

Spotlight Fund of the Month

Quick Facts

Virtus Duff & Phelps Water Fund (AWTIX)
Morningstar --- ☆☆☆☆☆
Category --- US Fund Natural Resources
Total Assets --- \$585.3 million



Why We Like This Fund

The Virtus Duff & Phelps Water Fund (AWTIX) seeks attractive total returns by investing in companies that specialize in water technologies to address the global water crisis. With less than 1% of the earth's water potable and global demand rising, the strategy aims to capitalize on the investment opportunities that the water theme represents. To fully benefit from the secular growth trend and rising demand for clean water, the fund targets pure-play companies committed to addressing water scarcity, increasing water quality, and enhancing water efficiency. The actively managed strategy is attuned to environmental, social, and governance (ESG) metrics and focused on market leaders improving water accessibility, efficiency, and quality. Seasoned portfolio managers David Grumhaus, Jr. and Nicholas Holmes, CFA, construct a resilient portfolio of high-quality water stocks backed by durable structural drivers to deliver stability in difficult and varied market environments while generating attractive long-term growth and returns. The fund has delivered notable performance over the trailing 10-year period, outpacing the category average and the S&P Global Natural Resources Index by 2.7% and 1.3% annualized, respectively. Risk-adjusted measures further make the case for this fund, as its 10-year Sharpe ratio also meaningfully exceeds both the category average and the index.

Where to Use

The Virtus Duff & Phelps Water Fund (AWTIX) is an excellent option for investors looking to diversify portfolios with exposure to global natural resource equities. High-quality companies working to solve the global water crisis present tremendous investment opportunities, and this strategy has distinguished itself from peers and even broader global natural resource managers, providing ideal diversifying exposure.

What are the Top-Rated Funds Lists?

The Top-Rated Mutual Funds and Exchange Traded Funds (ETF) Lists are resources that feature a list of equity, fixed income, and alternative mutual funds or ETFs that are selected by Osaic Research using proprietary screening criteria and selection methodology. The lists are designed to help you narrow the wide universe of funds available to a more manageable selection of higher-quality funds. Spectrums of asset class categories are covered. In most categories, you will find at least one risk-averse fund option and one option where the focus is geared more toward alpha generation, with the potential for higher volatility.

You can access the Top-Rated Funds Lists by visiting the Market Research page through Vision2020 or by reaching out to Research@Osaic.com.

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