁽³⁾⁽⁵⁾	383	390
RSP Permian, Inc. 144A 5.250%, 1/15/25 ⁽³⁾	750	752
SESI LLC 144A 7.750%, 9/15/24 ⁽³⁾	520	525
Southern Gas Corridor CJSC 144A 6.875%, 3/24/26 ⁽³⁾	655	732
State Oil Co. of the Azerbaijan Republic 6.950%, 3/18/30	780	853
Transocean, Inc.		
144A, 9.000%, 7/15/23 ⁽³⁾	355	378
6.800%, 3/15/38	215	164
Transportadora de Gas del Peru SA 144A 4.250%, 4/30/28 ⁽³⁾	1,350	1,404
Ultra Resources, Inc.		
144A, 6.875%, 4/15/22 ⁽³⁾	30	30
144A, 7.125%, 4/15/25 ⁽³⁾	151	147
Weatherford International Ltd. 144A 9.875%, 2/15/24 ⁽³⁾	215	220
YPF S.A.		
144A, 8.500%, 3/23/21 ⁽³⁾	510	579
144A, 6.950%, 7/21/27 ⁽³⁾	835	892
		38,823

Financials 18.1%

Africa Finance Corp. 144A 4.375%, 4/29/20 ⁽³⁾	800	828
Akbank TAS 144A 7.500%, 2/5/18 ⁽³⁾	1,900 ^{TRY}	540
Allstate Corp. (The) 5.750%, 8/15/53 ⁽⁶⁾	1,710	1,877
Apollo Management Holdings LP 144A 4.000%, 5/30/24 ⁽³⁾	785	810
Ares Finance Co., LLC 144A 4.000%, 10/8/24 ⁽³⁾	830	806

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND

SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

AUGUST 31, 2017

(\$ reported in thousands)

	PAR VALUE	VALUE
Financials (continued)		
Australia & New Zealand Banking Group Ltd. 144A 4.400%, 5/19/26 ⁽³⁾	\$ 755	\$ 790
Banco Bilbao Vizcaya Argentaria Bancomer S.A. 144A 6.500%, 3/10/21 ⁽³⁾⁽¹¹⁾	1,750	1,932
Banco de Bogota S.A. 144A 6.250%, 5/12/26 ⁽³⁾	760	823
Banco de Credito del Peru 144A 6.125%, 4/24/27 ⁽³⁾⁽¹¹⁾	1,225	1,355
Banco de Credito e Inversiones 144A 4.000%, 2/11/23 ⁽³⁾	1,160	1,217
Banco Internacional del Peru SAA Interbank 144A 6.625%, 3/19/29 ⁽³⁾	1,260	1,416
Banco Nacional de Comercio Exterior SNC 144A 4.375%, 10/14/25 ⁽³⁾	510	530
Banco Santander Chile 144A 3.875%, 9/20/22 ⁽³⁾⁽¹¹⁾	900	945
Bancolombia S.A. 5.125%, 9/11/22	1,220	1,284
Bank of China Hong Kong Ltd. 144A 5.550%, 2/11/20 ⁽³⁾	780	834
Bonos del Banco Central de Chile En Pesos 4.500%, 6/1/20	160,000 ^{CLP}	267
Brighthouse Financial, Inc. 144A 3.700%, 6/22/27 ⁽³⁾	660	652
Compass Bank 3.875%, 4/10/25	945	949
Development Bank of Kazakhstan JSC 144A 4.125%, 12/10/22 ⁽³⁾	845	858
Drawbridge Special Opportunities Fund LP 144A 5.000%, 8/1/21 ⁽³⁾⁽¹¹⁾	925	943
Eurasian Development Bank 144A 4.767%, 9/20/22 ⁽³⁾	1,600	1,665
FS Investment Corp. 4.750%, 5/15/22	225	235
Genworth Holdings, Inc. 4.900%, 8/15/23	530	450
GrupoSura Finance S.A. 144A 5.500%, 4/29/26 ⁽³⁾	755	825
Guanay Finance Ltd. 144A 6.000%, 12/15/20 ⁽³⁾	1,390	1,431
ING Groep N.V. 6.000% ⁽⁵⁾⁽⁶⁾	815	836
Jefferies Group LLC 4.850%, 1/15/27	180	192
Kazakhstan Temir Zholy Finance BV 144A 6.950%, 7/10/42 ⁽³⁾	800	892

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Macquarie Group Ltd. 144A 6.250%, 1/14/21 ⁽³⁾	325	364
Navient Corp. 6.750%, 6/25/25	555	572
Nuveen Finance LLC 144A 4.125%, 11/1/24 ⁽³⁾	985	1,048
OM Asset Management PLC 4.800%, 7/27/26	675	697
	PAR VALUE	VALUE

Financials (continued)

Powszechna Kasa Oszczednosci Bank Polski S.A. 144A 4.630%, 9/26/22 ⁽³⁾⁽⁷⁾⁽¹¹⁾	\$ 1,090	\$ 1,171
Santander Holdings USA, Inc. 144A 4.400%, 7/13/27 ⁽³⁾	660	680
Sberbank of Russia 144A 5.500%, 2/26/24 ⁽³⁾⁽⁷⁾	650	665
TC Ziraat Bankasi AS 144A 5.125%, 5/3/22 ⁽³⁾	600	613
Teachers Insurance & Annuity Association of America 144A 4.375%, 9/15/54 ⁽³⁾	640	649
Turkiye Garanti Bankasi AS 144A 5.250%, 9/13/22 ⁽³⁾	1,095	1,134
Turkiye Vakiflar Bankasi TAO 144A 5.625%, 5/30/22 ⁽³⁾	855	875
Ukreximbank Via Biz Finance plc 144A 9.625%, 4/27/22 ⁽³⁾	870	920
		35,570

Health Care 2.7%

Becton Dickinson & Co. 3.363%, 6/6/24	137	139
3.700%, 6/6/27	815	825
Community Health Systems, Inc. 6.875%, 2/1/22	300	249
6.250%, 3/31/23	100	101
Concordia International Corp. 144A 9.000%, 4/1/22 ⁽³⁾	160	115
DJO Finco, Inc. 144A 8.125%, 6/15/21 ⁽³⁾	265	252
Eagle Holding Co. II, LLC PIK Interest Capitalization, 144A 7.625%, 5/15/22 ⁽³⁾⁽¹⁸⁾	370	382
MEDNAX, Inc. 144A 5.250%, 12/1/23 ⁽³⁾	310	321
SP Finco LLC 144A 6.750%, 7/1/25 ⁽³⁾	95	90
Surgery Center Holdings, Inc. 144A 8.875%, 4/15/21 ⁽³⁾	495	509
Team Health Holdings, Inc. 144A 6.375%, 2/1/25 ⁽³⁾	390	376
Tenet Healthcare Corp. 8.125%, 4/1/22	145	152
144A, 5.125%, 5/1/25 ⁽³⁾	210	211
144A, 7.000%, 8/1/25 ⁽³⁾	710	697
Valeant Pharmaceuticals International, Inc. 144A, 6.375%, 10/15/20 ⁽³⁾	695	688
144A, 6.500%, 3/15/22 ⁽³⁾	55	58

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND**SCHEDULE OF INVESTMENTS (Unaudited) (Continued)****AUGUST 31, 2017**

(\$ reported in thousands)

	PAR VALUE	VALUE
Health Care (continued)		
144A, 5.875%, 5/15/23 ⁽³⁾	\$ 80	\$ 68
144A, 7.000%, 3/15/24 ⁽³⁾	65	69
		5,302
Industrials 6.8%		
Alfa SAB de CV 144A 5.250%, 3/25/24 ⁽³⁾	1,810	1,968
America West Airlines Pass-Through-Trust 01-1, G 7.100%, 4/2/21	986	1,072
Ashtead Capital, Inc. 144A, 4.125%, 8/15/25 ⁽³⁾	395	405
144A, 4.375%, 8/15/27 ⁽³⁾	425	433
Bombardier, Inc. 144A 6.125%, 1/15/23 ⁽³⁾	420	431
DP World Ltd. 144A 6.850%, 7/2/37 ⁽³⁾	1,000	1,238
Hillman Group, Inc. (The) 144A 6.375%, 7/15/22 ⁽³⁾	330	316
JBS Investments GmbH 144A 7.250%, 4/3/24 ⁽³⁾	725	732
JSL Europe S.A. 144A 7.750%, 7/26/24 ⁽³⁾	815	853
Latam Finance Ltd. 144A 6.875%, 4/11/24 ⁽³⁾	785	832
New Enterprise Stone & Lime Co., Inc. 144A 10.125%, 4/1/22 ⁽³⁾	45	49
Pitney Bowes, Inc. 3.875%, 5/15/22	757	769
Prime Security Services Borrower LLC 144A 9.250%, 5/15/23 ⁽³⁾	265	293
SCF Capital Designated Activity Co. 144A 5.375%, 6/16/23 ⁽³⁾	430	447
Standard Industries, Inc. 144A 5.500%, 2/15/23 ⁽³⁾	190	200
Transnet SOC Ltd. 144A 4.000%, 7/26/22 ⁽³⁾	1,000	985
UAL Pass-Through-Trust 07-01, A 6.636%, 7/2/22	1,700	1,842
United Airlines Pass-Through Trust 14-1, B 4.750%, 4/11/22	448	466
		13,331
Information Technology 2.1%		
Arrow Electronics, Inc. 3.875%, 1/12/28	670	676

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Blackboard, Inc. 144A 9.750%, 10/15/21 ⁽³⁾	436	395
Dell International LLC		
144A, 5.450%, 6/15/23 ⁽³⁾	135	148
144A, 8.100%, 7/15/36 ⁽³⁾	255	321
Rackspace Hosting, Inc. 144A 8.625%, 11/15/24 ⁽³⁾	950	1,008
Radiate Holdco LLC 144A 6.625%, 2/15/25 ⁽³⁾	765	757
VMware, Inc.		
2.950%, 8/21/22	255	256
3.900%, 8/21/27	627	632
		4,193

	PAR VALUE	VALUE
Materials 8.1%		
AK Steel Corp.		
7.500%, 7/15/23	\$ 340	\$ 368
7.000%, 3/15/27	510	519
Aleris International, Inc. 144A 9.500%, 4/1/21 ⁽³⁾	420	446
Alpek SAB de C.V. 144A 5.375%, 8/8/23 ⁽³⁾	1,000	1,085
ArcelorMittal 6.125%, 6/1/25	865	993
BHP Billiton Finance USA Ltd. 144A 6.750%, 10/19/75 ⁽³⁾⁽⁶⁾	635	737
Equate Petrochemical BV 144A 4.250%, 11/3/26 ⁽³⁾	790	816
FMG Resources August 2006 Pty Ltd. 144A 9.750%, 3/1/22 ⁽³⁾	510	578
Gerdau Holdings, Inc. 144A 7.000%, 1/20/20 ⁽³⁾	585	629
Gerdau Trade, Inc. 144A 5.750%, 1/30/21 ⁽³⁾	500	529
Inversiones CMPC S.A. 144A 4.375%, 5/15/23 ⁽³⁾	1,000	1,041
Kraton Polymers LLC 144A 7.000%, 4/15/25 ⁽³⁾	895	962
NOVA Chemicals Corp.		
144A, 4.875%, 6/1/24 ⁽³⁾	295	295
144A, 5.000%, 5/1/25 ⁽³⁾	610	608
OCP SA 144A 5.625%, 4/25/24 ⁽³⁾	1,500	1,621
Rusal Capital DAC 144A 5.125%, 2/2/22 ⁽³⁾	910	923
Severstal OAO 144A 5.900%, 10/17/22 ⁽³⁾⁽⁷⁾	1,100	1,207
Standard Industries, Inc. 144A 6.000%, 10/15/25 ⁽³⁾	410	441
Trinseo Materials Operating SCA 144A 5.375%, 9/1/25 ⁽³⁾	76	78
Vale Overseas Ltd.		
5.875%, 6/10/21	585	649
6.250%, 8/10/26	400	453
Vedanta Resources plc 144A 6.125%, 8/9/24 ⁽³⁾	815	820
Venator Finance S.a.r.l. 144A 5.750%, 7/15/25 ⁽³⁾	130	133
		15,931

Real Estate 1.9%		
EPR Properties		
4.750%, 12/15/26	260	270
4.500%, 6/1/27	395	401
Hospitality Properties Trust 4.500%, 3/15/25	745	773

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MPT Operating Partnership LP 5.500%, 5/1/24	145	153
Physicians Realty LP 4.300%, 3/15/27	655	676
Select Income REIT 4.500%, 2/1/25	690	701
Uniti Group, Inc. 144A 7.125%, 12/15/24 ⁽³⁾	770	717
		3,691

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND**SCHEDULE OF INVESTMENTS (Unaudited) (Continued)****AUGUST 31, 2017**

(\$ reported in thousands)

	PAR VALUE	VALUE
Telecommunication Services 2.6%		
Altice Financing S.A. 144A 6.625%, 2/15/23 ⁽³⁾	\$ 460	\$ 486
America Movil SAB de C.V. Series 12, 6.450%, 12/5/22	8,000 ^{MXN}	424
AT&T, Inc. 3.900%, 8/14/27	830	839
Bharti Airtel International Netherlands BV 144A 5.125%, 3/11/23 ⁽³⁾⁽¹¹⁾	830	879
Digicel Group Ltd. 144A 8.250%, 9/30/20 ⁽³⁾	720	692
Frontier Communications Corp. 6.250%, 9/15/21	330	281
10.500%, 9/15/22	545	490
GTH Finance BV 144A 7.250%, 4/26/23 ⁽³⁾	600	679
Qwest Corp. 7.250%, 9/15/25	345	384
		5,154
Utilities 2.5%		
AmeriGas Partners LP 5.500%, 5/20/25	295	299
Dynegy, Inc. 7.375%, 11/1/22	580	600
Eskom Holdings SOC Ltd. 144A 7.125%, 2/11/25 ⁽³⁾	200	210
Ferrellgas Partners LP 8.625%, 6/15/20	125	113
6.750%, 6/15/23	645	611
Israel Electric Corp Ltd. 144A 6.875%, 6/21/23 ⁽³⁾	725	856
Lamar Funding Ltd. 144A 3.958%, 5/7/25 ⁽³⁾	715	675
State Grid Overseas Investment 2014 Ltd. 144A 4.125%, 5/7/24 ⁽³⁾	620	668
Talen Energy Supply LLC 144A 4.625%, 7/15/19 ⁽³⁾	93	91
TerraForm Power Operating LLC 144A 6.375%, 2/1/23 ⁽³⁾	750	776
		4,899
TOTAL CORPORATE BONDS AND NOTES (Identified Cost \$141,576)		142,903

LOAN AGREEMENTS⁽²⁾ 12.9%**Consumer Discretionary 2.7%**

Advantage Sales & Marketing, Inc.

Tranche B-2, First Lien, (3 month LIBOR + 3.250%)

4.561%, 7/23/21 275 264

Second Lien, (3 month LIBOR + 6.500%) 7.796%,

7/25/22 560 510

Bass Pro Group LLC, (3 month LIBOR + 5.000%)

6.296%, 12/15/23 395 374

PAR VALUE**VALUE****Consumer Discretionary (continued)**

Caesars Entertainment Operating Co., Inc.

Tranche B-4, 1.500%, 10/31/17⁽¹²⁾ \$ 539 \$ 696(3 month LIBOR + 0.000%) 0.000%, 4/4/24⁽⁸⁾ 155 155

Caesars Entertainment Resort Properties LLC Tranche B,

First Lien, (1 month LIBOR + 3.500%) 4.739%, 10/11/20 525 527

Caesars Growth Properties Holdings LLC 2017, First Lien,

(1 month LIBOR + 3.000%) 4.239%, 5/8/21 306 306

Gateway Casinos & Entertainment Ltd. Tranche B-1, (3

month LIBOR + 3.750%) 5.046%, 2/22/23 115 115

Harbor Freight Tools USA, Inc. 2016, (1 month LIBOR +

3.250%) 4.489%, 8/18/23 290 291

Hoya Midco LLC First Lien, (3 month LIBOR + 4.000%)

5.296%, 6/30/24 185 185

Laureate Education, Inc. 2024, (1 month LIBOR +

4.500%) 5.739%, 4/26/24 521 523

Playa Resorts Holding B.V., (3 month LIBOR + 3.000%)

4.320%, 4/29/24 95 95

Scientific Games International, Inc. Tranche B-4, (3 month

LIBOR + 3.250%) 4.512%, 8/14/24 530 534

Seminole Tribe of Florida, Tranche B, (3 month LIBOR +

2.000%) 3.456%, 7/8/24 415 416

UFC Holdings LLC First Lien, (1 month LIBOR +

3.250%) 4.490%, 8/18/23 345 346

5,337

Consumer Staples 0.9%

Albertson's LLC 2017-1, Tranche B-5, (3 month LIBOR +

3.000%) 4.293%, 12/21/22 513 498

Chobani LLC First Lien, (1 month LIBOR + 4.250%)

5.489%, 10/10/23 130 131

JBS USA Lux S.A., (3 month LIBOR + 2.500%) 3.781%,

10/30/22 175 172

Milk Specialties Co., (3 month LIBOR + 4.000%) 5.296%,

8/16/23 326 328

Parfums Holdings Co., Inc. First Lien, (3 month LIBOR +

4.750%) 6.046%, 6/30/24 260 261

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND**SCHEDULE OF INVESTMENTS (Unaudited) (Continued)****AUGUST 31, 2017**

(\$ reported in thousands)

	PAR VALUE	VALUE
Consumer Staples (continued)		
TKC Holdings, Inc. First Lien, (1 month LIBOR + 4.250%) 5.489%, 2/1/23	\$ 364	\$ 365
		1,755
Energy 0.9%		
California Resources Corp., (1 month LIBOR + 10.375%) 11.603%, 12/31/21	360	381
Chesapeake Energy Corp. Tranche A, (3 month LIBOR + 7.500%) 8.814%, 8/23/21	106	113
Contura Energy, Inc., (2 month LIBOR + 5.000%) 6.260%, 3/18/24	253	247
Jonah Energy LLC Second Lien, (1 month LIBOR + 6.500%) 7.739%, 5/12/21	456	447
Peabody Energy Corp. 2017, (1 month LIBOR + 4.500%) 5.739%, 3/31/22	273	275
Ultra Resources, Inc., (3 month LIBOR + 3.000%) 4.309%, 4/12/24	280	279
		1,742
Financials 1.3%		
Asurion LLC Tranche B-2, Second Lien, (1 month LIBOR + 6.000%) 0.000%, 8/4/25 ⁽⁸⁾	819	836
FinCo I LLC, (1 month LIBOR + 1.375%) 3.931%, 7/14/22	150	151
Focus Financial Partners LLC First Lien, (3 month LIBOR + 3.250%) 4.549%, 7/3/24	80	81
iStar, Inc., (1 month LIBOR + 3.750%) 4.981%, 7/1/20	970	976
Walter Investment Management Corp. Tranche B, (1 month LIBOR + 3.750%) 4.989%, 12/18/20	530	488
		2,532

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Health Care 1.5%

21st Century Oncology Holdings, Inc. Tranche B, (3 month LIBOR + 6.125%) 7.425%, 4/30/22 ⁽¹⁹⁾	161	151
Change Healthcare Holdings, Inc., (1 month LIBOR + 2.750%) 3.989%, 3/1/24	274	274
CHG Healthcare Services, Inc. First Lien, (3 month LIBOR + 3.250%) 4.534%, 6/7/23	374	377
Endo Luxembourg Finance Co. S.a.r.l., (1 month LIBOR + 4.250%) 5.500%, 4/29/24	280	282
	PAR VALUE	VALUE

Health Care (continued)

Envision Healthcare Corp., (3 month LIBOR + 3.000%) 4.300%, 12/1/23	\$ 88	\$ 88
HLF Financing S.a.r.l. Senior Lien, (1 month LIBOR + 5.500%) 6.739%, 2/15/23	182	182
lasis Healthcare LLC Tranche B-3, (3 month LIBOR + 4.000%) 5.296%, 2/17/21	25	25
MMM Holdings, Inc., (3 month LIBOR + 8.750%) 10.250%, 6/30/19	160	158
MPH Acquisition Holdings LLC, (3 month LIBOR + 3.000%) 4.296%, 6/7/23	170	171
MSO of Puerto Rico, Inc., (3 month LIBOR + 8.750%) 10.250%, 6/30/19	116	115
NVA Holdings, Inc. Second Lien, (3 month LIBOR + 7.000%) 8.296%, 8/14/22	67	68
Quorum Health Corp., (3 month LIBOR + 6.750%) 8.028%, 4/29/22	347	349
U.S. Renal Care, Inc. First Lien, (3 month LIBOR + 4.250%) 5.546%, 12/30/22	685	669
		2,909

Industrials 1.1%

84 Lumber Co., (1 month LIBOR + 5.750%) 6.984%, 10/25/23	374	377
Accudyne Industries LLC, (2 month LIBOR + 3.750%) 5.013%, 8/18/24	75	75
Hayward Industries Inc. First Lien, (3 month LIBOR + 3.500%) 4.731%, 8/5/24	80	80
Navistar, Inc. Tranche B, (1 month LIBOR + 4.000%) 5.240%, 8/7/20	411	413
PAE Holding Corp. First Lien, (1 month LIBOR + 5.500%) 6.739%, 10/20/22	237	238
Sedgwick Claims Management Services, Inc. Second Lien, (3 month LIBOR + 5.750%) 7.067%, 2/28/22	570	571
TransDigm, Inc. Tranche G, (3 month LIBOR + 3.000%) 4.264%, 8/22/24	275	275
Zodiac Pool Solutions LLC Tranche B-1, First Lien, (3 month LIBOR + 4.000%) 5.296%, 12/20/23	179	181

See Notes to Schedules of Investments

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VIRTUS GLOBAL MULTI-SECTOR INCOME FUND**SCHEDULE OF INVESTMENTS (Unaudited) (Continued)****AUGUST 31, 2017**

(\$ reported in thousands)

	PAR VALUE	VALUE
Information Technology 1.4%		
Applied Systems, Inc. Second Lien, (3 month LIBOR + 6.500%) 7.796%, 1/24/22	\$ 234	\$ 237
Blackboard, Inc. Tranche B-4, First Lien, (3 month LIBOR + 5.000%) 6.304%, 6/30/21	201	198
Everi Payments, Inc. Tranche B, (1 month LIBOR + 4.500%) 5.739%, 5/9/24	185	187
Kronos, Inc. Second Lien, (3 month LIBOR + 8.250%) 9.561%, 11/1/24	166	171
NAB Holdings LLC, (3 month LIBOR + 3.500%) 4.799%, 7/1/24	230	231
Presidio LLC Tranche B, (3 month LIBOR + 3.250%) 4.549%, 2/2/22	536	538
Rackspace Hosting, Inc. 2017 Refinancing, Tranche B, First Lien, (3 month LIBOR + 3.000%) 4.283%, 11/3/23	104	104
Sorenson Communications LLC First Lien, (3 month LIBOR + 5.750%) 8.000%, 4/30/20	65	65
Sungard Availability Services Capital, Inc. 2021, Tranche B, (1 month LIBOR + 7.000%) 8.239%, 9/29/21 ⁽²⁰⁾	510	484
Veritas US, Inc. Tranche B, (3 month LIBOR + 4.500%) 5.796%, 1/27/23	562	566
		2,781
Materials 1.1%		
Anchor Glass Container Corp. July 2017, First Lien, (1 month LIBOR + 2.750%) 4.022%, 12/7/23	160	161
Second Lien, (1 month LIBOR + 7.750%) 8.981%, 12/7/24	173	175
CPI Acquisition, Inc. First Lien, (3 month LIBOR + 4.500%) 5.962%, 8/17/22	845	549
KMG Chemicals, Inc., (1 month LIBOR + 4.250%) 5.489%, 6/15/24	112	114
MacDermid, Inc. Tranche B-5, (1 month LIBOR + 3.500%) 4.739%, 6/7/20	370	372
	130	131

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New Arclin U.S. Holdings Corp. First Lien, (3 month LIBOR + 4.250%) 5.670%, 2/14/24			
Omnova Solutions, Inc. Tranche B-2, (1 month LIBOR + 4.250%) 5.489%, 8/25/23 ⁽²⁰⁾			
		514	518
		PAR VALUE	VALUE
Materials (continued)			
PQ Corp. Tranche B-1, (3 month LIBOR + 3.250%) 4.562%, 11/4/22			
	\$	106	\$ 106
			2,126
Real Estate 0.1%			
Capital Automotive LP Tranche B, Second Lien , (1 month LIBOR + 6.000%) 7.240%, 3/24/25			
		268	271
Telecommunication Services 0.5%			
Digicel International Finance Ltd. Tranche-B, First Lien, (3 month LIBOR + 3.750%) 5.070%, 5/27/24			
		65	66
Securus Technologies Holdings, Inc. (3 month LIBOR + 4.500%) 0.000%, 6/20/24 ⁽⁸⁾			
		535	539
Second Lien, (1 month LIBOR + 8.250%) 0.000%, 6/20/25 ⁽⁸⁾			
		295	295
			900
Utilities 1.4%			
APLP Holdings LP, (1 month LIBOR + 4.250%) 5.489%, 4/13/23			
		533	539
Dynergy, Inc. Tranche C-1, (1 month LIBOR + 3.250%) 4.489%, 2/7/24			
		624	624
Energy Future Intermediate Holding Co. LLC, (1 month LIBOR + 3.000%) 4.234%, 6/30/18			
		475	477
Helix Gen Funding LLC, (3 month LIBOR + 3.750%) 4.960%, 6/3/24			
		19	19
NRG Energy, Inc., (3 month LIBOR + 2.250%) 3.546%, 6/30/23			
		443	442
Talen Energy Supply LLC, (1 month LIBOR + 4.000%) 5.239%, 4/15/24			
		329	323
Vistra Operations Company LLC Tranche C, (1 month LIBOR + 2.750%) 3.982%, 8/4/23			
		66	66
(1 month LIBOR + 2.750%) 3.985%, 8/4/23			
		285	285
			2,775
TOTAL LOAN AGREEMENTS			
(Identified Cost \$25,346)			25,338

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND**SCHEDULE OF INVESTMENTS (Unaudited) (Continued)****AUGUST 31, 2017**

(\$ reported in thousands)

	<u>SHARES</u>	<u>VALUE</u>
PREFERRED STOCKS 2.4%		
Financials 1.8%		
Citigroup, Inc. Series J, 7.125%	30,800	\$ 906
JPMorgan Chase & Co. Series Z, 5.300%	160 ⁽⁹⁾	165
KeyCorp Series D, 5.000%	650 ⁽⁹⁾	670
M&T Bank Corp. Series F, 5.125%	315 ⁽⁹⁾	331
Zions Bancorp 6.950%	47,150	1,414
		3,486
Industrials 0.6%		
General Electric Co. Series D, 5.000%	1,248 ⁽⁹⁾	1,318
TOTAL PREFERRED STOCKS		
(Identified Cost \$4,299)		4,804
COMMON STOCKS 0.1%		
Energy 0.1%		
Frontera Energy Corp. ⁽¹³⁾	3,851	107
Hercules Offshore, Inc. ⁽¹⁰⁾⁽¹³⁾⁽¹⁷⁾	10,017	(16)
Sabine Oil & Gas LLC ⁽¹⁰⁾⁽¹³⁾⁽²⁰⁾	457	19
		126
TOTAL COMMON STOCKS		
(Identified Cost \$774)		

WARRANTS 0.0%

Sabine Oil & Gas LLC ⁽¹⁰⁾⁽¹³⁾⁽²⁰⁾	258	1
Sabine Oil & Gas LLC ⁽¹⁰⁾⁽¹³⁾⁽²⁰⁾	1,450	10

TOTAL WARRANTS

(Identified Cost \$12) 11

VALUE

TOTAL PURCHASED OPTIONS 0.1%

(See open purchased options schedule)

(Premiums Paid \$342) 109

TOTAL LONG TERM INVESTMENTS 130.9%

(Identified Cost \$255,801) 257,351⁽¹⁵⁾

TOTAL INVESTMENTS, BEFORE WRITTEN OPTIONS 130.9%

(Identified Cost \$255,801) 257,351⁽¹⁾⁽¹⁵⁾

TOTAL WRITTEN OPTIONS (0.2)%

(382)⁽¹⁾

(See open written options schedule)

(Premiums Received \$706)

TOTAL INVESTMENTS NET OF WRITTEN OPTIONS 130.7%**(Identified Cost \$255,095) 256,969**

Other assets and liabilities, net (30.7%) (60,384)

NET ASSETS 100.0% \$ 196,585**Abbreviations:**

FHLMC Federal Home Loan Mortgage Corporation (Freddie Mac)

FNMA Federal National Mortgage Association (Fannie Mae)

PIK Payment-in-Kind Security

REIT Real Estate Investment Trust

Footnote Legend:

- (1) Federal Income Tax Information: For tax information at August 31, 2017, see Note 3 Federal Income Tax Information in the Notes to Schedules of Investments.
- (2) Variable rate security. Rate disclosed is as of August 31, 2017. For loan agreements, 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 August 31, 2017, these securities amounted to a value of \$121,185 or 61.6% 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) No contractual maturity date.
- (6) Interest payments may be deferred.
- (7) 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.
- (8) This loan will settle after August 31, 2017, at which time the interest rate, based on the London Interbank Offered Rate (LIBOR) and the agreed upon spread on trade date, will be reflected.
- (9) Value shown as par value.
- (10) Illiquid security.

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND

SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

AUGUST 31, 2017

(\$ reported in thousands)

- (11) All or a portion of the security is segregated as collateral for written options.
- (12) Security in default, a portion of the interest payments are being received during the bankruptcy proceedings.
- (13) Non-income producing.
- (14) Security in default, no interest payments are being received during the bankruptcy proceedings.
- (15) All or a portion of the portfolio is segregated as collateral for borrowings.
- (16) Amounts are less than \$500 (not reported in 000s).
- (17) Security valued at fair value as determined in good faith by or under the direction of the Trustees. This security is disclosed as a Level 3 security in the Fair Value Hierarchy table located after the Schedule of Investments.
- (18) 100% of the income received was in cash.
- (19) Security in default, interest payments are being received during the bankruptcy proceedings.
- (20) The value of this security was determined using significant unobservable inputs and is reported as a Level 3 security in the Fair Value Hierarchy table located at the end of the Schedule of Investments.

Foreign Currencies:

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

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND
SCHEDULE OF INVESTMENTS (Unaudited)
AUGUST 31, 2017

(\$ reported in thousands)

Open Purchased Options

Description	# of Contracts	Notional	Exercise Price	Expiration Date	Value
S& P 500 [®] Index	683	\$ 174,165	\$ 2,550	9/1/2017	\$ 3
S& P 500 [®] Index	527	134,385	2,550	9/6/2017	3
S& P 500 [®] Index	528	132,000	2,500	9/8/2017	5
S& P 500 [®] Index	529	134,895	2,550	9/13/2017	10
S& P 500 [®] Index	683	155,724	2,280	9/1/2017	3
S& P 500 [®] Index	527	122,528	2,325	9/6/2017	11
S& P 500 [®] Index	528	122,760	2,325	9/8/2017	21
S& P 500 [®] Index	529	123,257	2,330	9/13/2017	53
Total Purchased Options					\$ 109

Open Written Options

Description	# of Contracts	Notional	Exercise Price	Expiration Date	Value
S& P 500 [®] Index	512	\$ 128,000	\$ 2,500	9/1/2017	\$ (9)
S& P 500 [®] Index	527	131,750	2,500	9/6/2017	(34)
S& P 500 [®] Index	528	132,000	2,500	9/8/2017	(60)
S& P 500 [®] Index	529	132,250	2,500	9/13/2017	(135)
S& P 500 [®] Index	512	119,296	2,330	9/1/2017	(2)
S& P 500 [®] Index	527	125,163	2,375	9/6/2017	(21)
S& P 500 [®] Index	528	125,400	2,375	9/8/2017	(37)
S& P 500 [®] Index	529	125,902	2,380	9/13/2017	(84)
Total Written Options					\$ (382)

See Notes to Schedules of Investments

VIRTUS GLOBAL MULTI-SECTOR INCOME FUND

SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

AUGUST 31, 2017

(\$ reported in thousands)

Country Weightings

United States	50%
Mexico	6
Argentina	4
Brazil	4
Colombia	3
Turkey	3
Chile	2
Other	28
Total	100%

% of total investments net of written options as of August 31, 2017

See Notes to Schedules of Investments

The following table provides a summary of inputs used to value the Fund's investments as of August 31, 2017 (See Security Valuation Note 1A in the Notes to Schedule of Investments):

	Total Value at August 31, 2017	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Debt Securities:				
Asset-Backed Securities	\$ 10,146	\$	\$ 10,146	\$
Corporate Bonds and Notes	142,903			