

# MainStay MacKay High Yield Corporate Bond Fund

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## Message from the President and Semiannual Report

Unaudited | April 30, 2023

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INVESTMENTS

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# Message from the President

Despite high levels of volatility and sharp, short-term shifts in value, broadly based stock and bond indices generally gained ground during the six-month reporting period ended April 30, 2023. Markets reacted positively to several developments, such as easing inflationary pressures and softening monetary policy the most prominent among them.

Before the reporting period began, the annual inflation rate had declined from its peak of 9.1% in June 2022 to 7.7% in October. In an effort to drive inflation lower, the U.S. Federal Reserve (the "Fed") had lifted the benchmark federal funds rate from near zero at the beginning of March 2022 to 3.00%–3.25% in October 2022, raising it an additional 0.75% in early November. However, investors had already begun to anticipate milder rate increases in the future if inflation, as expected, continued to ease. Indeed, the Fed's next rate hike, in December, was 0.50%, followed in February and March 2023 with two additional increases of just 0.25% each. By April, inflation had fallen below 5%. Although further interest rate increases are expected in 2023, it appeared that the Fed might be nearing the end of the current rate-hike cycle. Economic growth, although slower, remained positive, supported by historically high levels of employment and robust consumer spending. International economies experienced similar trends, with more modest central bank interest-rate hikes also curbing inflation to a degree.

Equity market behavior during the reporting period reflected investors' optimism regarding the prospects for a so-called 'soft landing,' in which inflation comes under control and the Fed begins to lower rates while the economy avoids a damaging recession. The S&P 500<sup>®</sup> Index, a widely regarded benchmark of U.S. market performance, posted its first extended gains since November 2021. Previously beaten down growth-oriented sectors led the market's rebound, with information technology the Index's strongest sector by far. Energy lost ground as oil and gas prices fell. Financials also declined as interest-rate-related turmoil caused the failures of a number of high-profile regional banks and a wider loss of confidence in the banking industry. However, most other sectors recorded gains. International developed-markets

equities advanced even more strongly; this was prompted by surprisingly robust economic resilience in Europe, and further bolstered by China's reopening after the government rescinded its "zero-COVID-19" policy and eased regulatory restrictions on key industries. The declining value of the U.S. dollar relative to other currencies also enhanced international market equity performance. Emerging markets generally lagged their developed-markets counterparts, while outperforming U.S. markets.

Fixed-income markets rose broadly as well. Money that had flowed out of bonds when rates were rising more sharply began to return to the asset class as investors recognized the opportunities offered by relatively high yields, particularly with the prospect of declining interest rates on the horizon. Long-duration U.S. Treasury bonds outperformed most U.S. corporate bonds, while emerging-markets bonds produced stronger returns than their U.S. counterparts, and international developed-markets bonds performed better still.

While many market observers believe the Fed has neared the end of the current cycle of rate increases, the central bank's rhetoric remains sharply focused on its target inflation rate of 2%. Only time will tell if the market's favorable expectations prove well founded.

However the economic story unfolds in the months and years to come, we remain dedicated to providing you with the one-on-one philosophy and diversified, multi-boutique investment resources that set New York Life Investments apart. Thank you for trusting us to help you meet your investment needs.

Sincerely,



Kirk C. Lehneis  
President

The opinions expressed are as of the date of this report and are subject to change. There is no guarantee that any forecast made will come to pass. This material does not constitute investment advice and is not intended as an endorsement of any specific investment. Past performance is no guarantee of future results.

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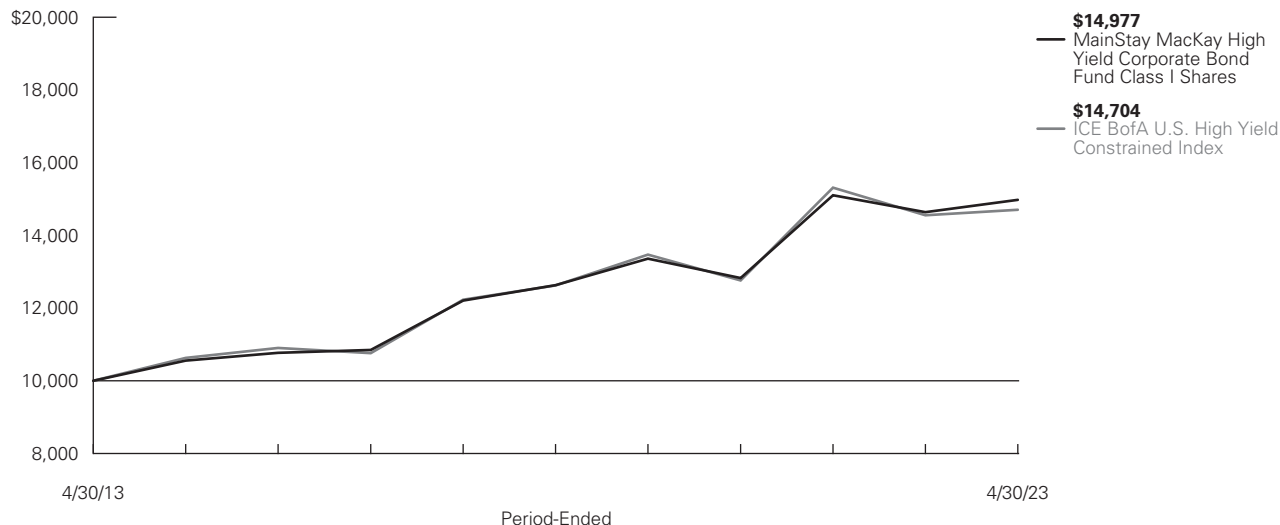
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**Investors should refer to the Fund's Summary Prospectus and/or Prospectus and consider the Fund's investment objectives, strategies, risks, charges and expenses carefully before investing. The Summary Prospectus and/or Prospectus contain this and other information about the Fund. You may obtain copies of the Fund's Summary Prospectus, Prospectus and Statement of Additional Information, which includes information about The MainStay Funds' Trustees, free of charge, upon request, by calling toll-free 800-624-6782, by writing to NYLIFE Distributors LLC, Attn: MainStay Marketing Department, 30 Hudson Street, Jersey City, NJ 07302 or by sending an e-mail to [MainStayShareholderServices@nylim.com](mailto:MainStayShareholderServices@nylim.com). These documents are also available via the MainStay Funds' website at [newyorklifeinvestments.com](http://newyorklifeinvestments.com). Please read the Fund's Summary Prospectus and/or Prospectus carefully before investing.**

# Investment and Performance Comparison (Unaudited)

Performance data quoted represents past performance. Past performance is no guarantee of future results. Because of market volatility and other factors, current performance may be lower or higher than the figures shown. Investment return and principal value will fluctuate, and as a result, when shares are redeemed, they may be worth more or less than their original cost. The graph below depicts the historical performance of Class I shares of the Fund. Performance will vary from class to class based on differences in class-specific expenses and sales charges. For performance information current to the most recent month-end, please call 800-624-6782 or visit [newyorklifeinvestments.com](http://newyorklifeinvestments.com).

The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on distributions or Fund share redemptions. Total returns reflect maximum applicable sales charges as indicated in the table below, if any, changes in share price, and reinvestment of dividend and capital gain distributions. The graph assumes the initial investment amount shown below and reflects the deduction of all sales charges that would have applied for the period of investment. Performance figures may reflect certain fee waivers and/or expense limitations, without which total returns may have been lower. For more information on share classes and current fee waivers and/or expense limitations (if any), please refer to the Notes to Financial Statements.



## Average Annual Total Returns for the Period-Ended April 30, 2023

Class	Sales Charge		Inception Date	Six Months <sup>1</sup>	One Year	Five Years	Ten Years or Since Inception	Gross Expense Ratio <sup>2</sup>
Class A Shares	Maximum 4.50% Initial Sales Charge	With sales charges	1/3/1995	1.24%	-2.54%	2.28%	3.39%	0.95%
		Excluding sales charges		6.01	2.05	3.23	3.87	0.95
Investor Class Shares <sup>3</sup>	Maximum 4.00% Initial Sales Charge	With sales charges	2/28/2008	1.64	-1.99	2.18	3.32	1.09
		Excluding sales charges		5.88	2.09	3.12	3.80	1.09
Class B Shares <sup>4</sup>	Maximum 5.00% CDSC if Redeemed Within the First Six Years of Purchase	With sales charges	5/1/1986	0.53	-3.60	2.02	3.03	1.84
		Excluding sales charges		5.53	1.26	2.34	3.03	1.84
Class C Shares	Maximum 1.00% CDSC if Redeemed Within One Year of Purchase	With sales charges	9/1/1998	4.53	0.29	2.34	3.01	1.84
		Excluding sales charges		5.53	1.26	2.34	3.01	1.84
Class I Shares	No Sales Charge		1/2/2004	6.14	2.31	3.47	4.12	0.70
Class R1 Shares	No Sales Charge		6/29/2012	6.11	2.21	3.36	4.02	0.80
Class R2 Shares	No Sales Charge		5/1/2008	5.96	1.94	3.13	3.75	1.05
Class R3 Shares	No Sales Charge		2/29/2016	5.61	1.66	2.83	5.01	1.30
Class R6 Shares	No Sales Charge		6/17/2013	6.23	2.47	3.62	4.45	0.57
SIMPLE Class Shares	No Sales Charge		8/31/2020	5.81	1.69	N/A	1.49	1.27

1. Not annualized.

2. The gross expense ratios presented reflect the Fund's "Total Annual Fund Operating Expenses" from the most recent Prospectus, as supplemented, and may differ from other expense ratios disclosed in this report.

3. Prior to June 30, 2020, the maximum initial sales charge was 4.50%, which is reflected in the applicable average annual total return figures shown.

4. Class B shares are closed to all new purchases as well as additional investments by existing Class B shareholders.

The footnotes on the next page are an integral part of the table and graph and should be carefully read in conjunction with them.

<b>Benchmark Performance*</b>	<b>Six Months<sup>1</sup></b>	<b>One Year</b>	<b>Five Years</b>	<b>Ten Years</b>
ICE BofA U.S. High Yield Constrained Index <sup>2</sup>	5.88%	1.03%	3.10%	3.93%
Morningstar High Yield Bond Category Average <sup>3</sup>	5.59	0.55	2.62	3.15

\* Returns for indices reflect no deductions for fees, expenses or taxes, except for foreign withholding taxes where applicable. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly in an index.

1. Not annualized.
2. The ICE BofA U.S. High Yield Constrained Index is the Fund's primary broad-based securities market index for comparison purposes. The ICE BofA U.S. High Yield Constrained Index is a market value-weighted index of all domestic and Yankee high-yield bonds, including deferred interest bonds and payment-in-kind securities. Issuers included in the Index have maturities of one year or more and have a credit rating lower than BBB-/Baa3, but are not in default. No single issuer may constitute greater than 2% of the Index.
3. The Morningstar High Yield Bond Category Average is representative of funds that concentrate on lower-quality bonds, which are riskier than those of higher-quality companies. These funds primarily invest in U.S. high-income debt securities where at least 65% or more of bond assets are not rated or are rated by a major agency such as Standard & Poor's or Moody's at the level of BB and below. Results are based on average total returns of similar funds with all dividends and capital gain distributions reinvested.

**The footnotes on the preceding page are an integral part of the table and graph and should be carefully read in conjunction with them.**

## Cost in Dollars of a \$1,000 Investment in MainStay MacKay High Yield Corporate Bond Fund (Unaudited)

The example below is intended to describe the fees and expenses borne by shareholders during the six-month period from November 1, 2022 to April 30, 2023, and the impact of those costs on your investment.

### Example

As a shareholder of the Fund you incur two types of costs: (1) transaction costs, including exchange fees and sales charges (loads) on purchases (as applicable), and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees and other Fund expenses (as applicable). This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 made at the beginning of the six-month period and held for the entire period from November 1, 2022 to April 30, 2023.

This example illustrates your Fund's ongoing costs in two ways:

### Actual Expenses

The second and third data columns in the table below provide information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid during the six months ended April 30, 2023. 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 under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

The fourth and fifth data columns in the table below provide information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balances or expenses you paid for the six-month period shown. You may use this information to compare the ongoing costs of investing in the Fund with the ongoing costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other mutual funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as exchange fees or sales charges (loads). Therefore, the fourth and fifth data columns of the table 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.

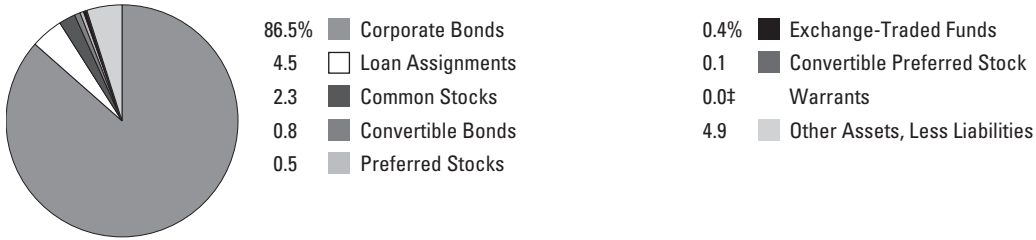
Share Class	Beginning Account Value 11/1/22	Ending Account Value (Based on Actual Returns and Expenses) 4/30/23	Expenses Paid During Period <sup>1</sup>	Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 4/30/23	Expenses Paid During Period <sup>1</sup>	Net Expense Ratio During Period <sup>2</sup>
Class A Shares	\$1,000.00	\$1,060.10	\$4.90	\$1,020.03	\$4.81	0.96%
Investor Class Shares	\$1,000.00	\$1,058.80	\$5.82	\$1,019.14	\$5.71	1.14%
Class B Shares	\$1,000.00	\$1,055.30	\$9.63	\$1,015.42	\$9.44	1.89%
Class C Shares	\$1,000.00	\$1,055.30	\$9.63	\$1,015.42	\$9.44	1.89%
Class I Shares	\$1,000.00	\$1,061.40	\$3.63	\$1,021.27	\$3.56	0.71%
Class R1 Shares	\$1,000.00	\$1,061.10	\$4.14	\$1,020.78	\$4.06	0.81%
Class R2 Shares	\$1,000.00	\$1,059.60	\$5.41	\$1,019.54	\$5.31	1.06%
Class R3 Shares	\$1,000.00	\$1,056.10	\$6.68	\$1,018.30	\$6.56	1.31%
Class R6 Shares	\$1,000.00	\$1,062.30	\$2.91	\$1,021.97	\$2.86	0.57%
SIMPLE Class Shares	\$1,000.00	\$1,058.10	\$6.43	\$1,018.55	\$6.31	1.26%

1. Expenses are equal to the Fund's annualized expense ratio of each class multiplied by the average account value over the period, divided by 365 and multiplied by 181 (to reflect the six-month period). The table above represents the actual expenses incurred during the six-month period. In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above-reported expense figures.

2. Expenses are equal to the Fund's annualized expense ratio to reflect the six-month period.

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**Portfolio Composition as of April 30, 2023 (Unaudited)**



‡ Less than one-tenth of percent.

See Portfolio of Investments beginning on page 11 for specific holdings within these categories. The Fund's holdings are subject to change.

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**Top Ten Holdings and/or Issuers Held as of April 30, 2023 (excluding short-term investments) (Unaudited)**

- |   |  |
|---|--|
| 1. CCO Holdings LLC, 4.25%-5.375%, due 5/1/27–1/15/34   | 6. IHO Verwaltungs GmbH, 4.75%-6.375%, due 9/15/26–5/15/29 |
| 2. Carnival Corp., 4.00%-10.50%, due 2/1/26–5/1/29      | 7. Sprint Capital Corp., 6.875%, due 11/15/28              |
| 3. TransDigm, Inc., 4.625%-7.50%, due 3/15/26–5/1/29    | 8. VICI Properties LP, 3.875%-5.75%, due 5/1/24–2/15/29    |
| 4. HCA, Inc., 5.25%-8.36%, due 4/15/24–11/6/33          | 9. Gulfport Energy Corp.                                   |
| 5. Yum! Brands, Inc., 3.625%-5.375%, due 1/15/30–4/1/32 | 10. MSCI, Inc., 3.25%-4.00%, due 11/15/29–8/15/33          |
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# Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by portfolio manager Andrew Susser of MacKay Shields LLC, the Fund's Subadvisor.

## How did MainStay MacKay High Yield Corporate Bond Fund perform relative to its benchmark and peer group during the six months ended April 30, 2023?

For the six months ended April 30, 2023, Class I shares of MainStay MacKay High Yield Corporate Bond Fund returned 6.14%, outperforming the 5.88% return of the Fund's benchmark, the ICE BofA U.S. High Yield Constrained Index (the "Index"). Over the same period, Class I shares also outperformed the 5.59% return of the Morningstar High Yield Bond Category Average.<sup>1</sup>

## What factors affected the Fund's relative performance during the reporting period?

The high-yield market finished 2022 on a strong note, up over 3.7% during the fourth quarter, although the market was still down significantly for the full year, due to interest rate policy from the U.S. Federal Reserve (the "Fed") and a significant move in spreads<sup>2</sup> in lower-quality credits.

The positive sentiment continued into 2023, with the market rising by over 4.7% during the first quarter. The first four months of 2023 were marked by several reversals, with robust markets stalled due to concerns over a bank crisis in early March, followed by a strong finish to end the reporting period. CCC-rated<sup>3</sup> credits rebounded in the first quarter of 2023, after underperforming in 2022.

During the reporting period, the Fund's outperformance relative to the Index was driven primarily by security selection coupled with underweights relative to the Index in the telecommunications and media sectors. Security selection and an overweight in the basic industry sector also contributed positively to performance. (Contributions take weightings and total returns into account.) Within the telecommunications sector, the Fund did not own bonds of Lumen Technology which performed poorly during the reporting period. To a lesser degree, not owning Altice was also beneficial. Within the media sector, an underweight to poor performing DISH Networks was beneficial. An underweight to Diamond Sports Group also contributed positively. In the basic

industry sector, paper products company Glatfelter Corp. was a top contributor.

## During the reporting period, were there any market events that materially impacted the Fund's performance or liquidity?

There were no market events that impacted the Fund's liquidity during the reporting period. Strong performance in high yield during the reporting period can be attributed to better-than-expected earnings, and the Fed nearing the end of their rate hiking cycle.

## What was the Fund's duration<sup>4</sup> strategy during the reporting period?

The Fund's duration is the result of our bottom-up fundamental analysis and is a residual of the investment process. However, the Fund maintained a lower duration than the Index throughout the reporting period. While this position detracted slightly from relative returns, the negative impact was offset by positive security selection. As of April 30, 2023, the Fund's modified duration to worst<sup>5</sup> was 3.50 years, while the modified duration to worst of the Index was 4.12 years.

## During the reporting period, which sectors were the strongest positive contributors to the Fund's relative performance and which sectors were particularly weak?

Security selection and overweight exposure to the basic industry and retail sectors, along with security selection in the telecommunication sector, made the largest contributions to the Fund's relative returns during the reporting period. Selection and underweight exposure to consumer goods, coupled with underweight exposure to services, detracted from returns.

## What were some of the Fund's largest purchases and sales during the reporting period?

During the reporting period, the Fund initiated positions in offshore oil & gas driller Transocean, telecommunications services provider

1. See "Investment and Performance Comparison" for other share class returns, which may be higher or lower than Class I share returns, and for more information on benchmark and peer group returns.
2. The terms "spread" and "yield spread" may refer to the difference in yield between a security or type of security and comparable U.S. Treasury issues. The terms may also refer to the difference in yield between two specific securities or types of securities at a given time.
3. An obligation rated 'CCC' by Standard & Poor's ("S&P") is deemed by S&P to be currently vulnerable to nonpayment and is dependent upon favorable business, financial and economic conditions for the obligor to meet its financial commitment on the obligation. It is the opinion of S&P that in the event of adverse business, financial or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation. When applied to Fund holdings, ratings are based solely on the creditworthiness of the bonds in the portfolio and are not meant to represent the security or safety of the Fund.
4. Duration is a measure of the price sensitivity of a fixed-income investment to changes in interest rates. Duration is expressed as a number of years and is considered a more accurate sensitivity gauge than average maturity.
5. Modified duration is inversely related to the approximate percentage change in price for a given change in yield. Duration to worst is the duration of a bond computed using the bond's nearest call date or maturity, whichever comes first. This measure ignores future cash flow fluctuations due to embedded optionality.

Frontier Communications and industrial company Chart Industries. During the same period, we closed the Fund's positions in packaged food provider Treehouse Foods and midstream energy company Cheniere. Cheniere had recently been upgraded to investment grade.

**How did the Fund's sector weightings change during the reporting period?**

During the reporting period, there were no material changes to the Fund's sector weightings. On the margin, we slightly increased the Fund's exposure to the leisure and capital goods sectors, while trimming holdings in energy and media.

**How was the Fund positioned at the end of the reporting period?**

As of April 30, 2023, the Fund held overweight exposure relative to the Index to the energy, materials and health care sectors, and underweight exposure to telecommunications, technology and services.

The opinions expressed are those of the portfolio manager as of the date of this report and are subject to change. There is no guarantee that any forecasts will come to pass. This material does not constitute investment advice and is not intended as an endorsement of any specific investment.

# Portfolio of Investments April 30, 2023<sup>†^</sup>(Unaudited)

	Principal Amount	Value
<b>Long-Term Bonds 91.8%</b>		
<b>Convertible Bonds 0.8%</b>		
<b>Investment Companies 0.1%</b>		
Ares Capital Corp.		
4.625%, due 3/1/24	\$ 14,285,000	\$ 14,481,419
<b>Media 0.5%</b>		
DISH Network Corp.		
2.375%, due 3/15/24	37,079,000	32,212,381
3.375%, due 8/15/26	30,780,000	14,651,280
		<u>46,863,661</u>
<b>Oil &amp; Gas Services 0.2%</b>		
Forum Energy Technologies, Inc.		
6.25% (6.25% Cash and 2.75% PIK), due 8/4/25 (a)	18,220,551	17,993,682
Total Convertible Bonds (Cost \$95,610,102)		<u>79,338,762</u>
<b>Corporate Bonds 86.5%</b>		
<b>Advertising 1.1%</b>		
Lamar Media Corp.		
3.625%, due 1/15/31	35,590,000	30,656,692
3.75%, due 2/15/28	21,000,000	19,268,194
4.00%, due 2/15/30	24,100,000	21,621,315
4.875%, due 1/15/29	8,000,000	7,563,229
Outfront Media Capital LLC (b)		
4.25%, due 1/15/29	2,000,000	1,713,008
4.625%, due 3/15/30	2,500,000	2,110,574
5.00%, due 8/15/27	19,500,000	18,004,545
6.25%, due 6/15/25	15,216,000	15,229,125
		<u>116,166,682</u>
<b>Aerospace &amp; Defense 2.0%</b>		
F-Brasile SpA		
Series XR		
7.375%, due 8/15/26 (b)	23,280,000	19,497,000
Rolls-Royce plc		
5.75%, due 10/15/27 (b)	7,000,000	6,985,752
TransDigm UK Holdings plc		
6.875%, due 5/15/26	19,100,000	19,217,828
TransDigm, Inc.		
4.625%, due 1/15/29	25,450,000	23,032,250
4.875%, due 5/1/29	18,920,000	17,193,614
6.25%, due 3/15/26 (b)	84,230,000	84,628,169
6.75%, due 8/15/28 (b)	27,890,000	28,323,438
7.50%, due 3/15/27	11,915,000	11,974,468
		<u>210,852,519</u>

	Principal Amount	Value
<b>Agriculture 0.0% ‡</b>		
Darling Ingredients, Inc.		
6.00%, due 6/15/30 (b)	\$ 2,025,000	\$ 2,003,261
<b>Airlines 0.9%</b>		
American Airlines, Inc. (b)		
5.50%, due 4/20/26	14,000,000	13,747,913
5.75%, due 4/20/29	11,500,000	10,928,279
Delta Air Lines, Inc.		
4.50%, due 10/20/25 (b)	6,556,000	6,429,207
4.75%, due 10/20/28 (b)	23,500,000	22,820,963
7.00%, due 5/1/25 (b)	3,506,000	3,616,801
7.375%, due 1/15/26	7,000,000	7,377,783
Mileage Plus Holdings LLC		
6.50%, due 6/20/27 (b)	16,073,500	16,047,789
Spirit Loyalty Cayman Ltd. (b)		
8.00%, due 9/20/25	4,487,951	4,529,954
8.00%, due 9/20/25	4,000,000	4,040,316
		<u>89,539,005</u>
<b>Auto Manufacturers 1.8%</b>		
Ford Holdings LLC		
9.30%, due 3/1/30	30,695,000	34,915,562
Ford Motor Co.		
6.10%, due 8/19/32	2,730,000	2,603,549
Ford Motor Credit Co. LLC		
3.375%, due 11/13/25	10,000,000	9,286,594
4.00%, due 11/13/30	25,000,000	21,436,647
4.271%, due 1/9/27	7,500,000	6,943,310
4.389%, due 1/8/26	2,500,000	2,375,220
5.125%, due 6/16/25	13,000,000	12,654,716
5.584%, due 3/18/24	3,660,000	3,639,157
6.80%, due 5/12/28	14,830,000	14,838,869
General Motors Financial Co., Inc.		
4.35%, due 4/9/25	5,000,000	4,894,952
5.25%, due 3/1/26	10,000,000	9,993,092
JB Poindexter & Co., Inc.		
7.125%, due 4/15/26 (b)	51,815,000	50,000,957
PM General Purchaser LLC		
9.50%, due 10/1/28 (b)	16,585,000	15,714,287
		<u>189,296,912</u>
<b>Auto Parts &amp; Equipment 2.1%</b>		
Adient Global Holdings Ltd. (b)		
4.875%, due 8/15/26	22,925,000	22,027,197
7.00%, due 4/15/28	4,300,000	4,409,353
8.25%, due 4/15/31	5,000,000	5,121,545
Dealer Tire LLC		
8.00%, due 2/1/28 (b)	20,540,000	19,050,850

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

# Portfolio of Investments April 30, 2023<sup>†</sup> (Unaudited) (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Auto Parts &amp; Equipment (continued)</b>		
IHO Verwaltungs GmbH (a)(b)		
4.75% (4.75% Cash or 5.50% PIK), due 9/15/26	\$ 34,785,000	\$ 31,309,064
6.00% (6.00% Cash or 6.75% PIK), due 5/15/27	49,074,000	45,313,705
6.375% (6.375% Cash or 7.125% PIK), due 5/15/29	40,980,000	36,736,901
Real Hero Merger Sub 2, Inc.		
6.25%, due 2/1/29 (b)	38,625,000	29,065,313
ZF North America Capital, Inc. (b)		
6.875%, due 4/14/28	8,000,000	8,233,478
7.125%, due 4/14/30	10,000,000	10,321,953
		<u>211,589,359</u>
<b>Biotechnology 0.1%</b>		
Grifols Escrow Issuer SA		
4.75%, due 10/15/28 (b)	11,595,000	<u>9,298,359</u>
<b>Building Materials 1.2%</b>		
Builders FirstSource, Inc.		
6.375%, due 6/15/32 (b)	12,850,000	12,782,028
James Hardie International Finance DAC		
5.00%, due 1/15/28 (b)	31,840,000	30,000,974
Knife River Holding Co.		
7.75%, due 5/1/31 (b)	16,630,000	16,857,831
New Enterprise Stone & Lime Co., Inc.		
5.25%, due 7/15/28 (b)	10,300,000	9,218,500
PGT Innovations, Inc.		
4.375%, due 10/1/29 (b)	17,000,000	15,412,200
Summit Materials LLC (b)		
5.25%, due 1/15/29	17,580,000	16,704,516
6.50%, due 3/15/27	22,730,000	22,616,350
		<u>123,592,399</u>
<b>Chemicals 2.5%</b>		
ASP Unifrax Holdings, Inc. (b)		
5.25%, due 9/30/28	15,810,000	13,027,756
7.50%, due 9/30/29	21,280,000	15,206,736
Avient Corp. (b)		
5.75%, due 5/15/25	8,550,000	8,543,783
7.125%, due 8/1/30	13,415,000	13,710,278
CVR Partners LP		
6.125%, due 6/15/28 (b)	6,175,000	5,575,630
GPD Cos., Inc.		
10.125%, due 4/1/26 (b)	35,822,000	32,760,442

	Principal Amount	Value
<b>Chemicals (continued)</b>		
Innophos Holdings, Inc.		
9.375%, due 2/15/28 (b)	\$ 30,636,000	\$ 30,753,409
Iris Holdings, Inc.		
8.75% (8.75% Cash or 9.50% PIK), due 2/15/26 (a)(b)	21,105,000	19,408,079
Mativ Holdings, Inc.		
6.875%, due 10/1/26 (b)	12,500,000	11,390,965
NOVA Chemicals Corp. (b)		
4.875%, due 6/1/24	9,810,000	9,654,096
5.25%, due 6/1/27	15,600,000	14,117,860
Olympus Water US Holding Corp.		
7.125%, due 10/1/27 (b)	7,400,000	7,053,812
SCIH Salt Holdings, Inc. (b)		
4.875%, due 5/1/28	10,000,000	9,004,255
6.625%, due 5/1/29	29,460,000	24,561,061
SCIL IV LLC		
5.375%, due 11/1/26 (b)	15,000,000	13,809,717
SK Invictus Intermediate II SARL		
5.00%, due 10/30/29 (b)	27,890,000	23,746,104
WR Grace Holdings LLC		
7.375%, due 3/1/31 (b)	8,410,000	8,422,985
		<u>260,746,968</u>
<b>Coal 0.1%</b>		
Coronado Finance Pty. Ltd.		
10.75%, due 5/15/26 (b)	8,720,000	<u>8,978,112</u>
<b>Commercial Services 2.2%</b>		
Alta Equipment Group, Inc.		
5.625%, due 4/15/26 (b)	5,075,000	4,680,005
AMN Healthcare, Inc.		
4.625%, due 10/1/27 (b)	2,000,000	1,864,754
Ashtead Capital, Inc.		
4.25%, due 11/1/29 (b)	4,000,000	3,731,408
Gartner, Inc. (b)		
3.75%, due 10/1/30	19,870,000	17,351,857
4.50%, due 7/1/28	5,000,000	4,698,870
Graham Holdings Co.		
5.75%, due 6/1/26 (b)	39,695,000	39,198,812
Korn Ferry		
4.625%, due 12/15/27 (b)	10,685,000	10,148,079
MPH Acquisition Holdings LLC (b)		
5.50%, due 9/1/28	8,000,000	6,115,603
5.75%, due 11/1/28	13,685,000	8,652,105
NESCO Holdings II, Inc.		
5.50%, due 4/15/29 (b)	30,734,000	27,769,859
Service Corp. International		
3.375%, due 8/15/30	10,000,000	8,472,299

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Commercial Services (continued)</b>		
United Rentals North America, Inc.		
3.75%, due 1/15/32	\$ 5,500,000	\$ 4,715,981
3.875%, due 2/15/31	16,675,000	14,676,810
4.875%, due 1/15/28	10,700,000	10,280,574
5.25%, due 1/15/30	2,500,000	2,418,020
Williams Scotsman International, Inc. (b)		
4.625%, due 8/15/28	17,500,000	16,068,617
6.125%, due 6/15/25	17,550,000	17,462,985
WW International, Inc.		
4.50%, due 4/15/29 (b)	36,685,000	23,412,367
		<u>221,719,005</u>
<b>Computers 0.2%</b>		
McAfee Corp.		
7.375%, due 2/15/30 (b)	24,660,000	20,470,249
<b>Cosmetics &amp; Personal Care 0.3%</b>		
Edgewell Personal Care Co. (b)		
4.125%, due 4/1/29	22,500,000	19,931,204
5.50%, due 6/1/28	13,505,000	12,924,589
		<u>32,855,793</u>
<b>Distribution &amp; Wholesale 0.7%</b>		
G-III Apparel Group Ltd.		
7.875%, due 8/15/25 (b)	24,000,000	22,581,122
H&E Equipment Services, Inc.		
3.875%, due 12/15/28 (b)	7,855,000	6,806,829
Ritchie Bros Holdings, Inc. (b)		
6.75%, due 3/15/28	14,290,000	14,790,150
7.75%, due 3/15/31	27,245,000	28,947,812
		<u>73,125,913</u>
<b>Diversified Financial Services 2.2%</b>		
AG TTMT Escrow Issuer LLC		
8.625%, due 9/30/27 (b)	27,150,000	27,911,557
Credit Acceptance Corp.		
5.125%, due 12/31/24 (b)	15,215,000	14,494,332
6.625%, due 3/15/26	32,875,000	31,417,432
Enact Holdings, Inc.		
6.50%, due 8/15/25 (b)	25,600,000	25,351,680
Jefferies Finance LLC		
5.00%, due 8/15/28 (b)	37,570,000	31,590,704
LPL Holdings, Inc. (b)		
4.00%, due 3/15/29	27,810,000	24,978,239
4.375%, due 5/15/31	11,000,000	9,762,500
4.625%, due 11/15/27	15,750,000	14,875,718

	Principal Amount	Value
<b>Diversified Financial Services (continued)</b>		
Oxford Finance LLC		
6.375%, due 2/1/27 (b)	\$ 2,500,000	\$ 2,322,643
PennyMac Financial Services, Inc. (b)		
4.25%, due 2/15/29	11,150,000	9,162,748
5.75%, due 9/15/31	8,500,000	7,098,350
PRA Group, Inc.		
7.375%, due 9/1/25 (b)	16,400,000	16,295,722
Radian Group, Inc.		
4.875%, due 3/15/27	5,000,000	4,754,950
StoneX Group, Inc.		
8.625%, due 6/15/25 (b)	9,196,000	9,310,950
		<u>229,327,525</u>
<b>Electric 1.9%</b>		
Cleanway Energy Operating LLC		
4.75%, due 3/15/28 (b)	22,940,000	21,739,644
DPL, Inc.		
4.125%, due 7/1/25	20,325,000	19,537,406
Keystone Power Pass-Through Holders LLC		
13.00% (1.00% Cash and 12.00% PIK), due 6/1/24 (a)(b)(c)	8,362,635	5,435,713
Leeward Renewable Energy Operations LLC		
4.25%, due 7/1/29 (b)	16,665,000	15,000,056
NextEra Energy Operating Partners LP		
3.875%, due 10/15/26 (b)	17,330,000	16,225,212
NRG Energy, Inc.		
6.625%, due 1/15/27	3,220,000	3,229,087
Pattern Energy Operations LP		
4.50%, due 8/15/28 (b)	17,500,000	16,280,707
PG&E Corp.		
5.00%, due 7/1/28	19,460,000	18,311,237
5.25%, due 7/1/30	13,000,000	11,981,386
Talen Energy Supply LLC		
8.625%, due 6/1/30 (b)	14,910,000	14,910,000
TransAlta Corp.		
7.75%, due 11/15/29	14,150,000	14,858,632

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

# Portfolio of Investments April 30, 2023<sup>†</sup> (Unaudited) (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Electric (continued)</b>		
Vistra Corp. (b)(d)(e)		
7.00% (5 Year Treasury Constant Maturity Rate + 5.74%), due 12/15/26	\$ 11,280,000	\$ 10,116,225
8.00% (5 Year Treasury Constant Maturity Rate + 6.93%), due 10/15/26 (c)	31,800,000	<u>29,971,500</u>
		<u>197,596,805</u>
<b>Electrical Components &amp; Equipment 0.1%</b>		
WESCO Distribution, Inc.		
7.125%, due 6/15/25 (b)	6,665,000	<u>6,777,652</u>
<b>Engineering &amp; Construction 0.5%</b>		
Great Lakes Dredge & Dock Corp.		
5.25%, due 6/1/29 (b)	13,000,000	10,225,930
Railworks Holdings LP		
8.25%, due 11/15/28 (b)	9,425,000	8,947,506
TopBuild Corp.		
4.125%, due 2/15/32 (b)	12,000,000	10,311,847
Weekley Homes LLC		
4.875%, due 9/15/28 (b)	21,580,000	<u>18,734,006</u>
		<u>48,219,289</u>
<b>Entertainment 3.3%</b>		
Affinity Interactive		
6.875%, due 12/15/27 (b)	13,590,000	12,224,037
Allen Media LLC		
10.50%, due 2/15/28 (b)	14,870,000	7,961,175
Boyne USA, Inc.		
4.75%, due 5/15/29 (b)	9,465,000	8,573,432
Caesars Entertainment, Inc.		
7.00%, due 2/15/30 (b)	19,750,000	19,926,269
CCM Merger, Inc.		
6.375%, due 5/1/26 (b)	5,000,000	4,887,500
CDI Escrow Issuer, Inc.		
5.75%, due 4/1/30 (b)	20,000,000	19,284,524
Churchill Downs, Inc. (b)		
4.75%, due 1/15/28	53,025,000	50,214,452
5.50%, due 4/1/27	38,727,000	37,780,040
6.75%, due 5/1/31	12,800,000	12,883,840
International Game Technology plc		
6.25%, due 1/15/27 (b)	25,700,000	26,053,375
Jacobs Entertainment, Inc. (b)		
6.75%, due 2/15/29	25,354,000	22,057,980
6.75%, due 2/15/29	8,775,000	7,634,250

	Principal Amount	Value
<b>Entertainment (continued)</b>		
Live Nation Entertainment, Inc.		
6.50%, due 5/15/27 (b)	\$ 41,280,000	\$ 41,745,473
Merlin Entertainments Ltd.		
5.75%, due 6/15/26 (b)	35,100,000	33,345,000
Midwest Gaming Borrower LLC		
4.875%, due 5/1/29 (b)	6,000,000	5,370,000
Motion Bondco DAC		
6.625%, due 11/15/27 (b)	16,100,000	14,573,249
Vail Resorts, Inc.		
6.25%, due 5/15/25 (b)	10,095,000	<u>10,170,713</u>
		<u>334,685,309</u>
<b>Food 1.3%</b>		
B&G Foods, Inc.		
5.25%, due 4/1/25	24,770,000	23,403,947
Kraft Heinz Foods Co.		
3.875%, due 5/15/27	2,500,000	2,440,733
6.50%, due 2/9/40	17,749,000	19,522,348
6.875%, due 1/26/39	21,000,000	23,995,613
Land O'Lakes Capital Trust I		
7.45%, due 3/15/28 (b)	18,956,000	17,866,030
Nathan's Famous, Inc.		
6.625%, due 11/1/25 (b)	2,132,000	2,126,670
Simmons Foods, Inc.		
4.625%, due 3/1/29 (b)	22,340,000	18,458,425
United Natural Foods, Inc.		
6.75%, due 10/15/28 (b)	26,018,000	<u>24,696,286</u>
		<u>132,510,052</u>
<b>Food Service 0.3%</b>		
Aramark Services, Inc.		
6.375%, due 5/1/25 (b)	26,315,000	<u>26,315,000</u>
<b>Forest Products &amp; Paper 0.8%</b>		
Glatfelter Corp.		
4.75%, due 11/15/29 (b)	10,550,000	7,511,072
Mercer International, Inc.		
5.125%, due 2/1/29	44,710,000	37,335,819
5.50%, due 1/15/26	2,585,000	2,481,967
Smurfit Kappa Treasury Funding DAC		
7.50%, due 11/20/25	36,120,000	<u>37,963,072</u>
		<u>85,291,930</u>
<b>Gas 0.5%</b>		
AmeriGas Partners LP		
5.625%, due 5/20/24	15,106,000	14,996,051

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Gas (continued)</b>		
AmeriGas Partners LP (continued)		
5.75%, due 5/20/27	\$ 13,560,000	\$ 12,803,167
5.875%, due 8/20/26	25,075,000	24,180,926
		<u>51,980,144</u>
<b>Hand &amp; Machine Tools 0.3%</b>		
Regal Rexnord Corp. (b)		
6.05%, due 2/15/26	7,250,000	7,352,346
6.05%, due 4/15/28	7,000,000	7,066,471
6.30%, due 2/15/30	5,000,000	5,094,058
6.40%, due 4/15/33	3,750,000	3,824,195
Werner FinCo LP		
8.75%, due 7/15/25 (b)	13,030,000	10,404,808
		<u>33,741,878</u>
<b>Healthcare-Products 1.2%</b>		
Garden Spinco Corp.		
8.625%, due 7/20/30 (b)	15,500,000	16,662,506
Hologic, Inc. (b)		
3.25%, due 2/15/29	39,100,000	35,144,112
4.625%, due 2/1/28	10,205,000	9,922,105
Teleflex, Inc.		
4.25%, due 6/1/28 (b)	43,155,000	40,455,683
4.625%, due 11/15/27	4,300,000	4,138,750
Varex Imaging Corp.		
7.875%, due 10/15/27 (b)	17,202,000	17,029,980
		<u>123,353,136</u>
<b>Healthcare-Services 4.7%</b>		
Acadia Healthcare Co., Inc. (b)		
5.00%, due 4/15/29	10,000,000	9,463,700
5.50%, due 7/1/28	10,840,000	10,463,869
Catalent Pharma Solutions, Inc. (b)		
3.125%, due 2/15/29	25,000,000	21,275,667
3.50%, due 4/1/30	10,500,000	8,902,990
5.00%, due 7/15/27	13,395,000	12,859,200
Centene Corp.		
3.00%, due 10/15/30	10,000,000	8,522,400
4.625%, due 12/15/29	15,070,000	14,203,475
CHS/Community Health Systems, Inc.		
5.25%, due 5/15/30 (b)	13,100,000	10,918,378
DaVita, Inc. (b)		
3.75%, due 2/15/31	15,185,000	12,228,087
4.625%, due 6/1/30	16,790,000	14,625,249
Encompass Health Corp.		
4.50%, due 2/1/28	25,720,000	24,250,241
4.625%, due 4/1/31	8,200,000	7,353,081

	Principal Amount	Value
<b>Healthcare-Services (continued)</b>		
Encompass Health Corp. (continued)		
4.75%, due 2/1/30	\$ 24,390,000	\$ 22,491,897
HCA, Inc.		
5.25%, due 4/15/25	7,000,000	7,016,183
5.375%, due 2/1/25	26,525,000	26,538,105
5.625%, due 9/1/28	10,000,000	10,207,950
5.875%, due 2/15/26	20,750,000	21,072,920
7.50%, due 11/6/33	44,975,000	50,448,084
7.58%, due 9/15/25	11,020,000	11,310,635
7.69%, due 6/15/25	31,650,000	33,028,299
8.36%, due 4/15/24	4,524,000	4,657,885
IQVIA, Inc. (b)		
5.00%, due 10/15/26	30,113,000	29,581,560
5.00%, due 5/15/27	5,000,000	4,878,406
Legacy LifePoint Health LLC		
6.75%, due 4/15/25 (b)	9,700,000	9,332,201
LifePoint Health, Inc.		
5.375%, due 1/15/29 (b)	17,978,000	11,269,610
ModivCare Escrow Issuer, Inc.		
5.00%, due 10/1/29 (b)	10,000,000	8,065,450
ModivCare, Inc.		
5.875%, due 11/15/25 (b)	8,410,000	8,035,923
Molina Healthcare, Inc. (b)		
3.875%, due 11/15/30	12,250,000	10,806,127
3.875%, due 5/15/32	4,000,000	3,427,930
4.375%, due 6/15/28	6,335,000	5,937,246
RegionalCare Hospital Partners Holdings, Inc.		
9.75%, due 12/1/26 (b)	46,430,000	38,611,866
Tenet Healthcare Corp.		
6.125%, due 6/15/30 (b)	12,100,000	11,968,252
		<u>483,752,866</u>
<b>Holding Companies-Diversified 0.6%</b>		
Benteler International AG		
10.50%, due 5/15/28 (b)(f)	30,550,000	31,237,375
Stena International SA		
6.125%, due 2/1/25 (b)	34,995,000	33,910,155
		<u>65,147,530</u>
<b>Home Builders 2.1%</b>		
Adams Homes, Inc.		
7.50%, due 2/15/25 (b)	24,475,000	23,077,537
Ashton Woods USA LLC		
6.625%, due 1/15/28 (b)	4,000,000	3,790,000
Brookfield Residential Properties, Inc.		
6.25%, due 9/15/27 (b)	17,360,000	15,906,100

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.



# Portfolio of Investments April 30, 2023<sup>†</sup> (Unaudited) (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Home Builders (continued)</b>		
Century Communities, Inc.		
3.875%, due 8/15/29 (b)	\$ 16,245,000	\$ 14,206,318
6.75%, due 6/1/27	26,205,000	26,310,003
Installed Building Products, Inc.		
5.75%, due 2/1/28 (b)	25,430,000	24,005,373
M/I Homes, Inc.		
3.95%, due 2/15/30	6,000,000	5,309,820
4.95%, due 2/1/28	7,500,000	7,023,076
Meritage Homes Corp.		
3.875%, due 4/15/29 (b)	21,415,000	19,273,045
5.125%, due 6/6/27	8,515,000	8,344,700
Shea Homes LP		
4.75%, due 2/15/28	26,925,000	24,501,750
4.75%, due 4/1/29	9,875,000	8,792,416
STL Holding Co. LLC		
7.50%, due 2/15/26 (b)	12,000,000	10,580,761
Winnabago Industries, Inc.		
6.25%, due 7/15/28 (b)	30,155,000	<u>29,159,885</u>
		<u>220,280,784</u>
<b>Household Products &amp; Wares 0.3%</b>		
Central Garden & Pet Co.		
4.125%, due 10/15/30	15,620,000	13,387,908
4.125%, due 4/30/31 (b)	12,525,000	10,547,787
Spectrum Brands, Inc.		
5.75%, due 7/15/25	7,787,000	<u>7,713,102</u>
		<u>31,648,797</u>
<b>Housewares 0.3%</b>		
Scotts Miracle-Gro Co. (The)		
4.00%, due 4/1/31	21,955,000	17,739,975
4.375%, due 2/1/32	7,430,000	6,005,335
4.50%, due 10/15/29	10,000,000	<u>8,656,957</u>
		<u>32,402,267</u>
<b>Insurance 1.0%</b>		
BroadStreet Partners, Inc.		
5.875%, due 4/15/29 (b)	11,800,000	10,236,820
Fairfax Financial Holdings Ltd.		
8.30%, due 4/15/26	5,435,000	5,816,017
Fidelity & Guaranty Life Holdings, Inc.		
5.50%, due 5/1/25 (b)	14,850,000	14,718,254
MGIC Investment Corp.		
5.25%, due 8/15/28	25,957,000	24,805,547
NMI Holdings, Inc.		
7.375%, due 6/1/25 (b)	16,000,000	16,223,360

	Principal Amount	Value
<b>Insurance (continued)</b>		
Ryan Specialty Group LLC		
4.375%, due 2/1/30 (b)	\$ 4,700,000	\$ 4,212,375
USI, Inc.		
6.875%, due 5/1/25 (b)	27,670,000	<u>27,389,471</u>
		<u>103,401,844</u>
<b>Internet 1.8%</b>		
Cars.com, Inc.		
6.375%, due 11/1/28 (b)	22,300,000	21,013,761
Gen Digital, Inc. (b)		
6.75%, due 9/30/27	10,000,000	10,077,196
7.125%, due 9/30/30	10,000,000	10,045,090
Netflix, Inc.		
5.75%, due 3/1/24	24,961,000	25,053,356
5.875%, due 11/15/28	32,450,000	34,091,743
Northwest Fiber LLC		
4.75%, due 4/30/27 (b)	5,000,000	4,337,500
Uber Technologies, Inc. (b)		
6.25%, due 1/15/28	4,125,000	4,162,537
7.50%, due 5/15/25	12,075,000	12,256,125
7.50%, due 9/15/27	23,710,000	24,456,486
VeriSign, Inc.		
4.75%, due 7/15/27	18,744,000	18,434,586
5.25%, due 4/1/25	25,866,000	<u>25,975,819</u>
		<u>189,904,199</u>
<b>Investment Companies 1.5%</b>		
Compass Group Diversified Holdings LLC (b)		
5.00%, due 1/15/32	12,250,000	9,943,977
5.25%, due 4/15/29	34,750,000	31,278,385
FS Energy and Power Fund		
7.50%, due 8/15/23 (b)	84,732,000	84,626,085
Icahn Enterprises LP		
5.25%, due 5/15/27	13,130,000	12,373,260
6.25%, due 5/15/26	12,770,000	<u>12,565,168</u>
		<u>150,786,875</u>
<b>Iron &amp; Steel 1.2%</b>		
Allegheny Ludlum LLC		
6.95%, due 12/15/25	22,688,000	22,914,880
Big River Steel LLC		
6.625%, due 1/31/29 (b)	32,122,000	31,857,466
Mineral Resources Ltd. (b)		
8.00%, due 11/1/27	3,500,000	3,564,348
8.125%, due 5/1/27	53,640,000	54,094,867
8.50%, due 5/1/30	6,929,000	<u>7,050,257</u>
		<u>119,481,818</u>



	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Leisure Time 2.3%</b>		
Carnival Corp. (b)		
4.00%, due 8/1/28	\$ 30,000,000	\$ 26,005,332
5.75%, due 3/1/27	60,790,000	50,030,132
6.00%, due 5/1/29	33,500,000	26,294,116
7.625%, due 3/1/26	9,110,000	8,330,050
9.875%, due 8/1/27	31,843,000	32,646,463
10.50%, due 2/1/26	29,445,000	30,738,372
Carnival Holdings Bermuda Ltd.		
10.375%, due 5/1/28 (b)	16,575,000	17,819,517
Royal Caribbean Cruises Ltd. (b)		
5.375%, due 7/15/27	11,400,000	10,120,935
5.50%, due 4/1/28	22,000,000	19,399,503
7.25%, due 1/15/30	18,215,000	18,266,221
		<u>239,650,641</u>
<b>Lodging 1.8%</b>		
Boyd Gaming Corp.		
4.75%, due 12/1/27	38,570,000	37,223,301
4.75%, due 6/15/31 (b)	47,500,000	43,489,879
Hilton Domestic Operating Co., Inc.		
4.00%, due 5/1/31 (b)	39,340,000	34,795,227
4.875%, due 1/15/30	34,110,000	32,384,387
5.375%, due 5/1/25 (b)	5,000,000	4,984,659
5.75%, due 5/1/28 (b)	12,500,000	12,469,744
Hyatt Hotels Corp. (g)		
5.375%, due 4/23/25	5,000,000	5,018,838
5.75%, due 4/23/30	7,000,000	7,195,860
Marriott International, Inc.		
Series GG		
3.50%, due 10/15/32	2,200,000	1,928,460
Station Casinos LLC		
4.50%, due 2/15/28 (b)	7,000,000	6,436,010
		<u>185,926,365</u>
<b>Machinery—Construction &amp; Mining 0.3%</b>		
Terex Corp.		
5.00%, due 5/15/29 (b)	9,000,000	8,370,997
Vertiv Group Corp.		
4.125%, due 11/15/28 (b)	27,420,000	24,751,620
		<u>33,122,617</u>
<b>Machinery-Diversified 0.5%</b>		
Briggs & Stratton Corp. Escrow		
Claim Shares		
6.875%, due 12/15/20 (h)(i)(j)	9,200,000	—
Chart Industries, Inc.		
7.50%, due 1/1/30 (b)	12,000,000	12,360,000

	Principal Amount	Value
<b>Machinery-Diversified (continued)</b>		
TK Elevator Holdco GmbH		
7.625%, due 7/15/28 (b)	\$ 12,126,000	\$ 10,846,884
TK Elevator U.S. Newco, Inc.		
5.25%, due 7/15/27 (b)	34,910,000	32,636,190
		<u>55,843,074</u>
<b>Media 5.7%</b>		
Block Communications, Inc.		
4.875%, due 3/1/28 (b)	15,000,000	12,913,129
Cable One, Inc.		
4.00%, due 11/15/30 (b)	37,800,000	30,738,960
CCO Holdings LLC		
4.25%, due 2/1/31 (b)	36,815,000	30,151,883
4.25%, due 1/15/34 (b)	28,050,000	21,366,816
4.50%, due 8/15/30 (b)	42,430,000	35,628,450
4.50%, due 5/1/32	46,500,000	37,226,709
4.50%, due 6/1/33 (b)	14,500,000	11,542,186
4.75%, due 3/1/30 (b)	31,835,000	27,390,710
5.00%, due 2/1/28 (b)	24,000,000	22,190,222
5.125%, due 5/1/27 (b)	41,225,000	38,898,658
5.375%, due 6/1/29 (b)	13,495,000	12,376,506
CSC Holdings LLC (b)		
5.50%, due 4/15/27	3,750,000	3,206,277
5.75%, due 1/15/30	23,900,000	12,197,221
6.50%, due 2/1/29	14,230,000	11,881,097
7.50%, due 4/1/28	8,900,000	5,560,591
11.25%, due 5/15/28	15,585,000	15,532,011
Diamond Sports Group LLC		
6.625%, due 8/15/27 (b)(i)(k)	7,000,000	210,000
DIRECTV Financing LLC		
5.875%, due 8/15/27 (b)	37,250,000	32,689,472
DISH DBS Corp.		
7.75%, due 7/1/26	18,675,000	10,788,357
LCPR Senior Secured Financing		
DAC (b)		
5.125%, due 7/15/29	19,150,000	16,402,166
6.75%, due 10/15/27	55,712,000	52,920,128
News Corp. (b)		
3.875%, due 5/15/29	43,330,000	38,469,674
5.125%, due 2/15/32	11,110,000	10,230,062
Sirius XM Radio, Inc. (b)		
5.00%, due 8/1/27	8,000,000	7,358,432
5.50%, due 7/1/29	11,590,000	10,323,570
Sterling Entertainment		
Enterprises LLC		
10.25%, due 1/15/25 (c)(h)(j)	20,000,000	18,638,000
Videotron Ltd.		
5.375%, due 6/15/24 (b)	17,850,000	17,817,870

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

# Portfolio of Investments April 30, 2023<sup>†</sup> (Unaudited) (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Media (continued)</b>		
Virgin Media Finance plc		
5.00%, due 7/15/30 (b)	\$ 19,275,000	\$ 16,242,628
VZ Secured Financing BV		
5.00%, due 1/15/32 (b)	18,020,000	15,038,022
Ziggo BV		
4.875%, due 1/15/30 (b)	7,500,000	6,456,981
		<u>582,386,788</u>
<b>Metal Fabricate &amp; Hardware 0.3%</b>		
Advanced Drainage Systems, Inc. (b)		
5.00%, due 9/30/27	18,315,000	17,513,719
6.375%, due 6/15/30	12,615,000	12,480,272
Park-Ohio Industries, Inc.		
6.625%, due 4/15/27	3,500,000	2,782,500
		<u>32,776,491</u>
<b>Mining 1.6%</b>		
Arconic Corp.		
6.00%, due 5/15/25 (b)	8,695,000	8,644,658
Century Aluminum Co.		
7.50%, due 4/1/28 (b)	34,830,000	32,845,885
Compass Minerals International, Inc. (b)		
4.875%, due 7/15/24	7,000,000	6,930,000
6.75%, due 12/1/27	31,535,000	30,239,778
Constellium SE		
3.75%, due 4/15/29 (b)	10,000,000	8,607,150
Eldorado Gold Corp.		
6.25%, due 9/1/29 (b)	5,000,000	4,650,000
First Quantum Minerals Ltd. (b)		
6.875%, due 10/15/27	14,000,000	13,591,893
7.50%, due 4/1/25	5,000,000	4,987,250
IAMGOLD Corp.		
5.75%, due 10/15/28 (b)	37,525,000	29,645,500
Novelis Corp. (b)		
3.875%, due 8/15/31	5,000,000	4,187,003
4.75%, due 1/30/30	20,208,000	18,285,686
		<u>162,614,803</u>
<b>Miscellaneous—Manufacturing 0.9%</b>		
Amsted Industries, Inc.		
5.625%, due 7/1/27 (b)	24,395,000	23,916,220
EnPro Industries, Inc.		
5.75%, due 10/15/26	21,784,000	21,348,320
Gates Global LLC		
6.25%, due 1/15/26 (b)	6,750,000	6,682,500

	Principal Amount	Value
<b>Miscellaneous—Manufacturing (continued)</b>		
Hillenbrand, Inc.		
5.00%, due 9/15/26 (g)	\$ 5,000,000	\$ 4,862,950
5.75%, due 6/15/25	7,000,000	6,981,100
LSB Industries, Inc.		
6.25%, due 10/15/28 (b)	31,805,000	27,990,776
		<u>91,781,866</u>
<b>Office Furnishings 0.1%</b>		
Interface, Inc.		
5.50%, due 12/1/28 (b)	16,952,000	13,586,943
<b>Oil &amp; Gas 6.6%</b>		
Ascent Resources Utica Holdings LLC (b)		
7.00%, due 11/1/26	14,500,000	14,031,229
9.00%, due 11/1/27	11,295,000	13,963,444
California Resources Corp.		
7.125%, due 2/1/26 (b)	11,000,000	11,110,660
Chevron USA, Inc.		
3.85%, due 1/15/28	5,560,000	5,550,933
3.90%, due 11/15/24	4,000,000	3,974,945
Civitas Resources, Inc.		
5.00%, due 10/15/26 (b)	5,500,000	5,170,000
Comstock Resources, Inc.		
6.75%, due 3/1/29 (b)	12,120,000	10,973,173
Encino Acquisition Partners Holdings LLC		
8.50%, due 5/1/28 (b)	41,705,000	36,978,586
EQT Corp.		
6.125%, due 2/1/25 (g)	14,749,000	14,788,380
Gulfport Energy Corp.		
8.00%, due 5/17/26	1,362,721	1,366,128
8.00%, due 5/17/26 (b)	30,637,302	30,713,895
Gulfport Energy Operating Corp.		
Escrow Claim Shares (h)(i)		
6.00%, due 10/15/24	50,754,000	—
6.375%, due 5/15/25	24,354,000	—
6.375%, due 1/15/26	11,915,000	—
6.625%, due 5/1/23	17,072,000	—
Hilcorp Energy I LP (b)		
5.75%, due 2/1/29	5,000,000	4,671,289
6.00%, due 4/15/30	8,000,000	7,455,856
6.25%, due 4/15/32	8,750,000	8,180,196
Marathon Oil Corp.		
4.40%, due 7/15/27	6,825,000	6,664,668
6.80%, due 3/15/32	5,000,000	5,326,685
Matador Resources Co.		
5.875%, due 9/15/26	24,545,000	24,069,504

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Oil &amp; Gas (continued)</b>		
Matador Resources Co. (continued)		
6.875%, due 4/15/28 (b)	\$ 5,000,000	\$ 5,031,351
Moss Creek Resources Holdings, Inc.		
7.50%, due 1/15/26 (b)	9,465,000	8,847,818
Noble Finance II LLC		
8.00%, due 4/15/30 (b)	7,500,000	7,680,150
Occidental Petroleum Corp.		
5.55%, due 3/15/26	30,505,000	30,760,937
5.875%, due 9/1/25	6,000,000	6,063,759
6.125%, due 1/1/31	3,000,000	3,136,110
6.375%, due 9/1/28	6,635,000	6,920,062
6.45%, due 9/15/36	6,850,000	7,269,562
6.625%, due 9/1/30	7,270,000	7,760,725
6.95%, due 7/1/24	6,672,000	6,788,760
7.15%, due 5/15/28	4,000,000	4,218,028
Parkland Corp. (b)		
4.50%, due 10/1/29	24,035,000	21,060,669
4.625%, due 5/1/30	14,000,000	12,181,101
5.875%, due 7/15/27	14,025,000	13,657,096
PDC Energy, Inc.		
6.125%, due 9/15/24	11,454,000	11,367,914
Permian Resources Operating LLC (b)		
5.375%, due 1/15/26	18,867,000	17,957,652
6.875%, due 4/1/27	23,400,000	23,166,000
7.75%, due 2/15/26	20,645,000	20,877,256
ROCC Holdings LLC		
9.25%, due 8/15/26 (b)	9,795,000	10,505,136
Rockcliff Energy II LLC		
5.50%, due 10/15/29 (b)	42,725,000	38,637,072
Southwestern Energy Co.		
5.375%, due 3/15/30	15,330,000	14,266,719
5.70%, due 1/23/25 (g)	3,504,000	3,496,799
Sunoco LP		
6.00%, due 4/15/27	18,965,000	18,861,162
Talos Production, Inc.		
12.00%, due 1/15/26	81,465,000	86,149,237
Transocean Poseidon Ltd.		
6.875%, due 2/1/27 (b)	30,505,313	29,755,460
Transocean, Inc.		
8.75%, due 2/15/30 (b)	30,585,000	30,859,959
Viper Energy Partners LP		
5.375%, due 11/1/27 (b)	9,425,000	9,110,674

	Principal Amount	Value
<b>Oil &amp; Gas (continued)</b>		
Vital Energy, Inc.		
7.75%, due 7/31/29 (b)	\$ 17,830,000	\$ 15,740,324
10.125%, due 1/15/28	1,810,000	1,819,629
		<u>678,936,692</u>
<b>Oil &amp; Gas Services 0.9%</b>		
Bristow Group, Inc.		
6.875%, due 3/1/28 (b)	30,000,000	28,623,552
Nine Energy Service, Inc.		
13.00%, due 2/1/28	30,200,000	27,784,000
Weatherford International Ltd. (b)		
6.50%, due 9/15/28	21,645,000	21,645,000
8.625%, due 4/30/30	14,595,000	14,866,763
		<u>92,919,315</u>
<b>Packaging &amp; Containers 0.5%</b>		
ARD Finance SA		
6.50% (6.50% Cash or 7.25% PIK), due 6/30/27 (a)(b)	13,208,936	10,824,930
Cascades, Inc. (b)		
5.125%, due 1/15/26	11,306,000	10,743,012
5.375%, due 1/15/28	23,385,000	22,187,220
Sealed Air Corp.		
6.125%, due 2/1/28 (b)	6,230,000	6,321,587
		<u>50,076,749</u>
<b>Pharmaceuticals 2.9%</b>		
1375209 BC Ltd.		
9.00%, due 1/30/28 (b)	8,000,000	7,920,000
180 Medical, Inc.		
3.875%, due 10/15/29 (b)	20,670,000	18,407,770
Bausch Health Cos., Inc. (b)		
7.00%, due 1/15/28	7,000,000	3,202,500
7.25%, due 5/30/29	5,000,000	2,406,375
11.00%, due 9/30/28	20,687,000	16,678,894
14.00%, due 10/15/30	1,974,000	1,263,360
BellRing Brands, Inc.		
7.00%, due 3/15/30 (b)	18,880,000	19,342,148
Jazz Securities DAC		
4.375%, due 1/15/29 (b)	49,390,000	45,392,620
Organon & Co. (b)		
4.125%, due 4/30/28	25,000,000	23,000,112
5.125%, due 4/30/31	20,000,000	17,820,870
Owens & Minor, Inc. (b)		
4.50%, due 3/31/29	24,155,000	19,373,033
6.625%, due 4/1/30	42,780,000	37,218,600
Par Pharmaceutical, Inc.		
7.50%, due 4/1/27 (b)(i)(k)	53,067,000	37,600,890

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

# Portfolio of Investments April 30, 2023<sup>+</sup> (Unaudited) (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Pharmaceuticals (continued)</b>		
Prestige Brands, Inc. (b)		
3.75%, due 4/1/31	\$ 33,125,000	\$ 28,075,425
5.125%, due 1/15/28	26,650,000	25,847,035
		<u>303,549,632</u>
<b>Pipelines 4.9%</b>		
ANR Pipeline Co.		
7.375%, due 2/15/24	2,555,000	2,569,270
Antero Midstream Partners LP (b)		
5.375%, due 6/15/29	5,500,000	5,150,111
5.75%, due 3/1/27	4,000,000	3,869,270
5.75%, due 1/15/28	8,000,000	7,749,120
CNX Midstream Partners LP		
4.75%, due 4/15/30 (b)	3,500,000	2,930,329
Crestwood Midstream Partners LP		
8.00%, due 4/1/29 (b)	6,500,000	6,613,750
DT Midstream, Inc. (b)		
4.125%, due 6/15/29	3,500,000	3,101,885
4.375%, due 6/15/31	12,205,000	10,612,428
Energy Transfer LP		
4.40%, due 3/15/27	14,700,000	14,334,574
4.95%, due 5/15/28	16,000,000	15,859,793
EnLink Midstream LLC		
6.50%, due 9/1/30 (b)	6,220,000	6,283,257
EQM Midstream Partners LP (b)		
4.50%, due 1/15/29	5,000,000	4,249,182
4.75%, due 1/15/31	10,000,000	8,195,711
6.00%, due 7/1/25	4,497,000	4,418,000
6.50%, due 7/1/27	8,900,000	8,677,577
7.50%, due 6/1/27	5,000,000	4,982,098
7.50%, due 6/1/30	4,935,000	4,790,236
FTAI Infra Escrow Holdings LLC		
10.50%, due 6/1/27 (b)	20,100,000	20,301,000
Genesis Energy LP		
6.25%, due 5/15/26	13,670,000	13,170,830
7.75%, due 2/1/28	25,065,000	24,669,808
8.00%, due 1/15/27	31,684,000	31,618,069
8.875%, due 4/15/30	3,340,000	3,344,479
Harvest Midstream I LP		
7.50%, due 9/1/28 (b)	26,675,000	26,100,162
Hess Midstream Operations LP (b)		
4.25%, due 2/15/30	4,000,000	3,556,360
5.625%, due 2/15/26	1,000,000	984,330
Holly Energy Partners LP (b)		
5.00%, due 2/1/28	9,870,000	9,201,702
6.375%, due 4/15/27	10,625,000	10,465,212

	Principal Amount	Value
<b>Pipelines (continued)</b>		
ITT Holdings LLC		
6.50%, due 8/1/29 (b)	\$ 22,620,000	\$ 18,780,707
MPLX LP		
4.875%, due 12/1/24	12,000,000	11,953,944
New Fortress Energy, Inc.		
6.50%, due 9/30/26 (b)	12,930,000	11,906,337
NGL Energy Operating LLC		
7.50%, due 2/1/26 (b)	19,350,000	18,552,981
NGPL PipeCo LLC		
4.875%, due 8/15/27 (b)	5,000,000	4,868,922
NuStar Logistics LP		
5.75%, due 10/1/25	3,000,000	2,942,199
6.00%, due 6/1/26	15,000,000	14,761,050
Plains All American Pipeline LP Series B		
8.974% (3 Month LIBOR + 4.11%), due 5/30/23 (c)(d)(e)	45,303,000	39,866,640
Rockies Express Pipeline LLC (b)		
3.60%, due 5/15/25	1,000,000	947,787
4.80%, due 5/15/30	13,780,000	12,260,943
Summit Midstream Holdings LLC		
8.50%, due 10/15/26 (b)	29,715,000	28,526,400
Tallgrass Energy Partners LP (b)		
5.50%, due 1/15/28	5,000,000	4,625,839
6.00%, due 3/1/27	19,000,000	18,331,722
7.50%, due 10/1/25	8,500,000	8,564,775
Targa Resources Partners LP		
6.50%, due 7/15/27	5,116,000	5,212,927
TransMontaigne Partners LP		
6.125%, due 2/15/26	26,447,000	22,998,840
Western Midstream Operating LP		
4.65%, due 7/1/26	5,000,000	4,861,001
4.75%, due 8/15/28	12,000,000	11,513,860
5.50%, due 2/1/50 (g)	3,000,000	2,545,119
		<u>501,820,536</u>
<b>Real Estate 0.6%</b>		
Howard Hughes Corp. (The) (b)		
4.125%, due 2/1/29	5,000,000	4,203,200
4.375%, due 2/1/31	5,000,000	4,050,710
Newmark Group, Inc.		
6.125%, due 11/15/23	43,914,000	43,652,273
Realogy Group LLC		
5.25%, due 4/15/30 (b)	11,500,000	8,199,018
		<u>60,105,201</u>
<b>Real Estate Investment Trusts 2.3%</b>		
CTR Partnership LP		
3.875%, due 6/30/28 (b)	12,425,000	10,809,750

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Real Estate Investment Trusts (continued)</b>		
GLP Capital LP		
5.25%, due 6/1/25	\$ 10,000,000	\$ 9,813,134
5.30%, due 1/15/29	14,080,000	13,580,019
5.375%, due 4/15/26	5,620,000	5,562,929
Host Hotels & Resorts LP		
Series I		
3.50%, due 9/15/30	9,090,000	7,739,585
MPT Operating Partnership LP		
4.625%, due 8/1/29	14,240,000	10,779,998
5.00%, due 10/15/27	32,835,000	27,504,549
5.25%, due 8/1/26	10,000,000	8,905,452
RHP Hotel Properties LP		
4.50%, due 2/15/29 (b)	9,255,000	8,333,665
4.75%, due 10/15/27	28,050,000	26,367,000
VICI Properties LP (b)		
3.875%, due 2/15/29	16,975,000	15,254,161
4.625%, due 6/15/25	13,000,000	12,627,769
5.625%, due 5/1/24	54,960,000	54,691,586
5.75%, due 2/1/27	26,800,000	26,627,906
		<u>238,597,503</u>

**Retail 5.4%**

1011778 B.C. Unlimited Liability Co. (b)		
3.875%, due 1/15/28	26,885,000	25,216,460
4.00%, due 10/15/30	55,052,000	48,059,378
Asbury Automotive Group, Inc.		
4.50%, due 3/1/28	23,137,000	21,018,492
4.625%, due 11/15/29 (b)	13,005,000	11,574,597
4.75%, due 3/1/30	17,525,000	15,553,134
5.00%, due 2/15/32 (b)	10,850,000	9,348,730
CEC Entertainment LLC		
6.75%, due 5/1/26 (b)	19,390,000	18,432,080
Dave & Buster's, Inc.		
7.625%, due 11/1/25 (b)	9,240,000	9,394,216
Group 1 Automotive, Inc.		
4.00%, due 8/15/28 (b)	17,000,000	15,085,140
Ken Garff Automotive LLC		
4.875%, due 9/15/28 (b)	26,535,000	23,175,002
KFC Holding Co.		
4.75%, due 6/1/27 (b)	18,287,000	17,990,751
LCM Investments Holdings II LLC		
4.875%, due 5/1/29 (b)	51,000,000	43,477,668
Murphy Oil USA, Inc.		
4.75%, due 9/15/29	7,500,000	6,956,250
5.625%, due 5/1/27	10,417,000	10,260,745

	Principal Amount	Value
<b>Retail (continued)</b>		
NMG Holding Co., Inc.		
7.125%, due 4/1/26 (b)	\$ 85,205,000	\$ 79,178,050
Papa John's International, Inc.		
3.875%, due 9/15/29 (b)	18,284,000	15,798,385
Patrick Industries, Inc. (b)		
4.75%, due 5/1/29	6,760,000	5,881,200
7.50%, due 10/15/27	21,040,000	20,675,380
Sonic Automotive, Inc. (b)		
4.625%, due 11/15/29	11,890,000	9,974,100
4.875%, due 11/15/31	10,795,000	8,716,962
Ultra Resources, Inc. Escrow Claim Shares		
6.875%, due 4/15/22 (b)(c)(h)(i)	28,880,000	—
Yum! Brands, Inc.		
3.625%, due 3/15/31	40,870,000	36,100,561
4.625%, due 1/31/32	40,600,000	37,858,323
4.75%, due 1/15/30 (b)	33,885,000	32,777,704
5.375%, due 4/1/32	30,000,000	29,263,152
		<u>551,766,460</u>

**Software 3.8%**

ACI Worldwide, Inc.		
5.75%, due 8/15/26 (b)	13,784,000	13,732,310
Camelot Finance SA		
4.50%, due 11/1/26 (b)	16,990,000	16,090,871
Central Parent, Inc.		
7.25%, due 6/15/29 (b)	2,000,000	1,980,278
Clarivate Science Holdings Corp. (b)		
3.875%, due 7/1/28	31,609,000	28,441,775
4.875%, due 7/1/29	57,521,000	51,802,935
CWT Travel Group, Inc. (b)		
8.50%, due 11/19/26	10,580,000	7,460,001
8.50%, due 11/19/26	8,513,374	6,002,815
Fair Isaac Corp.		
5.25%, due 5/15/26 (b)	12,250,000	12,050,937
MSCI, Inc. (b)		
3.25%, due 8/15/33	13,095,000	10,639,687
3.625%, due 9/1/30	28,645,000	24,711,182
3.625%, due 11/1/31	7,000,000	5,950,980
3.875%, due 2/15/31	39,000,000	34,164,780
4.00%, due 11/15/29	32,330,000	29,130,300
Open Text Corp. (b)		
3.875%, due 2/15/28	19,385,000	17,177,242
3.875%, due 12/1/29	13,000,000	10,925,710
6.90%, due 12/1/27	12,340,000	12,745,406
Open Text Holdings, Inc.		
4.125%, due 2/15/30 (b)	31,547,000	26,937,422

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

# Portfolio of Investments April 30, 2023<sup>†</sup>(Unaudited) (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Software (continued)</b>		
PTC, Inc. (b)		
3.625%, due 2/15/25	\$ 11,000,000	\$ 10,608,216
4.00%, due 2/15/28	35,619,000	33,119,452
SS&C Technologies, Inc.		
5.50%, due 9/30/27 (b)	24,745,000	23,951,081
Veritas US, Inc.		
7.50%, due 9/1/25 (b)	19,585,000	14,861,384
		<u>392,484,764</u>
<b>Telecommunications 3.1%</b>		
Connect Finco SARL		
6.75%, due 10/1/26 (b)	56,200,000	53,561,579
Frontier Communications Holdings LLC		
8.625%, due 3/15/31 (b)	13,140,000	12,803,424
Hughes Satellite Systems Corp.		
6.625%, due 8/1/26	8,000,000	7,555,920
Sprint Capital Corp.		
6.875%, due 11/15/28	104,520,000	112,681,122
Sprint LLC		
7.875%, due 9/15/23	46,900,000	47,279,660
T-Mobile USA, Inc.		
2.625%, due 2/15/29	6,790,000	6,000,501
2.875%, due 2/15/31	13,275,000	11,502,660
4.75%, due 2/1/28	37,055,000	36,871,752
5.375%, due 4/15/27	33,000,000	33,305,976
		<u>321,562,594</u>
<b>Toys, Games &amp; Hobbies 0.2%</b>		
Mattel, Inc.		
5.875%, due 12/15/27 (b)	22,275,000	22,302,421
<b>Transportation 0.7%</b>		
Seaspan Corp.		
5.50%, due 8/1/29 (b)	23,615,000	18,892,000
Watco Cos. LLC		
6.50%, due 6/15/27 (b)	49,875,000	48,363,018
XPO Escrow Sub LLC		
7.50%, due 11/15/27 (b)	5,000,000	5,124,922
		<u>72,379,940</u>
Total Corporate Bonds (Cost \$9,521,308,179)		<u>8,921,031,631</u>

	Principal Amount	Value
<b>Loan Assignments 4.5%</b>		
<b>Automobile 0.1%</b>		
Dealer Tire Financial LLC		
Term Loan B2		
9.482% (1 Month SOFR + 4.50%), due 12/14/27 (d)	\$ 10,972,500	\$ 10,899,346
<b>Beverage, Food &amp; Tobacco 0.1%</b>		
United Natural Foods, Inc.		
Initial Term Loan		
8.347% (1 Month SOFR + 3.25%), due 10/22/25 (d)	10,714,378	10,714,378
<b>Chemicals, Plastics &amp; Rubber 0.2%</b>		
Jazz Pharmaceuticals plc		
Initial Dollar Term Loan		
8.525% (1 Month LIBOR + 3.50%), due 5/5/28 (d)	20,690,121	20,656,168
<b>Electronics 0.1%</b>		
Camelot U.S. Acquisition 1 Co. (d)		
Initial Term Loan		
8.025% (1 Month LIBOR + 3.00%), due 10/30/26	4,055,174	4,049,261
Amendment No. 2 Incremental Term Loan		
8.025% (1 Month LIBOR + 3.00%), due 10/30/26	4,122,187	4,116,004
		<u>8,165,265</u>
<b>Energy (Electricity) 0.1%</b>		
Talen Energy Supply LLC		
Term Loan B		
9.59%, due 4/26/30	5,965,714	5,824,029
Term Loan C		
9.59%, due 4/26/30	4,834,286	4,719,471
		<u>10,543,500</u>
<b>Finance 0.3%</b>		
Aretec Group, Inc.		
Incremental Term Loan		
TBD, due 3/8/30	15,500,000	15,280,412
RealTruck Group, Inc.		
Initial Term Loan		
8.775% (1 Month LIBOR + 3.75%), due 1/31/28 (d)	18,418,199	16,714,515
		<u>31,994,927</u>

	Principal Amount	Value
<b>Loan Assignments (continued)</b>		
<b>Healthcare, Education &amp; Childcare 0.5%</b>		
Endo Luxembourg Finance Co. I SARL		
2021 Term Loan		
14.00% (1 Month LIBOR + 6.00%), due 3/27/28 (d)	\$ 10,000,000	\$ 7,312,500
LifePoint Health, Inc.		
First Lien Term Loan B		
9.023% (3 Month LIBOR + 3.75%), due 11/16/25 (d)	35,503,924	33,344,113
Organon & Co.		
Dollar Term Loan		
8.00% (3 Month LIBOR + 3.00%), due 6/2/28 (d)	9,322,500	<u>9,299,194</u>
		<u>49,955,807</u>
<b>High Tech Industries 0.2%</b>		
Open Text Corp.		
Term Loan B		
8.582% (1 Month SOFR + 3.50%), due 1/31/30 (d)	20,448,750	<u>20,423,189</u>
<b>Insurance 0.2%</b>		
USI, Inc.		
2022 Incremental Term Loan		
8.648% (3 Month SOFR + 3.75%), due 11/22/29 (d)	16,915,000	<u>16,865,659</u>
<b>Leisure, Amusement, Motion Pictures &amp; Entertainment 0.0% ‡</b>		
NASCAR Holdings LLC		
Initial Term Loan		
7.34% (1 Month SOFR + 2.50%), due 10/19/26 (d)	2,779,574	<u>2,782,354</u>
<b>Manufacturing 0.0% ‡</b>		
Adient U.S. LLC		
Term Loan B1		
8.347% (1 Month SOFR + 3.25%), due 4/10/28 (d)	6,443,411	<u>6,436,362</u>
<b>Media 0.4%</b>		
DIRECTV Financing LLC		
Closing Date Term Loan		
10.025% (1 Month LIBOR + 5.00%), due 8/2/27 (d)	43,160,768	<u>41,506,286</u>

	Principal Amount	Value
<b>Oil &amp; Gas 0.5%</b>		
Ascent Resources Utica Holdings LLC		
Second Lien Term Loan		
14.211% (3 Month LIBOR + 9.00%), due 11/1/25 (d)	\$ 9,011,000	\$ 9,540,396
Brazos Delaware II LLC		
Initial Term Loan		
8.583% (1 Month SOFR + 3.75%), due 2/11/30 (d)	2,000,000	1,971,876
PetroQuest Energy LLC (c)(h)		
Term Loan		
12.34% (12.07% PIK) (1 Month LIBOR + 7.50%), due 11/8/23 (a)(d)	22,157,118	17,060,981
Term Loan		
12.34% (1 Month LIBOR + 7.50%), due 1/1/28 (d)	2,982,259	2,982,259
2020 Term Loan		
12.348% (12.13% PIK), due 9/19/26 (a)	2,290,292	2,290,292
TransMontaigne Operating Co. LP		
Tranche Term Loan B 8.51% - 8.525% (1 Month LIBOR + 3.50%), due 11/17/28 (d)	14,405,900	<u>14,239,339</u>
		<u>48,085,143</u>
<b>Retail 0.9%</b>		
Great Outdoors Group LLC		
Term Loan B2		
8.775% (1 Month LIBOR + 3.75%), due 3/6/28 (d)	93,813,475	<u>92,925,625</u>
<b>Services: Business 0.2%</b>		
GIP II Blue Holding LP		
Initial Term Loan		
9.659% (3 Month LIBOR + 4.50%), due 9/29/28 (d)	16,082,372	16,028,769
Icon plc (d)		
Lux Term Loan		
7.41% (3 Month SOFR + 2.25%), due 7/3/28	2,799,576	2,796,077
U.S. Term Loan		
7.41% (3 Month SOFR + 2.25%), due 7/3/28	697,516	<u>696,645</u>
		<u>19,521,491</u>

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.



# Portfolio of Investments April 30, 2023<sup>†</sup> (Unaudited) (continued)

	Principal Amount	Value
<b>Loan Assignments (continued)</b>		
<b>Software 0.2%</b>		
Cloud Software Group, Inc. First Lien Term Loan A 9.498% (3 Month SOFR + 4.50%), due 9/29/28 (d)	\$ 27,000,000	\$ 24,975,000
<b>Utilities 0.5%</b>		
PG&E Corp. Term Loan 8.063% (1 Month LIBOR + 3.00%), due 6/23/25 (d)	48,291,010	48,140,101
Total Loan Assignments (Cost \$469,466,710)		464,590,601
Total Long-Term Bonds (Cost \$10,086,384,991)		9,464,960,994
<b>Shares</b>		
<b>Common Stocks 2.3%</b>		
<b>Consumer Staples Distribution &amp; Retail 0.0% ‡</b>		
ASG warrant Corp. (c)(h)(l)	12,502	—
<b>Distributors 0.1%</b>		
ATD New Holdings, Inc. (l)	142,545	6,414,525
<b>Electric Utilities 0.0% ‡</b>		
Keycon Power Holdings LLC (c)(h)(l)	38,880	389
<b>Electrical Equipment 0.1%</b>		
Energy Technologies, Inc. (c)(h)(l)	16,724	7,107,700
<b>Energy Equipment &amp; Services 0.1%</b>		
Forum Energy Technologies, Inc. (l)	617,274	13,678,792
Nine Energy Service, Inc. (l)	148,500	573,210
		14,252,002
<b>Hotels, Restaurants &amp; Leisure 0.1%</b>		
Carlson Travel, Inc. (c)(j)(l)	1,813,550	10,881,300
<b>Independent Power and Renewable Electricity Producers 0.3%</b>		
GenOn Energy, Inc. (j)	386,241	35,727,292
<b>Metals &amp; Mining 0.1%</b>		
Franco-Nevada Corp.	65,000	9,865,700

	Shares	Value
<b>Oil, Gas &amp; Consumable Fuels 1.5%</b>		
Chord Energy Corp.	97,111	\$ 13,821,809
Gulfport Energy Corp. (l)	1,189,727	107,622,704
PetroQuest Energy, Inc. (c)(h)(l)	284,709	—
Talos Energy, Inc. (l)	2,074,193	28,271,251
		149,715,764
Total Common Stocks (Cost \$292,007,941)		233,964,672
<b>Convertible Preferred Stock 0.1%</b>		
<b>Hotels, Restaurants &amp; Leisure 0.1%</b>		
CWT Travel Holdings, Inc., 15.00% (b)(c)(e)(l)	97,040	7,763,200
Total Convertible Preferred Stock (Cost \$8,023,865)		7,763,200
<b>Preferred Stocks 0.5%</b>		
<b>Electrical Equipment 0.3%</b>		
Energy Technologies Ltd. (c)(h)(l)	37,258	29,806,400
<b>Oil, Gas &amp; Consumable Fuels 0.2%</b>		
Gulfport Energy Operating Corp., 10.00%(10.00% Cash or 15.00% PIK) (a)(c)(l)	4,201,000	25,142,985
Total Preferred Stocks (Cost \$39,168,071)		54,949,385
<b>Exchange-Traded Funds 0.4%</b>		
iShares Gold Trust (l)	929,500	35,051,445
SPDR Gold Shares (l)	55,336	10,226,093
Total Exchange-Traded Funds (Cost \$33,598,418)		45,277,538
<b>Number of Warrants</b>		
<b>Warrants 0.0% ‡</b>		
<b>Hotels, Restaurants &amp; Leisure 0.0% ‡</b>		
CWT Travel Holdings, Inc. (h)(l)		
Expires 11/19/26	169,236	1,506
Expires 11/19/28	178,143	8,248
		9,754



	Number of Warrants	Value
<b>Warrants (continued) ‡</b>		
<b>Oil, Gas &amp; Consumable Fuels 0.0% ‡</b>		
California Resources Corp.		
Expires 10/27/24 (l)	36,093	\$ 343,606
Total Warrants		
(Cost \$32,627,513)		<u>353,360</u>
Total Investments		
(Cost \$10,491,810,799)	95.1%	9,807,269,149
Other Assets, Less Liabilities	<u>4.9</u>	<u>509,996,738</u>
Net Assets	<u>100.0%</u>	<u>\$ 10,317,265,887</u>

† Percentages indicated are based on Fund net assets.

^ Industry classifications may be different than those used for compliance monitoring purposes.

‡ Less than one-tenth of a percent.

(a) PIK ("Payment-in-Kind")—issuer may pay interest or dividends with additional securities and/or in cash.

(b) May be sold to institutional investors only under Rule 144A or securities offered pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

(c) Illiquid security—As of April 30, 2023, the total market value deemed illiquid under procedures approved by the Board of Trustees was \$196,947,359, which represented 1.9% of the Fund's net assets.

(d) Floating rate—Rate shown was the rate in effect as of April 30, 2023.

(e) Security is perpetual and, thus, does not have a predetermined maturity date. The date shown, if applicable, reflects the next call date.

(f) Delayed delivery security.

(g) Step coupon—Rate shown was the rate in effect as of April 30, 2023.

(h) Security in which significant unobservable inputs (Level 3) were used in determining fair value.

(i) Issue in non-accrual status.

(j) Restricted security. (See Note 5)

(k) Issue in default.

(l) Non-income producing security.

Abbreviation(s):

LIBOR—London Interbank Offered Rate

SOFR—Secured Overnight Financing Rate

SPDR—Standard & Poor's Depository Receipt

TBD—To Be Determined

The following is a summary of the fair valuations according to the inputs used as of April 30, 2023, for valuing the Fund's assets:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<b>Asset Valuation Inputs</b>				
Investments in Securities (a)				
Long-Term Bonds				
Convertible Bonds	\$ —	\$ 79,338,762	\$ —	\$ 79,338,762
Corporate Bonds	—	8,902,393,631	18,638,000	8,921,031,631
Loan Assignments	—	442,257,069	22,333,532	464,590,601
Total Long-Term Bonds	<u>—</u>	<u>9,423,989,462</u>	<u>40,971,532</u>	<u>9,464,960,994</u>
Common Stocks	173,833,466	53,023,117	7,108,089	233,964,672
Convertible Preferred Stock	—	7,763,200	—	7,763,200
Preferred Stocks	—	25,142,985	29,806,400	54,949,385
Exchange-Traded Funds	45,277,538	—	—	45,277,538
Warrants	343,606	—	9,754	353,360
Total Investments in Securities	<u>\$ 219,454,610</u>	<u>\$ 9,509,918,764</u>	<u>\$ 77,895,775</u>	<u>\$ 9,807,269,149</u>

(a) For a complete listing of investments and their industries, see the Portfolio of Investments.

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

# Statement of Assets and Liabilities as of April 30, 2023 (Unaudited)

## Assets

Investment in securities, at value (identified cost \$10,491,810,799)	\$ 9,807,269,149
Cash	422,261,715
Due from custodian	1,412,905
Receivables:	
Interest	150,676,319
Investment securities sold	38,541,512
Fund shares sold	12,446,445
Other assets	<u>2,018,987</u>
Total assets	<u>10,434,627,032</u>

## Liabilities

Payables:	
Investment securities purchased	86,677,132
Fund shares redeemed	19,932,389
Manager (See Note 3)	4,595,704
Transfer agent (See Note 3)	1,662,595
Shareholder communication	778,162
NYLIFE Distributors (See Note 3)	761,245
Professional fees	134,768
Custodian	43,012
Accrued expenses	75,292
Distributions payable	<u>2,700,846</u>
Total liabilities	<u>117,361,145</u>
Net assets	<u>\$10,317,265,887</u>

## Composition of Net Assets

Shares of beneficial interest outstanding (par value of \$.01 per share) unlimited number of shares authorized	\$ 20,491,585
Additional paid-in-capital	<u>11,357,387,849</u>
	11,377,879,434
Total distributable earnings (loss)	<u>(1,060,613,547)</u>
Net assets	<u>\$10,317,265,887</u>

## Class A

Net assets applicable to outstanding shares	<u>\$3,045,279,581</u>
Shares of beneficial interest outstanding	<u>604,290,064</u>
Net asset value per share outstanding	\$ 5.04
Maximum sales charge (4.50% of offering price)	<u>0.24</u>
Maximum offering price per share outstanding	<u>\$ 5.28</u>

## Investor Class

Net assets applicable to outstanding shares	<u>\$ 117,545,218</u>
Shares of beneficial interest outstanding	<u>23,159,430</u>
Net asset value per share outstanding	\$ 5.08
Maximum sales charge (4.00% of offering price)	<u>0.21</u>
Maximum offering price per share outstanding	<u>\$ 5.29</u>

## Class B

Net assets applicable to outstanding shares	<u>\$ 9,940,905</u>
Shares of beneficial interest outstanding	<u>1,982,165</u>
Net asset value and offering price per share outstanding	<u>\$ 5.02</u>

## Class C

Net assets applicable to outstanding shares	<u>\$ 118,560,934</u>
Shares of beneficial interest outstanding	<u>23,620,133</u>
Net asset value and offering price per share outstanding	<u>\$ 5.02</u>

## Class I

Net assets applicable to outstanding shares	<u>\$3,161,867,686</u>
Shares of beneficial interest outstanding	<u>627,254,606</u>
Net asset value and offering price per share outstanding	<u>\$ 5.04</u>

## Class R1

Net assets applicable to outstanding shares	<u>\$ 47,661</u>
Shares of beneficial interest outstanding	<u>9,478</u>
Net asset value and offering price per share outstanding	<u>\$ 5.03</u>

## Class R2

Net assets applicable to outstanding shares	<u>\$ 7,002,615</u>
Shares of beneficial interest outstanding	<u>1,389,058</u>
Net asset value and offering price per share outstanding	<u>\$ 5.04</u>

## Class R3

Net assets applicable to outstanding shares	<u>\$ 3,947,568</u>
Shares of beneficial interest outstanding	<u>784,079</u>
Net asset value and offering price per share outstanding	<u>\$ 5.03</u>

## Class R6

Net assets applicable to outstanding shares	<u>\$3,853,029,186</u>
Shares of beneficial interest outstanding	<u>766,660,692</u>
Net asset value and offering price per share outstanding	<u>\$ 5.03</u>

## SIMPLE Class

Net assets applicable to outstanding shares	<u>\$ 44,533</u>
Shares of beneficial interest outstanding	<u>8,772</u>
Net asset value and offering price per share outstanding	<u>\$ 5.08</u>

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

# Statement of Operations for the six months ended April 30, 2023 (Unaudited)

## Investment Income (Loss)

### Income

Interest	\$307,208,994
Dividends (net of foreign tax withholding of \$17,275)	1,266,045
Other	9,972,286
Total income	<u>318,447,325</u>

### Expenses

Manager (See Note 3)	27,388,235
Transfer agent (See Note 3)	5,059,749
Distribution/Service—Class A (See Note 3)	3,807,628
Distribution/Service—Investor Class (See Note 3)	145,672
Distribution/Service—Class B (See Note 3)	56,880
Distribution/Service—Class C (See Note 3)	629,694
Distribution/Service—Class R2 (See Note 3)	8,722
Distribution/Service—Class R3 (See Note 3)	9,125
Distribution/Service—SIMPLE Class (See Note 3)	94
Professional fees	368,422
Shareholder communication	276,123
Registration	126,165
Trustees	122,658
Custodian	60,630
Shareholder service (See Note 3)	5,337
Miscellaneous	134,175
Total expenses before waiver/reimbursement	38,199,309
Reimbursement from prior custodian <sup>(a)</sup>	<u>(19,662)</u>
Net expenses	<u>38,179,647</u>
Net investment income (loss)	<u>280,267,678</u>

## Realized and Unrealized Gain (Loss)

Net realized gain (loss) on investments	<u>(87,472,084)</u>
Net change in unrealized appreciation (depreciation) on investments	<u>405,732,154</u>
Net realized and unrealized gain (loss)	<u>318,260,070</u>
Net increase (decrease) in net assets resulting from operations	<u>\$598,527,748</u>

(a) Represents a refund for overbilling of custody fees.

# Statements of Changes in Net Assets

for the six months ended April 30, 2023 (Unaudited) and the year ended October 31, 2022

	Six months ended April 30, 2023	Year ended October 31, 2022
--	--	--------------------------------------

## Increase (Decrease) in Net Assets

Operations:

Net investment income (loss)	\$ 280,267,678	\$ 529,759,959
Net realized gain (loss)	(87,472,084)	(2,040,502)
Net change in unrealized appreciation (depreciation)	405,732,154	(1,544,808,534)
Net increase (decrease) in net assets resulting from operations	598,527,748	(1,017,089,077)

Distributions to shareholders:

Class A	(80,315,922)	(159,359,781)
Investor Class	(2,951,198)	(5,731,011)
Class B	(242,446)	(728,522)
Class C	(2,704,060)	(6,351,592)
Class I	(87,201,548)	(179,733,684)
Class R1	(1,246)	(2,576)
Class R2	(180,542)	(372,409)
Class R3	(90,520)	(154,687)
Class R6	(104,078,085)	(181,305,286)
SIMPLE Class	(940)	(1,390)
	(277,766,507)	(533,740,938)

Distributions to shareholders from

return of capital:

Class A	—	(10,959,485)
Investor Class	—	(394,133)
Class B	—	(50,102)
Class C	—	(436,811)
Class I	—	(12,360,639)
Class R1	—	(177)
Class R2	—	(25,611)
Class R3	—	(10,638)
Class R6	—	(12,468,721)
SIMPLE Class	—	(96)
	—	(36,706,413)

Total distributions to shareholders (277,766,507) (570,447,351)

Capital share transactions:

Net proceeds from sales of shares	1,360,954,776	3,247,300,040
Net asset value of shares issued to shareholders in reinvestment of distributions	261,329,803	531,741,895
Cost of shares redeemed	(1,742,934,365)	(4,185,037,510)
Increase (decrease) in net assets derived from capital share transactions	(120,649,786)	(405,995,575)

Net increase (decrease) in net assets 200,111,455 (1,993,532,003)

	Six months ended April 30, 2023	Year ended October 31, 2022
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## Net Assets

Beginning of period	\$10,117,154,432	\$12,110,686,435
End of period	\$10,317,265,887	\$10,117,154,432

# Financial Highlights selected per share data and ratios

Class A	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 4.88	\$ 5.63	\$ 5.41	\$ 5.61	\$ 5.52	\$ 5.77
Net investment income (loss) (a)	0.13	0.24	0.25	0.29	0.29	0.29
Net realized and unrealized gain (loss)	0.16	(0.73)	0.25	(0.17)	0.12	(0.22)
Total from investment operations	0.29	(0.49)	0.50	0.12	0.41	0.07
<b>Less distributions:</b>						
From net investment income	(0.13)	(0.24)	(0.25)	(0.29)	(0.29)	(0.29)
Return of capital	—	(0.02)	(0.03)	(0.03)	(0.03)	(0.03)
Total distributions	(0.13)	(0.26)	(0.28)	(0.32)	(0.32)	(0.32)
Net asset value at end of period	\$ 5.04	\$ 4.88	\$ 5.63	\$ 5.41	\$ 5.61	\$ 5.52
Total investment return (b)	6.01%	(8.88)%	9.37%	2.26%	7.58%	1.29%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	5.34%††	4.58%	4.38%	5.35%	5.21%	5.15%
Net expenses (c)	0.96%††	0.95%	0.95%	0.97%	0.99%	0.99%
Portfolio turnover rate	10%	16%	40%	38%	30%	30%
Net assets at end of period (in 000's)	\$ 3,045,280	\$ 3,074,182	\$ 3,901,512	\$ 3,525,782	\$ 3,405,587	\$ 3,290,659

\* Unaudited.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

Investor Class	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 4.92	\$ 5.67	\$ 5.45	\$ 5.65	\$ 5.57	\$ 5.82
Net investment income (loss) (a)	0.13	0.24	0.24	0.29	0.29	0.29
Net realized and unrealized gain (loss)	0.16	(0.73)	0.26	(0.17)	0.11	(0.22)
Total from investment operations	0.29	(0.49)	0.50	0.12	0.40	0.07
<b>Less distributions:</b>						
From net investment income	(0.13)	(0.24)	(0.25)	(0.29)	(0.29)	(0.29)
Return of capital	—	(0.02)	(0.03)	(0.03)	(0.03)	(0.03)
Total distributions	(0.13)	(0.26)	(0.28)	(0.32)	(0.32)	(0.32)
Net asset value at end of period	\$ 5.08	\$ 4.92	\$ 5.67	\$ 5.45	\$ 5.65	\$ 5.57
Total investment return (b)	5.88%	(8.90)%	9.25%	2.24%	7.33%	1.29%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	5.16%††	4.45%	4.26%	5.27%	5.15%	5.12%
Net expenses (c)	1.14%††	1.09%	1.08%	1.06%	1.05%	1.03%
Portfolio turnover rate	10%	16%	40%	38%	30%	30%
Net assets at end of period (in 000's)	\$ 117,545	\$ 116,961	\$ 139,214	\$ 149,726	\$ 162,260	\$ 159,970

\* Unaudited.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

# Financial Highlights selected per share data and ratios

Class B	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 4.86	\$ 5.60	\$ 5.38	\$ 5.58	\$ 5.50	\$ 5.74
Net investment income (loss) (a)	0.11	0.19	0.20	0.25	0.24	0.25
Net realized and unrealized gain (loss)	0.16	(0.72)	0.25	(0.18)	0.11	(0.21)
Total from investment operations	0.27	(0.53)	0.45	0.07	0.35	0.04
<b>Less distributions:</b>						
From net investment income	(0.11)	(0.20)	(0.21)	(0.24)	(0.25)	(0.26)
Return of capital	—	(0.01)	(0.02)	(0.03)	(0.02)	(0.02)
Total distributions	(0.11)	(0.21)	(0.23)	(0.27)	(0.27)	(0.28)
Net asset value at end of period	\$ 5.02	\$ 4.86	\$ 5.60	\$ 5.38	\$ 5.58	\$ 5.50
Total investment return (b)	5.53%	(9.61)%	8.52%	1.39%	6.52%	0.64%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	4.42%††	3.64%	3.56%	4.55%	4.41%	4.37%
Net expenses (c)	1.89%††	1.84%	1.83%	1.81%	1.80%	1.78%
Portfolio turnover rate	10%	16%	40%	38%	30%	30%
Net assets at end of period (in 000's)	\$ 9,941	\$ 13,032	\$ 26,622	\$ 45,661	\$ 63,517	\$ 81,221

\* Unaudited.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

Class C	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 4.86	\$ 5.60	\$ 5.39	\$ 5.59	\$ 5.50	\$ 5.74
Net investment income (loss) (a)	0.11	0.19	0.20	0.25	0.24	0.25
Net realized and unrealized gain (loss)	0.16	(0.72)	0.24	(0.18)	0.12	(0.21)
Total from investment operations	0.27	(0.53)	0.44	0.07	0.36	0.04
<b>Less distributions:</b>						
From net investment income	(0.11)	(0.20)	(0.21)	(0.24)	(0.25)	(0.26)
Return of capital	—	(0.01)	(0.02)	(0.03)	(0.02)	(0.02)
Total distributions	(0.11)	(0.21)	(0.23)	(0.27)	(0.27)	(0.28)
Net asset value at end of period	\$ 5.02	\$ 4.86	\$ 5.60	\$ 5.39	\$ 5.59	\$ 5.50
Total investment return (b)	5.53%	(9.62)%	8.31%	1.39%	6.71%	0.64%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	4.41%††	3.66%	3.54%	4.54%	4.41%	4.36%
Net expenses (c)	1.89%††	1.84%	1.83%	1.81%	1.80%	1.78%
Portfolio turnover rate	10%	16%	40%	38%	30%	30%
Net assets at end of period (in 000's)	\$ 118,561	\$ 133,295	\$ 214,696	\$ 297,431	\$ 373,760	\$ 550,819

\* Unaudited.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

# Financial Highlights selected per share data and ratios

Class I	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 4.88	\$ 5.63	\$ 5.41	\$ 5.61	\$ 5.53	\$ 5.78
Net investment income (loss) (a)	0.14	0.25	0.26	0.30	0.30	0.31
Net realized and unrealized gain (loss)	0.16	(0.73)	0.26	(0.17)	0.11	(0.22)
Total from investment operations	0.30	(0.48)	0.52	0.13	0.41	0.09
<b>Less distributions:</b>						
From net investment income	(0.14)	(0.25)	(0.27)	(0.30)	(0.30)	(0.31)
Return of capital	—	(0.02)	(0.03)	(0.03)	(0.03)	(0.03)
Total distributions	(0.14)	(0.27)	(0.30)	(0.33)	(0.33)	(0.34)
Net asset value at end of period	\$ 5.04	\$ 4.88	\$ 5.63	\$ 5.41	\$ 5.61	\$ 5.53
Total investment return (b)	6.14%	(8.65)%	9.65%	2.56%	7.68%	1.57%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	5.59%††	4.82%	4.62%	5.60%	5.45%	5.40%
Net expenses (c)	0.71%††	0.70%	0.70%	0.72%	0.74%	0.74%
Portfolio turnover rate	10%	16%	40%	38%	30%	30%
Net assets at end of period (in 000's)	\$ 3,161,868	\$ 3,159,577	\$ 4,116,697	\$ 3,509,954	\$ 3,451,487	\$ 3,709,306

\* Unaudited.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. Class I shares are not subject to sales charges. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

Class R1	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 4.87	\$ 5.62	\$ 5.40	\$ 5.60	\$ 5.52	\$ 5.77
Net investment income (loss) (a)	0.14	0.25	0.25	0.30	0.30	0.30
Net realized and unrealized gain (loss)	0.15	(0.73)	0.26	(0.17)	0.11	(0.22)
Total from investment operations	0.29	(0.48)	0.51	0.13	0.41	0.08
<b>Less distributions:</b>						
From net investment income	(0.13)	(0.25)	(0.26)	(0.30)	(0.30)	(0.30)
Return of capital	—	(0.02)	(0.03)	(0.03)	(0.03)	(0.03)
Total distributions	(0.13)	(0.27)	(0.29)	(0.33)	(0.33)	(0.33)
Net asset value at end of period	\$ 5.03	\$ 4.87	\$ 5.62	\$ 5.40	\$ 5.60	\$ 5.52
Total investment return (b)	6.11%	(8.77)%	9.55%	2.45%	7.58%	1.46%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	5.50%††	4.74%	4.51%	5.52%	5.36%	5.25%
Net expenses (c)	0.81%††	0.80%	0.80%	0.82%	0.84%	0.84%
Portfolio turnover rate	10%	16%	40%	38%	30%	30%
Net assets at end of period (in 000's)	\$ 48	\$ 52	\$ 62	\$ 51	\$ 53	\$ 72

\* Unaudited.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. Class R1 shares are not subject to sales charges. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

# Financial Highlights selected per share data and ratios

Class R2	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 4.88	\$ 5.63	\$ 5.41	\$ 5.61	\$ 5.52	\$ 5.77
Net investment income (loss) (a)	0.13	0.23	0.24	0.29	0.28	0.29
Net realized and unrealized gain (loss)	0.16	(0.73)	0.26	(0.18)	0.12	(0.22)
Total from investment operations	0.29	(0.50)	0.50	0.11	0.40	0.07
<b>Less distributions:</b>						
From net investment income	(0.13)	(0.23)	(0.25)	(0.28)	(0.29)	(0.29)
Return of capital	—	(0.02)	(0.03)	(0.03)	(0.02)	(0.03)
Total distributions	(0.13)	(0.25)	(0.28)	(0.31)	(0.31)	(0.32)
Net asset value at end of period	\$ 5.04	\$ 4.88	\$ 5.63	\$ 5.41	\$ 5.61	\$ 5.52
Total investment return (b)	5.96%	(8.98)%	9.28%	2.17%	7.49%	1.20%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	5.24%††	4.45%	4.28%	5.26%	5.10%	5.06%
Net expenses (c)	1.06%††	1.05%	1.05%	1.07%	1.09%	1.09%
Portfolio turnover rate	10%	16%	40%	38%	30%	30%
Net assets at end of period (in 000's)	\$ 7,003	\$ 6,949	\$ 10,640	\$ 13,006	\$ 13,866	\$ 11,116

\* Unaudited.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. Class R2 shares are not subject to sales charges. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

Class R3	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 4.88	\$ 5.62	\$ 5.40	\$ 5.60	\$ 5.52	\$ 5.77
Net investment income (loss) (a)	0.12	0.22	0.22	0.27	0.27	0.27
Net realized and unrealized gain (loss)	0.15	(0.72)	0.26	(0.17)	0.11	(0.22)
Total from investment operations	0.27	(0.50)	0.48	0.10	0.38	0.05
<b>Less distributions:</b>						
From net investment income	(0.12)	(0.22)	(0.23)	(0.27)	(0.28)	(0.28)
Return of capital	—	(0.02)	(0.03)	(0.03)	(0.02)	(0.02)
Total distributions	(0.12)	(0.24)	(0.26)	(0.30)	(0.30)	(0.30)
Net asset value at end of period	\$ 5.03	\$ 4.88	\$ 5.62	\$ 5.40	\$ 5.60	\$ 5.52
Total investment return (b)	5.61%	(9.07)%	9.01%	1.90%	7.03%	0.96%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	4.99%††	4.25%	3.98%	4.96%	4.84%	4.77%
Net expenses (c)	1.31%††	1.30%	1.30%	1.32%	1.34%	1.34%
Portfolio turnover rate	10%	16%	40%	38%	30%	30%
Net assets at end of period (in 000's)	\$ 3,948	\$ 3,482	\$ 3,630	\$ 1,924	\$ 1,281	\$ 606

\* Unaudited.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. Class R3 shares are not subject to sales charges. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.



# Financial Highlights selected per share data and ratios

Class R6	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 4.87	\$ 5.61	\$ 5.40	\$ 5.60	\$ 5.52	\$ 5.77
Net investment income (loss) (a)	0.14	0.26	0.27	0.31	0.31	0.31
Net realized and unrealized gain (loss)	0.16	(0.72)	0.24	(0.17)	0.11	(0.21)
Total from investment operations	0.30	(0.46)	0.51	0.14	0.42	0.10
<b>Less distributions:</b>						
From net investment income	(0.14)	(0.26)	(0.27)	(0.31)	(0.31)	(0.32)
Return of capital	—	(0.02)	(0.03)	(0.03)	(0.03)	(0.03)
Total distributions	(0.14)	(0.28)	(0.30)	(0.34)	(0.34)	(0.35)
Net asset value at end of period	\$ 5.03	\$ 4.87	\$ 5.61	\$ 5.40	\$ 5.60	\$ 5.52
Total investment return (b)	6.23%	(8.36)%	9.64%	2.70%	7.84%	1.71%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	5.73%††	4.98%	4.79%	5.65%	5.60%	5.54%
Net expenses (c)	0.57%††	0.57%	0.57%	0.58%	0.58%	0.58%
Portfolio turnover rate	10%	16%	40%	38%	30%	30%
Net assets at end of period (in 000's)	\$ 3,853,029	\$ 3,609,591	\$ 3,697,586	\$ 4,420,424	\$ 2,180,977	\$ 904,028

\* Unaudited.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. Class R6 shares are not subject to sales charges. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

SIMPLE Class	Six months ended April 30, 2023*	Year Ended October 31,		August 31, 2020 <sup>^</sup> through October 31, 2020
		2022	2021	2020
Net asset value at beginning of period	\$ 4.92	\$ 5.67	\$ 5.45	\$ 5.54
Net investment income (loss) (a)	0.13	0.22	0.23	0.04
Net realized and unrealized gain (loss)	0.15	(0.73)	0.25	(0.08)
Total from investment operations	0.28	(0.51)	0.48	(0.04)
<b>Less distributions:</b>				
From net investment income	(0.12)	(0.22)	(0.23)	(0.05)
Return of capital	—	(0.02)	(0.03)	(0.00)‡
Total distributions	(0.12)	(0.24)	(0.26)	(0.05)
Net asset value at end of period	\$ 5.08	\$ 4.92	\$ 5.67	\$ 5.45
Total investment return (b)	5.81%	(9.14)%	8.98%	(0.72)%
<b>Ratios (to average net assets)/Supplemental Data:</b>				
Net investment income (loss)	5.03%††	4.23%	4.00%	4.74%††
Net expenses (c)	1.26%††	1.34%	1.33%	1.30%††
Portfolio turnover rate	10%	16%	40%	38%
Net assets at end of period (in 000's)	\$ 45	\$ 32	\$ 27	\$ 25

\* Unaudited.

<sup>^</sup> Inception date.

‡ Less than one cent per share.

†† Annualized.

(a) Per share data based on average shares outstanding during the period.

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. SIMPLE Class shares are not subject to sales charges. For periods of less than one year, total return is not annualized.

(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

The notes to the financial statements are an integral part of, and should be read in conjunction with, the financial statements.

# Notes to Financial Statements (Unaudited)

## Note 1—Organization and Business

The MainStay Funds (the "Trust") was organized on January 9, 1986, as a Massachusetts business trust. The Trust is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and is comprised of twelve funds (collectively referred to as the "Funds"). These financial statements and notes relate to the MainStay MacKay High Yield Corporate Bond Fund (the "Fund"), a "diversified" fund, as that term is defined in the 1940 Act, as interpreted or modified by regulatory authorities having jurisdiction, from time to time.

The following table lists the Fund's share classes that have been registered and commenced operations:

Class	Commenced Operations
Class A	January 3, 1995
Investor Class	February 28, 2008
Class B	May 1, 1986
Class C	September 1, 1998
Class I	January 2, 2004
Class R1	June 29, 2012
Class R2	May 1, 2008
Class R3	February 29, 2016
Class R6	June 17, 2013
SIMPLE Class	August 31, 2020

Class B shares of the MainStay Group of Funds are closed to all new purchases as well as additional investments by existing Class B shareholders. Existing Class B shareholders may continue to reinvest dividends and capital gains distributions, as well as exchange their Class B shares for Class B shares of other funds in the MainStay Group of Funds as permitted by the current exchange privileges. Class B shareholders continue to be subject to any applicable contingent deferred sales charge ("CDSC") at the time of redemption. All other features of the Class B shares, including but not limited to the fees and expenses applicable to Class B shares, remain unchanged. Unless redeemed, Class B shareholders will remain in Class B shares of their respective fund until the Class B shares are converted to Class A or Investor Class shares pursuant to the applicable conversion schedule.

Class A and Investor Class shares are offered at net asset value ("NAV") per share plus an initial sales charge. No initial sales charge applies to investments of \$1 million or more (and certain other qualified purchases) in Class A and Investor Class shares. However, a CDSC of 1.00% may be imposed on certain redemptions made within 18 months of the date of purchase on shares that were purchased without an initial sales charge. Class C shares are offered at NAV without an initial sales charge, although a 1.00% CDSC may be imposed on certain redemptions of such shares made within one year of the date of purchase of Class C shares. When Class B shares were offered, they were offered at NAV without an initial sales charge, although a CDSC that declines depending on the number of years a shareholder held its Class B shares may be imposed on certain redemptions of such shares made within six years of the date

of purchase of such shares. Class I, Class R1, Class R2, Class R3, Class R6 and SIMPLE Class shares are offered at NAV without a sales charge. Depending upon eligibility, Class B shares convert to either Class A or Investor Class shares at the end of the calendar quarter eight years after the date they were purchased. In addition, depending upon eligibility, Class C shares convert to either Class A or Investor Class shares at the end of the calendar quarter eight years after the date they were purchased. Additionally, Investor Class shares may convert automatically to Class A shares. SIMPLE Class shares convert to Class A shares, or Investor Class shares if you are not eligible to hold Class A shares, at the end of the calendar quarter, ten years after the date they were purchased. Share class conversions are based on the relevant NAVs of the two classes at the time of the conversion, and no sales load or other charge is imposed. Under certain circumstances and as may be permitted by the Trust's multiple class plan pursuant to Rule 18f-3 under the 1940 Act, specified share classes of the Fund may be converted to one or more other share classes of the Fund as disclosed in the capital share transactions within these Notes. The classes of shares have the same voting (except for issues that relate solely to one class), dividend, liquidation and other rights, and the same terms and conditions, except that under distribution plans pursuant to Rule 12b-1 under the 1940 Act, Class B and Class C shares are subject to higher distribution and/or service fees than Class A, Investor Class, Class R2, Class R3 and SIMPLE Class shares. Class I, Class R1 and Class R6 shares are not subject to a distribution and/or service fee. Class R1, Class R2 and Class R3 shares are subject to a shareholder service fee, which is in addition to fees paid under the distribution plans for Class R2 and Class R3 shares.

The Fund's investment objective is to seek maximum current income through investment in a diversified portfolio of high-yield debt securities. Capital appreciation is a secondary objective.

## Note 2—Significant Accounting Policies

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification *Topic 946 Financial Services—Investment Companies*. The Fund prepares its financial statements in accordance with generally accepted accounting principles ("GAAP") in the United States of America and follows the significant accounting policies described below.

**(A) Securities Valuation.** Investments are usually valued as of the close of regular trading on the New York Stock Exchange (the "Exchange") (usually 4:00 p.m. Eastern time) on each day the Fund is open for business ("valuation date").

Pursuant to Rule 2a-5 under the 1940 Act, the Board of Trustees of the Trust (the "Board") has designated New York Life Investment Management LLC ("New York Life Investments" or the "Manager") as its Valuation Designee (the "Valuation Designee"). The Valuation Designee is responsible for performing fair valuations relating to all investments in the Fund's portfolio for which market quotations are not readily available; periodically assessing and managing material valuation risks; establishing

and applying fair value methodologies; testing fair valuation methodologies; evaluating and overseeing pricing services; ensuring appropriate segregation of valuation and portfolio management functions; providing quarterly, annual and prompt reporting to the Board, as appropriate; identifying potential conflicts of interest; and maintaining appropriate records. The Valuation Designee has established a valuation committee ("Valuation Committee") to assist in carrying out the Valuation Designee's responsibilities and establish prices of securities for which market quotations are not readily available. The Fund's and the Valuation Designee's policies and procedures ("Valuation Procedures") govern the Valuation Designee's selection and application of methodologies for determining and calculating the fair value of Fund investments. The Valuation Designee may value the Fund's portfolio securities for which market quotations are not readily available and other Fund assets utilizing inputs from pricing services and other third-party sources. The Valuation Committee meets (in person, via electronic mail or via teleconference) on an ad-hoc basis to determine fair valuations and on a quarterly basis to review fair value events with respect to certain securities for which market quotations are not readily available, including valuation risks and back-testing results, and preview reports to the Board.

The Valuation Committee establishes prices of securities for which market quotations are not readily available based on such methodologies and measurements on a regular basis after considering information that is reasonably available and deemed relevant by the Valuation Committee. The Board shall oversee the Valuation Designee and review fair valuation materials on a prompt, quarterly and annual basis and approve proposed revisions to the Valuation Procedures.

Investments for which market quotations are not readily available are valued at fair value as determined in good faith pursuant to the Valuation Procedures. A market quotation is readily available only when that quotation is a quoted price (unadjusted) in active markets for identical investments that the Fund can access at the measurement date, provided that a quotation will not be readily available if it is not reliable. "Fair value" is defined as the price the Fund would reasonably expect to receive upon selling an asset or liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the asset or liability. Fair value measurements are determined within a framework that establishes a three-tier hierarchy that maximizes the use of observable market data and minimizes the use of unobservable inputs to establish a classification of fair value measurements for disclosure purposes. "Inputs" refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, such as the risk inherent in a particular valuation technique used to measure fair value using a pricing model and/or the risk inherent in the inputs for the valuation technique. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the information available. The inputs or methodology used for valuing assets or liabilities may not be an

indication of the risks associated with investing in those assets or liabilities. The three-tier hierarchy of inputs is summarized below.

- Level 1—quoted prices (unadjusted) in active markets for an identical asset or liability
- Level 2—other significant observable inputs (including quoted prices for a similar asset or liability in active markets, interest rates and yield curves, prepayment speeds, credit risk, etc.)
- Level 3—significant unobservable inputs (including the Fund's own assumptions about the assumptions that market participants would use in measuring fair value of an asset or liability)

The level of an asset or liability within the fair value hierarchy is based on the lowest level of an input, both individually and in the aggregate, that is significant to the fair value measurement. The aggregate value by input level of the Fund's assets and liabilities as of April 30, 2023, is included at the end of the Portfolio of Investments.

The Fund may use third-party vendor evaluations, whose prices may be derived from one or more of the following standard inputs, among others:

• Benchmark yields	• Reported trades
• Broker/dealer quotes	• Issuer spreads
• Two-sided markets	• Benchmark securities
• Bids/offers	• Reference data (corporate actions or material event notices)
• Industry and economic events	• Comparable bonds
• Monthly payment information	

An asset or liability for which a market quotation is not readily available is valued by methods deemed reasonable in good faith by the Valuation Committee, following the Valuation Procedures to represent fair value. Under these procedures, the Valuation Designee generally uses a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values and other relevant information. The Valuation Designee may also use an income-based valuation approach in which the anticipated future cash flows of the asset or liability are discounted to calculate fair value. Discounts may also be applied due to the nature and/or duration of any restrictions on the disposition of the asset or liability. Fair value represents a good faith approximation of the value of a security. Fair value determinations involve the consideration of a number of subjective factors, an analysis of applicable facts and circumstances and the exercise of judgment. As a result, it is possible that the fair value for a security determined in good faith in accordance with the Valuation Procedures may differ from valuations for the same security determined for other funds using their own valuation procedures. Although the Valuation Procedures are designed to value a security at the price the Fund may reasonably expect to receive upon the security's sale in an orderly transaction, there can be no assurance that any fair value determination thereunder would, in fact, approximate the amount that the Fund would actually realize upon the sale of the security or the price at which the security would trade if a reliable market price were readily

# Notes to Financial Statements (Unaudited) (continued)

available. During the six-month period ended April 30, 2023, there were no material changes to the fair value methodologies.

Securities which may be valued in this manner include, but are not limited to: (i) a security for which trading has been halted or suspended or otherwise does not have a readily available market quotation on a given day; (ii) a debt security that has recently gone into default and for which there is not a current market quotation; (iii) a security of an issuer that has entered into a restructuring; (iv) a security that has been delisted from a national exchange; (v) a security subject to trading collars for which no or limited trading takes place; and (vi) a security whose principal market has been temporarily closed at a time when, under normal conditions, it would be open. Securities valued in this manner are generally categorized as Level 2 or 3 in the hierarchy.

Equity securities, including exchange-traded funds ("ETFs"), are valued at the last quoted sales prices as of the close of regular trading on the relevant exchange on each valuation date. Securities that are not traded on the valuation date are valued at the mean of the last quoted bid and ask prices. Prices are normally taken from the principal market in which each security trades. These securities are generally categorized as Level 1 in the hierarchy.

Debt securities (other than convertible and municipal bonds) are valued at the evaluated bid prices (evaluated mean prices in the case of convertible and municipal bonds) supplied by a pricing agent or broker selected by the Valuation Designee, in consultation with the Subadvisor. The evaluations are market-based measurements processed through a pricing application and represents the pricing agent's good faith determination as to what a holder may receive in an orderly transaction under market conditions. The rules-based logic utilizes valuation techniques that reflect participants' assumptions and vary by asset class and per methodology, maximizing the use of relevant observable data including quoted prices for similar assets, benchmark yield curves and market corroborated inputs. The evaluated bid or mean prices are deemed by the Valuation Designee, in consultation with the Subadvisor, to be representative of market values at the regular close of trading of the Exchange on each valuation date. Debt securities purchased on a delayed delivery basis are marked to market daily until settlement at the forward settlement date. Debt securities, including corporate bonds, U.S. government and federal agency bonds, municipal bonds, foreign bonds, convertible bonds, asset-backed securities and mortgage-backed securities are generally categorized as Level 2 in the hierarchy.

Loan assignments, participations and commitments are valued at the average of bid quotations obtained from the engaged independent pricing service and are generally categorized as Level 2 in the hierarchy. Certain loan assignments, participations and commitments may be valued by utilizing significant unobservable inputs obtained from the pricing service and are generally categorized as Level 3 in the hierarchy. No securities held by the Fund as of April 30, 2023 were fair valued utilizing significant unobservable inputs obtained from the pricing service.

The information above is not intended to reflect an exhaustive list of the methodologies that may be used to value portfolio investments. The

Valuation Procedures permit the use of a variety of valuation methodologies in connection with valuing portfolio investments. The methodology used for a specific type of investment may vary based on the market data available or other considerations. The methodologies summarized above may not represent the specific means by which portfolio investments are valued on any particular business day.

A portfolio investment may be classified as an illiquid investment under the Fund's written liquidity risk management program and related procedures ("Liquidity Program"). Illiquidity of an investment might prevent the sale of such investment at a time when the Manager or the Subadvisor might wish to sell, and these investments could have the effect of decreasing the overall level of the Fund's liquidity. Further, the lack of an established secondary market may make it more difficult to value illiquid investments, requiring the Fund to rely on judgments that may be somewhat subjective in measuring value, which could vary materially from the amount that the Fund could realize upon disposition. Difficulty in selling illiquid investments may result in a loss or may be costly to the Fund. An illiquid investment is any investment that the Manager or Subadvisor reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. The liquidity classification of each investment will be made using information obtained after reasonable inquiry and taking into account, among other things, relevant market, trading and investment-specific considerations in accordance with the Liquidity Program. Illiquid investments are often fair valued in accordance with the Fund's procedures described above. The liquidity of the Fund's investments was determined as of April 30, 2023, and can change at any time. Illiquid investments as of April 30, 2023, are shown in the Portfolio of Investments.

**(B) Income Taxes.** The Fund's policy is to comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), applicable to regulated investment companies and to distribute all of its taxable income to the shareholders of the Fund within the allowable time limits.

The Manager evaluates the Fund's tax positions to determine if the tax positions taken meet the minimum recognition threshold in connection with accounting for uncertainties in income tax positions taken or expected to be taken for the purposes of measuring and recognizing tax liabilities in the financial statements. Recognition of tax benefits of an uncertain tax position is permitted only to the extent the position is "more likely than not" to be sustained assuming examination by taxing authorities. The Manager analyzed the Fund's tax positions taken on federal, state and local income tax returns for all open tax years (for up to three tax years) and has concluded that no provisions for federal, state and local income tax are required in the Fund's financial statements. The Fund's federal, state and local income tax and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state and local departments of revenue.

**(C) Dividends and Distributions to Shareholders.** Dividends and distributions are recorded on the ex-dividend date. The Fund intends to declare and pay dividends from net investment income, if any, at least monthly and distributions from net realized capital and currency gains, if any, at least annually. Unless a shareholder elects otherwise, all dividends and distributions are reinvested at NAV in the same class of shares of the Fund. Dividends and distributions to shareholders are determined in accordance with federal income tax regulations and may differ from determinations using GAAP.

**(D) Security Transactions and Investment Income.** The Fund records security transactions on the trade date. Realized gains and losses on security transactions are determined using the identified cost method. Dividend income is recognized on the ex-dividend date, net of any foreign tax withheld at the source, and interest income is accrued as earned using the effective interest rate method. Distributions received from real estate investment trusts may be classified as dividends, capital gains and/or return of capital. Discounts and premiums on securities purchased for the Fund are accreted and amortized, respectively, on the effective interest rate method. Income from payment-in-kind securities is accreted daily based on the effective interest method.

Investment income and realized and unrealized gains and losses on investments of the Fund are allocated pro rata to the separate classes of shares based upon their relative net assets on the date the income is earned or realized and unrealized gains and losses are incurred.

The Fund may place a debt security on non-accrual status and reduce related interest income by ceasing current accruals and writing off all or a portion of any interest receivables when the collection of all or a portion of such interest has become doubtful. A debt security is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is reasonably assured.

**(E) Expenses.** Expenses of the Trust are allocated to the individual Funds in proportion to the net assets of the respective Funds when the expenses are incurred, except where direct allocations of expenses can be made. Expenses (other than transfer agent expenses and fees incurred under the shareholder services plans and/or the distribution plans further discussed in Note 3(B)) are allocated to separate classes of shares pro rata based upon their relative net assets on the date the expenses are incurred. The expenses borne by the Fund, including those of related parties to the Fund, are shown in the Statement of Operations.

Additionally, the Fund may invest in ETFs and mutual funds, which are subject to management fees and other fees that may cause the costs of investing in ETFs and mutual funds to be greater than the costs of owning the underlying securities directly. These indirect expenses of ETFs and mutual funds are not included in the amounts shown as expenses in the Statement of Operations or in the expense ratios included in the Financial Highlights.

**(F) Use of Estimates.** In preparing financial statements in conformity with GAAP, the Manager makes estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates and assumptions.

**(G) Loan Assignments, Participations and Commitments.** The Fund may invest in loan assignments and participations ("loans"). Commitments are agreements to make money available to a borrower in a specified amount, at a specified rate and within a specified time. The Fund records an investment when the borrower withdraws money on a commitment or when a funded loan is purchased (trade date) and records interest as earned. These loans pay interest at rates that are periodically reset by reference to a base lending rate plus a spread. These base lending rates are generally the prime rate offered by a designated U.S. bank, the London Interbank Offered Rate ("LIBOR") or an alternative reference rate.

The loans in which the Fund may invest are generally readily marketable, but may be subject to some restrictions on resale. For example, the Fund may be contractually obligated to receive approval from the agent bank and/or borrower prior to the sale of these investments. If the Fund purchases an assignment from a lender, the Fund will generally have direct contractual rights against the borrower in favor of the lender. If the Fund purchases a participation interest either from a lender or a participant, the Fund typically will have established a direct contractual relationship with the seller of the participation interest, but not with the borrower. Consequently, the Fund is subject to the credit risk of the lender or participant who sold the participation interest to the Fund, in addition to the usual credit risk of the borrower. In the event that the borrower, selling participant or intermediate participants become insolvent or enter into bankruptcy, the Fund may incur certain costs and delays in realizing payment, or may suffer a loss of principal and/or interest.

Unfunded commitments represent the remaining obligation of the Fund to the borrower. At any point in time, up to the maturity date of the issue, the borrower may demand the unfunded portion. Unfunded amounts, if any, are marked to market and any unrealized gains or losses are recorded in the Statement of Assets and Liabilities. As of April 30, 2023, the Fund did not hold any unfunded commitments.

**(H) Rights and Warrants.** Rights are certificates that permit the holder to purchase a certain number of shares, or a fractional share, of a new stock from the issuer at a specific price. Warrants are instruments that entitle the holder to buy an equity security at a specific price for a specific period of time. These investments can provide a greater potential for profit or loss than an equivalent investment in the underlying security. Prices of these investments do not necessarily move in tandem with the prices of the underlying securities.

There is risk involved in the purchase of rights and warrants in that these investments are speculative investments. The Fund could also lose the entire value of its investment in warrants if such warrants are not exercised by the date of its expiration. The Fund is exposed to risk until



# Notes to Financial Statements (Unaudited) (continued)

the sale or exercise of each right or warrant is completed. Warrants as of April 30, 2023 are shown in the Portfolio of Investments.

**(I) Delayed Delivery Transactions.** The Fund may purchase or sell securities on a delayed delivery basis. These transactions involve a commitment by the Fund to purchase or sell securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. When delayed delivery purchases are outstanding, the Fund will designate liquid assets in an amount sufficient to meet the purchase price. When purchasing a security on a delayed delivery basis, the Fund assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations, and takes such fluctuations into account when determining its NAV. The Fund may dispose of or renegotiate a delayed delivery transaction after it is entered into, and may sell delayed delivery securities before they are delivered, which may result in a realized gain or loss. When the Fund has sold a security it owns on a delayed delivery basis, the Fund does not participate in future gains and losses with respect to the security. Delayed delivery transactions as of April 30, 2023, are shown in the Portfolio of Investments.

**(J) Debt Securities Risk.** The ability of issuers of debt securities held by the Fund to meet their obligations may be affected by, among other things, economic or political developments in a specific country, industry or region. Debt securities are also subject to the risks associated with changes in interest rates. The Fund primarily invests in high-yield debt securities (commonly referred to as “junk bonds”), which are considered speculative because they present a greater risk of loss, including default, than higher rated debt securities. These securities pay investors a premium—a higher interest rate or yield than investment grade debt securities—because of the increased risk of loss. These securities can also be subject to greater price volatility. In times of unusual or adverse market, economic or political conditions, these securities may experience higher than normal default rates.

The loans in which the Fund invests are usually rated below investment grade, or if unrated, determined by the Subadvisor to be of comparable quality (commonly referred to as “junk bonds”) and are generally considered speculative because they present a greater risk of loss, including default, than higher quality debt securities. Moreover, such securities may, under certain circumstances, be particularly susceptible to liquidity and valuation risks.

Although certain loans are collateralized, there is no guarantee that the value of the collateral will be sufficient to repay the loan. In a recession or serious credit event, the value of these investments could decline significantly. As a result, the Fund’s NAVs could go down and you could lose money.

In addition, loans generally are subject to extended settlement periods that may be longer than seven days. As a result, the Fund may be adversely affected by selling other investments at an unfavorable time and/or under unfavorable conditions or engaging in borrowing

transactions, such as borrowing against its credit facility, to raise cash to meet redemption obligations or pursue other investment opportunities.

In certain circumstances, loans may not be deemed to be securities. As a result, the Fund may not have the protection of the anti-fraud provisions of the federal securities laws. In such cases, the Fund generally must rely on the contractual provisions in the loan agreement and common-law fraud protections under applicable state law.

**(K) LIBOR Replacement Risk.** The Fund may invest in certain debt securities, derivatives or other financial instruments that utilize LIBOR, as a “benchmark” or “reference rate” for various interest rate calculations. As of January 1, 2022, the United Kingdom Financial Conduct Authority, which regulates LIBOR, ceased its active encouragement of banks to provide the quotations needed to sustain most LIBOR rates due to the absence of an active market for interbank unsecured lending and other reasons. However, the United Kingdom Financial Conduct Authority, the LIBOR administrator and other regulators announced that the most widely used tenors of U.S. dollar LIBOR will continue until mid-2023. As a result, it is anticipated that the remaining LIBOR settings will be discontinued or will no longer be sufficiently robust to be representative of its underlying market around that time. In connection with supervisory guidance from regulators, certain regulated entities ceased to enter into certain new LIBOR contracts after January 1, 2022. On March 15, 2022, the Adjustable Interest Rate (LIBOR) Act was signed into law. This law provides a statutory fallback mechanism on a nationwide basis to replace LIBOR with a benchmark rate that is selected by the Board of Governors of the Federal Reserve System and based on SOFR (which measures the cost of overnight borrowings through repurchase agreement transactions collateralized with U.S. Treasury securities) for certain contracts that reference LIBOR and contain no, or insufficient, fallback provisions. It is expected that implementing regulations in respect of the law will follow. Although the transition process away from LIBOR has become increasingly well-defined in advance of the anticipated discontinuation date, there remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement rates.

The elimination of LIBOR or changes to other reference rates or any other changes or reforms to the determination or supervision of reference rates could have an adverse impact on the market for, or value of, any securities or payments linked to those reference rates, which may adversely affect the Fund’s performance and/or net asset value. It could also lead to a reduction in the interest rates on, and the value of, some LIBOR-based investments and reduce the effectiveness of hedges mitigating risk in connection with LIBOR-based investments. Uncertainty and risk also remain regarding the willingness and ability of issuers and lenders to include enhanced provisions in new and existing contracts or instruments. Consequently, the transition away from LIBOR to other reference rates may lead to increased volatility and illiquidity in markets that are tied to LIBOR, fluctuations in values of LIBOR-related investments or investments in issuers that utilize LIBOR, increased difficulty in borrowing or refinancing and diminished effectiveness of hedging strategies, adversely affecting the Fund’s performance. Furthermore, the

risks associated with the expected discontinuation of LIBOR and transition may be exacerbated if the work necessary to effect an orderly transition to an alternative reference rate is not completed in a timely manner. While the transition away from LIBOR has already begun with no material adverse effect to the Fund's performance, the transition is expected to last through mid-2023 for some LIBOR tenors. The usefulness of LIBOR as a benchmark could deteriorate anytime during this transition period. As a result of this uncertainty and developments relating to the transition process, the Fund and its investments may be adversely affected.

**(L) Indemnifications.** Under the Trust's organizational documents, its officers and trustees are indemnified against certain liabilities that may arise out of performance of their duties to the Trust. Additionally, in the normal course of business, the Fund enters into contracts with third-party service providers that contain a variety of representations and warranties and that may provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. The Manager believes that the risk of loss in connection with these potential indemnification obligations is remote. However, there can be no assurance that material liabilities related to such obligations will not arise in the future, which could adversely impact the Fund.

### Note 3—Fees and Related Party Transactions

**(A) Manager and Subadvisor.** New York Life Investments, a registered investment adviser and an indirect, wholly-owned subsidiary of New York Life Insurance Company ("New York Life"), serves as the Fund's Manager, pursuant to an Amended and Restated Management Agreement ("Management Agreement"). The Manager provides offices, conducts clerical, recordkeeping and bookkeeping services and keeps most of the financial and accounting records required to be maintained by the Fund. Except for the portion of salaries and expenses that are the responsibility of the Fund, the Manager pays the salaries and expenses of all personnel affiliated with the Fund and certain operational expenses of the Fund. The Fund reimburses New York Life Investments in an amount equal to the portion of the compensation of the Chief Compliance Officer attributable to the Fund. MacKay Shields LLC ("MacKay Shields" or the "Subadvisor"), a registered investment adviser and an indirect, wholly-owned subsidiary of New York Life, serves as the Subadvisor to the Fund and is responsible for the day-to-day portfolio management of the Fund. Pursuant to the terms of an Amended and Restated Subadvisory Agreement ("Subadvisory Agreement") between New York Life Investments and MacKay Shields, New York Life Investments pays for the services of the Subadvisor.

Pursuant to the Management Agreement, the Fund pays the Manager a monthly fee for the services performed and the facilities furnished at an annual rate of the Fund's average daily net assets as follows: 0.60% up to \$500 million; 0.55% from \$500 million up to \$5 billion; 0.525% from \$5 billion up to \$7 billion; 0.50% from \$7 billion up to \$10 billion; 0.49% from \$10 billion to \$15 billion; and 0.48% in excess of \$15 billion, plus a fee for fund accounting services previously provided by New York Life

Investments under a separate fund accounting agreement furnished at an annual rate of the Fund's average daily net assets as follows: 0.05% up to \$20 million; 0.0333% from \$20 million to \$100 million; and 0.01% in excess of \$100 million. During the six-month period ended April 30, 2023, the effective management fee rate was 0.54%, inclusive of a fee for fund accounting services of 0.01% of the Fund's average daily net assets.

New York Life Investments has contractually agreed to waive fees and/or reimburse expenses so that Total Annual Fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase or sale of portfolio investments and acquired (underlying) fund fees and expenses) of Class R6 do not exceed those of Class I. This agreement will remain in effect until February 28, 2024, and shall renew automatically for one-year terms unless New York Life Investments provides written notice of termination prior to the start of the next term or upon approval of the Board.

During the six-month period ended April 30, 2023, New York Life Investments earned fees from the Fund in the amount of \$27,388,235 and paid the Subadvisor in the amount of \$13,434,596.

JPMorgan provides sub-administration and sub-accounting services to the Fund pursuant to an agreement with New York Life Investments. These services include calculating the daily NAVs of the Fund, maintaining the general ledger and sub-ledger accounts for the calculation of the Fund's NAVs, and assisting New York Life Investments in conducting various aspects of the Fund's administrative operations. For providing these services to the Fund, JPMorgan is compensated by New York Life Investments.

Pursuant to an agreement between the Trust and New York Life Investments, New York Life Investments is responsible for providing or procuring certain regulatory reporting services for the Fund. The Fund will reimburse New York Life Investments for the actual costs incurred by New York Life Investments in connection with providing or procuring these services for the Fund.

**(B) Distribution and Service Fees.** The Trust, on behalf of the Fund, has entered into a distribution agreement with NYLIFE Distributors LLC (the "Distributor"), an affiliate of New York Life Investments. The Fund has adopted distribution plans (the "Plans") in accordance with the provisions of Rule 12b-1 under the 1940 Act.

Pursuant to the Class A, Investor Class and Class R2 Plans, the Distributor receives a monthly fee from the Class A, Investor Class and Class R2 shares at an annual rate of 0.25% of the average daily net assets of the Class A, Investor Class and Class R2 shares for distribution and/or service activities as designated by the Distributor. Pursuant to the Class B and Class C Plans, Class B and Class C shares pay the Distributor a monthly distribution fee at an annual rate of 0.75% of the average daily net assets of the Class B and Class C shares, along with a service fee at an annual rate of 0.25% of the average daily net assets of the Class B and Class C shares, for a total 12b-1 fee of 1.00%. Pursuant

# Notes to Financial Statements (Unaudited) (continued)

to the Class R3 and SIMPLE Class Plans, Class R3 and SIMPLE Class shares pay the Distributor a monthly distribution fee at an annual rate of 0.25% of the average daily net assets of the Class R3 and SIMPLE Class shares, along with a service fee at an annual rate of 0.25% of the average daily net assets of the Class R3 and SIMPLE Class shares, for a total 12b-1 fee of 0.50%. Class I, Class R1 and Class R6 shares are not subject to a distribution and/or service fee.

The Plans provide that the distribution and service fees are payable to the Distributor regardless of the amounts actually expended by the Distributor for distribution of the Fund's shares and service activities.

In accordance with the Shareholder Services Plans for the Class R1, Class R2 and Class R3 shares, the Manager has agreed to provide, through its affiliates or independent third parties, various shareholder and administrative support services to shareholders of the Class R1, Class R2 and Class R3 shares. For its services, the Manager, its affiliates or independent third-party service providers are entitled to a shareholder service fee accrued daily and paid monthly at an annual rate of 0.10% of the average daily net assets of the Class R1, Class R2 and Class R3 shares. This is in addition to any fees paid under the Class R2 and Class R3 Plans.

During the six-month period ended April 30, 2023, shareholder service fees incurred by the Fund were as follows:

Class R1	\$ 23
Class R2	3,489
Class R3	1,825

**(C) Sales Charges.** The Fund was advised by the Distributor that the amount of initial sales charges retained on sales of Class A and Investor Class shares during the six-month period ended April 30, 2023, were \$163,915 and \$9,231, respectively.

The Fund was also advised that the Distributor retained CDSCs on redemptions of Class A, Class B and Class C shares during the six-month period ended April 30, 2023, of \$28,204, \$216 and \$3,298, respectively.

**(D) Transfer, Dividend Disbursing and Shareholder Servicing Agent.** NYLIM Service Company LLC, an affiliate of New York Life Investments, is the Fund's transfer, dividend disbursing and shareholder servicing agent pursuant to an agreement between NYLIM Service Company LLC and the Trust. NYLIM Service Company LLC has entered into an agreement with SS&C Global Investor & Distribution Solutions, Inc. ("SS&C"), pursuant to which SS&C performs certain transfer agent services on behalf of NYLIM Service Company LLC. New York Life Investments has contractually agreed to limit the transfer agency expenses charged to the Fund's share classes to a maximum of 0.35% of that share class's average daily net assets on an annual basis after deducting any applicable Fund or class-level expense reimbursement or small account fees. This agreement will remain in effect until February 28, 2024, and shall renew automatically for one-year terms unless New York Life Investments provides written notice of termination prior to the

start of the next term or upon approval of the Board. During the six-month period ended April 30, 2023, transfer agent expenses incurred by the Fund and any reimbursements, pursuant to the aforementioned Transfer Agency expense limitation agreement, were as follows:

Class	Expense	Waived
Class A	\$2,241,165	\$—
Investor Class	192,544	—
Class B	18,786	—
Class C	208,037	—
Class I	2,318,426	—
Class R1	34	—
Class R2	5,134	—
Class R3	2,684	—
Class R6	72,900	—
SIMPLE Class	39	—

**(E) Small Account Fee.** Shareholders with small accounts adversely impact the cost of providing transfer agency services. In an effort to reduce total transfer agency expenses, the Fund has implemented a small account fee on certain types of accounts. As described in the Fund's prospectus, certain shareholders with an account balance of less than \$1,000 (\$5,000 for Class A share accounts) are charged an annual per account fee of \$20 (assessed semi-annually), the proceeds from which offset transfer agent fees as reflected in the Statement of Operations. This small account fee will not apply to certain types of accounts as described further in the Fund's prospectus.

**(F) Capital.** As of April 30, 2023, New York Life and its affiliates beneficially held shares of the Fund with the values and percentages of net assets as follows:

Class I	\$10,356,074	0.3%
Class R1	41,053	86.1
SIMPLE Class	25,894	58.1

## Note 4-Federal Income Tax

As of April 30, 2023, the cost and unrealized appreciation (depreciation) of the Fund's investment portfolio, including applicable derivative contracts and other financial instruments, as determined on a federal income tax basis, were as follows:

	Federal Tax Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation/Depreciation
Investments in Securities	\$10,466,012,659	\$188,382,266	\$(847,125,776)	\$(658,743,510)

As of October 31, 2022, for federal income tax purposes, capital loss carryforwards of \$313,938,826, as shown in the table below, were available to the extent provided by the regulations to offset future realized gains of the Fund. Accordingly, no capital gains distributions are expected



to be paid to shareholders until net gains have been realized in excess of such amounts.

Capital Loss Available Through	Short-Term Capital Loss Amounts (000's)	Long-Term Capital Loss Amounts (000's)
Unlimited	\$22,588	\$291,351

During the year ended October 31, 2022, the tax character of distributions paid as reflected in the Statements of Changes in Net Assets was as follows:

2022	
Distributions paid from:	
Ordinary Income	\$533,740,938
Return of Capital	36,706,413
Total	\$570,447,351

## Note 5—Restricted Securities

Restricted securities are subject to legal or contractual restrictions on resale. Private placement securities are generally considered to be restricted except for those securities traded between qualified institutional investors under the provisions of Rule 144A of the Securities Act of 1933, as amended. Disposal of restricted securities may involve time consuming negotiations and expenses, and prompt sale at an acceptable price may be difficult to achieve.

As of April 30, 2023, restricted securities held by the Fund were as follows:

Security	Date(s) of Acquisition	Principal Amount/ Shares	Cost	4/30/23 Value	Percent of Net Assets
Briggs & Stratton Corp. Escrow Claim Shares Corporate Bond 6.875%, due 12/15/20	2/26/21	\$ 9,200,000	\$ 9,323,706	\$ —	0.0%
Carlson Travel, Inc. Common Stock	9/4/20 - 12/23/21	1,813,550	33,833,387	10,881,300	0.1
GenOn Energy, Inc. Common Stock	12/14/18	386,241	43,250,890	35,727,292	0.3
Sterling Entertainment Enterprises LLC Corporate Bond 10.25%, due 1/15/25	12/28/17	\$20,000,000	19,906,310	18,638,000	0.2
Total			\$106,314,293	\$ 65,246,592	0.6%

## Note 6—Custodian

JPMorgan is the custodian of cash and securities held by the Fund. Custodial fees are charged to the Fund based on the Fund's net assets and/or the market value of securities held by the Fund and the number of certain transactions incurred by the Fund.

## Note 7—Line of Credit

The Fund and certain other funds managed by New York Life Investments maintain a line of credit with a syndicate of banks in order to secure a source of funds for temporary purposes to meet unanticipated or excessive redemption requests.

Effective July 26, 2022, under the credit agreement (the "Credit Agreement"), the aggregate commitment amount is \$600,000,000 with

an additional uncommitted amount of \$100,000,000. The commitment fee is an annual rate of 0.15% of the average commitment amount payable quarterly, regardless of usage, to JPMorgan, who serves as the agent to the syndicate. The commitment fee is allocated among the Fund and certain other funds managed by New York Life Investments based upon their respective net assets and other factors. Interest on any revolving credit loan is charged based upon the Federal Funds Rate, Daily Simple Secured Overnight Financing Rate ("SOFR") + 0.10%, or the Overnight Bank Funding Rate, whichever is higher. The Credit Agreement expires on July 25, 2023, although the Fund, certain other funds managed by New York Life Investments and the syndicate of banks may renew the Credit Agreement for an additional year on the same or different terms or enter into a credit agreement with a different syndicate of banks. Prior to July 26, 2022, the aggregate commitment amount and the commitment fee were the same as those under the current Credit

# Notes to Financial Statements (Unaudited) (continued)

Agreement. During the six-month period ended April 30, 2023, there were no borrowings made or outstanding with respect to the Fund under the Credit Agreement.

## Note 8—Interfund Lending Program

Pursuant to an exemptive order issued by the SEC, the Fund, along with certain other funds managed by New York Life Investments, may participate in an interfund lending program. The interfund lending program provides an alternative credit facility that permits the Fund and certain other funds managed by New York Life Investments to lend or borrow money for temporary purposes directly to or from one another, subject to the conditions of the exemptive order. During the six-month period ended April 30, 2023, there were no interfund loans made or outstanding with respect to the Fund.

## Note 9—Purchases and Sales of Securities (in 000's)

During the six-month period ended April 30, 2023, purchases and sales of securities, other than short-term securities, were \$990,462 and \$1,010,680, respectively.

## Note 10—Capital Share Transactions

Transactions in capital shares for the six-month period ended April 30, 2023 and the year ended October 31, 2022, were as follows:

Class A	Shares	Amount
Six-month period ended April 30, 2023:		
Shares sold	51,180,662	\$ 254,641,303
Shares issued to shareholders in reinvestment of distributions	13,950,120	69,590,153
Shares redeemed	(92,722,816)	(461,747,713)
Net increase (decrease) in shares outstanding before conversion	(27,592,034)	(137,516,257)
Shares converted into Class A (See Note 1)	2,943,389	14,645,838
Shares converted from Class A (See Note 1)	(676,026)	(3,398,674)
Net increase (decrease)	(25,324,671)	\$ (126,269,093)
Year ended October 31, 2022:		
Shares sold	96,269,574	\$ 504,848,483
Shares issued to shareholders in reinvestment of distributions	28,431,851	148,029,559
Shares redeemed	(193,311,873)	(1,015,581,405)
Net increase (decrease) in shares outstanding before conversion	(68,610,448)	(362,703,363)
Shares converted into Class A (See Note 1)	5,071,164	26,422,459
Shares converted from Class A (See Note 1)	(233,056)	(1,222,885)
Net increase (decrease)	(63,772,340)	\$ (337,503,789)

Investor Class	Shares	Amount
Six-month period ended April 30, 2023:		
Shares sold	522,386	\$ 2,624,390
Shares issued to shareholders in reinvestment of distributions	564,811	2,839,145
Shares redeemed	(1,337,729)	(6,711,390)
Net increase (decrease) in shares outstanding before conversion	(250,532)	(1,247,855)
Shares converted into Investor Class (See Note 1)	288,327	1,446,472
Shares converted from Investor Class (See Note 1)	(665,416)	(3,322,733)
Net increase (decrease)	(627,621)	\$ (3,124,116)
Year ended October 31, 2022:		
Shares sold	1,314,685	\$ 7,006,900
Shares issued to shareholders in reinvestment of distributions	1,121,506	5,871,610
Shares redeemed	(2,565,213)	(13,569,137)
Net increase (decrease) in shares outstanding before conversion	(129,022)	(690,627)
Shares converted into Investor Class (See Note 1)	647,159	3,427,758
Shares converted from Investor Class (See Note 1)	(1,299,262)	(6,923,010)
Net increase (decrease)	(781,125)	\$ (4,185,879)

Class B	Shares	Amount
Six-month period ended April 30, 2023:		
Shares sold	8,849	\$ 43,809
Shares issued to shareholders in reinvestment of distributions	40,301	200,116
Shares redeemed	(330,643)	(1,636,562)
Net increase (decrease) in shares outstanding before conversion	(281,493)	(1,392,637)
Shares converted from Class B (See Note 1)	(418,152)	(2,067,501)
Net increase (decrease)	(699,645)	\$ (3,460,138)
Year ended October 31, 2022:		
Shares sold	51,684	\$ 276,043
Shares issued to shareholders in reinvestment of distributions	128,906	673,604
Shares redeemed	(1,235,556)	(6,393,498)
Net increase (decrease) in shares outstanding before conversion	(1,054,966)	(5,443,851)
Shares converted from Class B (See Note 1)	(1,019,213)	(5,298,623)
Net increase (decrease)	(2,074,179)	\$ (10,742,474)

<b>Class C</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2023:		
Shares sold	759,751	\$ 3,755,481
Shares issued to shareholders in reinvestment of distributions	522,184	2,594,936
Shares redeemed	(4,216,298)	(20,871,650)
Net increase (decrease) in shares outstanding before conversion	(2,934,363)	(14,521,233)
Shares converted from Class C (See Note 1)	(854,332)	(4,221,625)
Net increase (decrease)	(3,788,695)	\$ (18,742,858)
Year ended October 31, 2022:		
Shares sold	1,972,074	\$ 10,211,162
Shares issued to shareholders in reinvestment of distributions	1,235,498	6,431,044
Shares redeemed	(12,067,962)	(63,194,114)
Net increase (decrease) in shares outstanding before conversion	(8,860,390)	(46,551,908)
Shares converted from Class C (See Note 1)	(2,062,605)	(10,660,509)
Net increase (decrease)	(10,922,995)	\$ (57,212,417)

<b>Class I</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2023:		
Shares sold	119,446,020	\$ 595,451,093
Shares issued to shareholders in reinvestment of distributions	16,571,549	82,696,825
Shares redeemed	(156,267,902)	(776,869,162)
Net increase (decrease) in shares outstanding before conversion	(20,250,333)	(98,721,244)
Shares converted into Class I (See Note 1)	690,804	3,473,178
Shares converted from Class I (See Note 1)	(140,372)	(708,780)
Net increase (decrease)	(19,699,901)	\$ (95,956,846)
Year ended October 31, 2022:		
Shares sold	287,464,303	\$ 1,510,050,594
Shares issued to shareholders in reinvestment of distributions	34,206,122	178,206,439
Shares redeemed	(406,328,774)	(2,107,290,774)
Net increase (decrease) in shares outstanding before conversion	(84,658,349)	(419,033,741)
Shares converted into Class I (See Note 1)	252,101	1,317,383
Shares converted from Class I (See Note 1)	(115,407)	(559,921)
Net increase (decrease)	(84,521,655)	\$ (418,276,279)

<b>Class R1</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2023:		
Shares sold	510	\$ 2,563
Shares issued to shareholders in reinvestment of distributions	241	1,203
Shares redeemed	(2,045)	(10,104)
Net increase (decrease)	(1,294)	\$ (6,338)
Year ended October 31, 2022:		
Shares sold	2,588	\$ 12,727
Shares issued to shareholders in reinvestment of distributions	531	2,753
Shares redeemed	(3,382)	(17,585)
Net increase (decrease)	(263)	\$ (2,105)

<b>Class R2</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2023:		
Shares sold	102,102	\$ 509,018
Shares issued to shareholders in reinvestment of distributions	26,014	129,813
Shares redeemed	(161,745)	(807,534)
Net increase (decrease)	(33,629)	\$ (168,703)
Year ended October 31, 2022:		
Shares sold	313,412	\$ 1,646,320
Shares issued to shareholders in reinvestment of distributions	57,136	298,793
Shares redeemed	(831,012)	(4,462,692)
Net increase (decrease) in shares outstanding before conversion	(460,464)	(2,517,579)
Shares converted from Class R2 (See Note 1)	(7,330)	(35,801)
Net increase (decrease)	(467,794)	\$ (2,553,380)

<b>Class R3</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2023:		
Shares sold	106,308	\$ 528,801
Shares issued to shareholders in reinvestment of distributions	16,258	81,078
Shares redeemed	(52,282)	(259,823)
Net increase (decrease)	70,284	\$ 350,056
Year ended October 31, 2022:		
Shares sold	196,243	\$ 1,015,558
Shares issued to shareholders in reinvestment of distributions	29,907	155,148
Shares redeemed	(139,286)	(714,740)
Net increase (decrease) in shares outstanding before conversion	86,864	455,966
Shares converted from Class R3 (See Note 1)	(19,036)	(93,846)
Net increase (decrease)	67,828	\$ 362,120

# Notes to Financial Statements (Unaudited) (continued)

Class R6	Shares	Amount
Six-month period ended April 30, 2023:		
Shares sold	101,484,468	\$ 503,388,197
Shares issued to shareholders in reinvestment of distributions	20,724,644	103,195,594
Shares redeemed	(95,618,033)	(474,020,427)
Net increase (decrease) in shares outstanding before conversion	26,591,079	132,563,364
Shares converted into Class R6 (See Note 1)	9,706	49,014
Shares converted from Class R6 (See Note 1)	(1,183,895)	(5,895,189)
Net increase (decrease)	25,416,890	\$ 126,717,189
Year ended October 31, 2022:		
Shares sold	234,416,558	\$ 1,212,223,525
Shares issued to shareholders in reinvestment of distributions	37,129,569	192,071,459
Shares redeemed	(187,677,935)	(973,813,565)
Net increase (decrease) in shares outstanding before conversion	83,868,192	430,481,419
Shares converted into Class R6 (See Note 1)	1,001	5,033
Shares converted from Class R6 (See Note 1)	(1,230,526)	(6,378,038)
Net increase (decrease)	82,638,667	\$ 424,108,414

SIMPLE Class	Shares	Amount
Six-month period ended April 30, 2023:		
Shares sold	1,988	\$ 10,121
Shares issued to shareholders in reinvestment of distributions	187	940
Net increase (decrease)	2,175	\$ 11,061
Year ended October 31, 2022:		
Shares sold	1,542	\$ 8,728
Shares issued to shareholders in reinvestment of distributions	285	1,486
Net increase (decrease)	1,827	\$ 10,214

## Note 11—Other Matters

As of the date of this report, interest rates in the United States and many parts of the world, including certain European countries, continue to ascend from historically low levels. Thus, the Fund currently faces a heightened level of risk associated with rising interest rates. This could be driven by a variety of factors, including but not limited to central bank monetary policies, changing inflation or real growth rates, general economic conditions, increasing bond issuances or reduced market demand for low yielding investments.

Social, political, economic and other conditions and events, such as war, natural disasters, health emergencies (e.g., epidemics and pandemics), terrorism, conflicts, social unrest, recessions, inflation, rapid interest rate changes and supply chain disruptions, may occur and could significantly impact the Fund, issuers, industries, governments and other systems, including the financial markets. Developments that disrupt global

economies and financial markets, such as COVID-19, the conflict in Ukraine, and the failures of certain U.S. and non-U.S. banks, may magnify factors that affect the Fund's performance.

## Note 12—Subsequent Events

In connection with the preparation of the financial statements of the Fund as of and for the six-month period ended April 30, 2023, events and transactions subsequent to April 30, 2023, through the date the financial statements were issued have been evaluated by the Manager for possible adjustment and/or disclosure. No subsequent events requiring financial statement adjustment or disclosure have been identified.

# Board Consideration and Approval of Management Agreement and Subadvisory Agreement (Unaudited)

The continuation of the Management Agreement with respect to the MainStay MacKay High Yield Corporate Bond Fund (“Fund”) and New York Life Investment Management LLC (“New York Life Investments”) and the Subadvisory Agreement between New York Life Investments and MacKay Shields LLC (“MacKay”) with respect to the Fund (together, “Advisory Agreements”) is subject to annual review and approval by the Board of Trustees of The MainStay Funds (“Board” of the “Trust”) in accordance with Section 15 of the Investment Company Act of 1940, as amended (“1940 Act”). At its December 6–7, 2022 meeting, the Board, which is comprised solely of Trustees who are not an “interested person” (as such term is defined in the 1940 Act) of the Trust (“Independent Trustees”), unanimously approved the continuation of each of the Advisory Agreements for a one-year period.

In reaching the decision to approve the continuation of each of the Advisory Agreements, the Board considered information and materials furnished by New York Life Investments and MacKay in connection with an annual contract review process undertaken by the Board that took place at meetings of the Board and its Contracts Committee during October 2022 through December 2022, including information and materials furnished by New York Life Investments and MacKay in response to requests prepared on behalf of the Board, and in consultation with the Board, by independent legal counsel to the Independent Trustees, which encompassed a variety of topics, including those summarized below. Information and materials requested by and furnished to the Board for consideration in connection with the contract review process included, among other items, reports on the Fund and “peer funds” prepared by Institutional Shareholder Services Inc. (“ISS”), an independent third-party service provider engaged by the Board to report objectively on the Fund’s investment performance, management fee and total expenses. The Board also considered information on the fees charged to other investment advisory clients of New York Life Investments and/or MacKay that follow investment strategies similar to those of the Fund, if any, and, when applicable, the rationale for any differences in the Fund’s management and subadvisory fees and the fees charged to those other investment advisory clients. In addition, the Board considered information regarding the legal standards and fiduciary obligations applicable to its consideration of the continuation of each of the Advisory Agreements. The contract review process, including the structure and format for information and materials provided to the Board, has been developed in consultation with the Board. The Independent Trustees also met in executive sessions with their independent legal counsel and, for portions thereof, with senior management of New York Life Investments.

The Board’s deliberations with respect to the continuation of each of the Advisory Agreements reflect a year-long process, and the Board also took into account information furnished to the Board and its Committees throughout the year, as deemed relevant and appropriate by the Trustees, including, among other items, reports on investment performance of the Fund and investment-related matters for the Fund as well as presentations from New York Life Investments and, generally annually, MacKay personnel. In addition, the Board took into account other information provided by New York Life Investments throughout the year,

including, among other items, periodic reports on legal and compliance matters, risk management, portfolio turnover, brokerage commissions and non-advisory services provided to the Fund by New York Life Investments, as deemed relevant and appropriate by the Trustees.

In addition to information provided to the Board throughout the year, the Board received information in connection with its June 2022 meeting provided specifically in response to requests prepared on behalf of the Board, and in consultation with the Board, by independent legal counsel to the Independent Trustees regarding the Fund’s distribution arrangements. In addition, the Board received information regarding the Fund’s asset levels, share purchase and redemption activity and the payment of Rule 12b-1 and/or certain other fees by the applicable share classes of the Fund, among other information.

In considering the continuation of each of the Advisory Agreements, the Trustees reviewed and evaluated the information and factors they believed to reasonably be necessary and appropriate in light of legal advice furnished to them by independent legal counsel to the Independent Trustees and through the exercise of their own business judgment. Although individual Trustees may have weighed certain factors or information differently and the Board did not consider any single factor or information controlling in reaching its decision, the factors that figured prominently in the Board’s consideration of the continuation of each of the Advisory Agreements are summarized in more detail below and include, among other factors: (i) the nature, extent and quality of the services provided to the Fund by New York Life Investments and MacKay; (ii) the qualifications of the portfolio manager of the Fund and the historical investment performance of the Fund, New York Life Investments and MacKay; (iii) the costs of the services provided, and profits realized, by New York Life Investments and MacKay with respect to their relationships with the Fund; (iv) the extent to which economies of scale have been realized or may be realized if the Fund grows and the extent to which any economies of scale have been shared, have benefited or may benefit the Fund’s shareholders; and (v) the reasonableness of the Fund’s management and subadvisory fees and total ordinary operating expenses. Although the Board recognized that comparisons between the Fund’s fees and expenses and those of other funds are imprecise given different terms of agreements, variations in fund strategies and other factors, the Board considered the reasonableness of the Fund’s management fee and total ordinary operating expenses as compared to the peer funds identified by ISS. Throughout their considerations, the Trustees acknowledged the commitment of New York Life Investments and its affiliates to serve the MainStay Group of Funds, as well as their capacity, experience, resources, financial stability and reputations. The Trustees also acknowledged the entrepreneurial and other risks assumed by New York Life Investments in sponsoring and managing the Fund. With respect to the Subadvisory Agreement, the Board took into account New York Life Investments’ recommendation to approve the continuation of the Subadvisory Agreement.

The Trustees noted that, throughout the year, the Trustees are afforded an opportunity to ask questions of, and request additional information or materials from, New York Life Investments and MacKay. The Board’s



# Board Consideration and Approval of Management Agreement and Subadvisory Agreement (Unaudited) (continued)

decision with respect to each of the Advisory Agreements may have also been based, in part, on the Board's knowledge of New York Life Investments and MacKay resulting from, among other things, the Board's consideration of each of the Advisory Agreements in prior years, the advisory agreements for other funds in the MainStay Group of Funds, the Board's review throughout the year of the performance and operations of other funds in the MainStay Group of Funds and each Trustee's business judgment and industry experience. In addition to considering the above-referenced factors, the Board observed that in the marketplace there are a range of investment options available to investors and that the Fund's shareholders, having had the opportunity to consider other investment options, have chosen to invest in the Fund.

The factors that figured prominently in the Board's decision to approve the continuation of each of the Advisory Agreements during its December 6–7, 2022 meeting are summarized in more detail below.

## Nature, Extent and Quality of Services Provided by New York Life Investments and MacKay

The Board examined the nature, extent and quality of the services that New York Life Investments provides to the Fund. The Board evaluated New York Life Investments' experience and capabilities in serving as manager of the Fund and considered that the Fund operates in a "manager-of-managers" structure. The Board also considered New York Life Investments' responsibilities and services provided pursuant to this structure, including overseeing the services provided by MacKay, evaluating the performance of MacKay, making recommendations to the Board as to whether the Subadvisory Agreement should be renewed, modified or terminated and periodically reporting to the Board regarding the results of New York Life Investments' evaluation and monitoring functions. The Board noted that New York Life Investments manages other mutual funds, serves a variety of other investment advisory clients, including other pooled investment vehicles, and has experience overseeing mutual fund service providers, including subadvisors. The Board considered the experience of senior personnel at New York Life Investments providing management and administrative and other non-advisory services to the Fund. The Board observed that New York Life Investments devotes significant resources and time to providing management and administrative and other non-advisory services to the Fund, including New York Life Investments' oversight and due diligence reviews of MacKay and ongoing analysis of, and interactions with, MacKay with respect to, among other things, the Fund's investment performance and risks as well as MacKay's investment capabilities and subadvisory services with respect to the Fund.

The Board also considered the range of services that New York Life Investments provides to the Fund under the terms of the Management Agreement, including: (i) fund accounting and ongoing supervisory services provided by New York Life Investments' Fund Administration and Accounting Group; (ii) investment supervisory and analytical services provided by New York Life Investments' Investment Consulting Group; (iii) compliance services provided by the Trust's Chief Compliance Officer as well as New York Life Investments' compliance department, including

supervision and implementation of the Fund's compliance program; (iv) legal services provided by New York Life Investments' Office of the General Counsel; and (v) risk management monitoring and analysis by compliance and investment personnel. In addition, the Board considered New York Life Investments' willingness to invest in personnel and other resources, such as cyber security, information security and business continuity planning, designed to benefit the Fund and noted that New York Life Investments is responsible for compensating the Trust's officers, except for a portion of the salary of the Trust's Chief Compliance Officer. The Board recognized that New York Life Investments provides certain other non-advisory services to the Fund and has provided an increasingly broad array of non-advisory services to the MainStay Group of Funds as a result of regulatory and other developments, including in connection with the implementation of the MainStay Group of Funds' derivatives risk management program and policies and procedures adopted pursuant to Rule 18f-4 under the 1940 Act. The Board considered benefits to the Fund's shareholders from the Fund being part of the MainStay Group of Funds, including the ability to exchange investments between the same class of shares of funds in the MainStay Group of Funds, including without the imposition of a sales charge (if any).

The Board also examined the range, and the nature, extent and quality, of the investment advisory services that MacKay provides to the Fund and considered the terms of each of the Advisory Agreements. The Board evaluated MacKay's experience and performance in serving as subadvisor to the Fund and advising other portfolios and MacKay's track record and experience in providing investment advisory services as well as the experience of investment advisory, senior management and administrative personnel at MacKay. The Board considered New York Life Investments' and MacKay's overall resources, legal and compliance environment, capabilities, reputation, financial condition and history. In addition to information provided in connection with quarterly meetings with the Trust's Chief Compliance Officer, the Board considered information regarding the compliance policies and procedures of New York Life Investments and MacKay and acknowledged their commitment to further developing and strengthening compliance programs relating to the Fund. The Board also considered MacKay's ability to recruit and retain qualified investment professionals and willingness to invest in personnel and other resources to service and support the Fund. In this regard, the Board considered the qualifications and experience of the Fund's portfolio manager, the number of accounts managed by the portfolio manager and the method for compensating the portfolio manager.

In addition, the Board considered information provided by New York Life Investments and MacKay regarding the operations of their respective business continuity plans in response to the COVID-19 pandemic and the continued remote work environment.

Based on these considerations, among others, the Board concluded that the Fund would likely continue to benefit from the nature, extent and quality of these services.

## Investment Performance

In evaluating the Fund's investment performance, the Board considered investment performance results over various periods in light of the Fund's investment objective, strategies and risks. The Board considered investment reports on, and analysis of, the Fund's performance provided to the Board throughout the year. These reports include, among other items, information on the Fund's gross and net returns, the Fund's investment performance compared to a relevant investment category and the Fund's benchmark, the Fund's risk-adjusted investment performance and the Fund's investment performance as compared to peer funds, as appropriate, as well as portfolio attribution information and commentary on the effect of market conditions. The Board also considered information provided by ISS showing the investment performance of the Fund as compared to peer funds. In addition, the Board reviewed the methodology used by ISS to construct the group of peer funds for comparative purposes.

The Board also took into account its discussions with senior management at New York Life Investments concerning the Fund's investment performance over various periods as well as discussions between the Fund's portfolio management team and the members of the Board's Investment Committee, which generally occur on an annual basis. In addition, the Board considered any specific actions that New York Life Investments or MacKay had taken, or had agreed to take, to seek to enhance Fund investment performance and the results of those actions.

Based on these considerations, among others, the Board concluded that its review of the Fund's investment performance and related information supported a determination to approve the continuation of each of the Advisory Agreements.

## Costs of the Services Provided, and Profits and Other Benefits Realized, by New York Life Investments and MacKay

The Board considered the costs of the services provided under each of the Advisory Agreements. The Board also considered the profits realized by New York Life Investments and its affiliates, including MacKay, due to their relationships with the Fund as well as the MainStay Group of Funds. Because MacKay is an affiliate of New York Life Investments whose subadvisory fee is paid by New York Life Investments, not the Fund, the Board considered cost and profitability information for New York Life Investments and MacKay in the aggregate.

In addition, the Board acknowledged the difficulty in obtaining reliable comparative data about mutual fund managers' profitability because such information generally is not publicly available and may be impacted by numerous factors, including the structure of a fund manager's organization, the types of funds it manages, the methodology used to allocate certain fixed costs to specific funds and the manager's capital structure and costs of capital.

In evaluating the costs of the services provided by New York Life Investments and MacKay and profits realized by New York Life Investments and its affiliates, including MacKay, the Board considered,

among other factors, New York Life Investments' and its affiliates', including MacKay's, continuing investments in, or willingness to invest in, personnel and other resources to support and further enhance the management of the Fund, and that New York Life Investments is responsible for paying the subadvisory fee for the Fund. The Board also considered the financial resources of New York Life Investments and MacKay and acknowledged that New York Life Investments and MacKay must be in a position to recruit and retain experienced professional personnel and to maintain a strong financial position for New York Life Investments and MacKay to continue to provide high-quality services to the Fund. The Board recognized that the Fund benefits from the allocation of certain fixed costs among the funds in the MainStay Group of Funds, among other expected benefits resulting from its relationship with New York Life Investments.

The Board considered information regarding New York Life Investments' methodology for calculating profitability and allocating costs provided by New York Life Investments in connection with the fund profitability analysis presented to the Board. The Board noted it had previously engaged an independent consultant to review the methods used to allocate costs among the funds in the MainStay Group of Funds. The Board also noted that the independent consultant had concluded that New York Life Investments' methods for allocating costs and procedures for estimating overall profitability of the relationship with the funds in the MainStay Group of Funds are reasonable and that New York Life Investments continued to use the same method of calculating profit and allocating costs since the independent consultant's review. The Board recognized the difficulty in calculating and evaluating a manager's profitability with respect to the Fund and considered that other profitability methodologies may also be reasonable.

The Board also considered certain fall-out benefits that may be realized by New York Life Investments and its affiliates, including MacKay, due to their relationships with the Fund, including reputational and other indirect benefits. The Board recognized, for example, the benefits to MacKay from legally permitted "soft-dollar" arrangements by which brokers provide research and other services to MacKay in exchange for commissions paid by the Fund with respect to trades in the Fund's portfolio securities. In addition, the Board considered its review of the management agreement for a money market fund advised by New York Life Investments and an affiliated subadvisor that serves as an investment option for the Fund, including the potential rationale for and costs associated with investments in this money market fund by the Fund, if any, and considered information from New York Life Investments that the nature and type of specific investment advisory services provided to this money market fund are distinct from, or in addition to, the investment advisory services provided to the Fund.

The Board observed that, in addition to fees earned by New York Life Investments under the Management Agreement for managing the Fund, New York Life Investments' affiliates also earn revenues from serving the Fund in various other capacities, including as the Fund's transfer agent and distributor. The Board considered information about these other revenues and their impact on the profitability of the relationship with the

# Board Consideration and Approval of Management Agreement and Subadvisory Agreement (Unaudited) (continued)

Fund to New York Life Investments and its affiliates. The Board noted that, although it assessed the overall profitability of the relationship with the Fund to New York Life Investments and its affiliates as part of the contract review process, when considering the reasonableness of the fee paid to New York Life Investments under the Management Agreement, the Board considered the profitability of New York Life Investments' relationship with the Fund on a pre-tax basis and without regard to distribution expenses incurred by New York Life Investments from its own resources.

After evaluating the information deemed relevant by the Trustees, the Board concluded that any profits realized by New York Life Investments and its affiliates, including MacKay, due to their relationships with the Fund were not excessive and other expected benefits that may accrue to New York Life Investments and its affiliates, including MacKay, are reasonable.

## Management and Subadvisory Fees and Total Ordinary Operating Expenses

The Board evaluated the reasonableness of the fee paid under each of the Advisory Agreements and the Fund's total ordinary operating expenses. The Board primarily considered the reasonableness of the management fee paid by the Fund to New York Life Investments because the subadvisory fee paid to MacKay is paid by New York Life Investments, not the Fund. The Board also considered the reasonableness of the subadvisory fee paid by New York Life Investments and the amount of the management fee retained by New York Life Investments.

In assessing the reasonableness of the Fund's fees and expenses, the Board primarily considered comparative data provided by ISS on the fees and expenses charged by similar mutual funds managed by other investment advisers. The Board reviewed the methodology used by ISS to construct the group of peer funds for comparative purposes. In addition, the Board considered information provided by New York Life Investments and MacKay on fees charged to other investment advisory clients, including institutional separate accounts and/or other funds that follow investment strategies similar to those of the Fund, if any. The Board considered the contractual management fee schedules of the Fund as compared to those of such other investment advisory clients, taking into account the rationale for any differences in fee schedules. The Board also took into account information provided by New York Life Investments about the more extensive scope of services provided to registered investment companies, such as the Fund, as compared with other investment advisory clients. Additionally, the Board considered the impact of contractual breakpoints, voluntary waivers and expense limitation arrangements on the Fund's net management fee and expenses. The Board also considered that in proposing fees for the Fund, New York Life Investments considers the competitive marketplace for mutual funds.

The Board took into account information from New York Life Investments, as provided in connection with the Board's June 2022 meeting, regarding the reasonableness of the Fund's transfer agent fee schedule, including industry data demonstrating that the fees that NYLIM Service Company LLC, an affiliate of New York Life Investments and the Fund's

transfer agent, charges the Fund are within the range of fees charged by transfer agents to other mutual funds. In addition, the Board considered NYLIM Service Company LLC's profitability in connection with the transfer agent services it provides to the Fund. The Board also took into account information provided by NYLIM Service Company LLC regarding the sub-transfer agency payments it made to intermediaries in connection with the provision of sub-transfer agency services to the Fund.

The Board considered the extent to which transfer agent fees contributed to the total expenses of the Fund. The Board acknowledged the role that the MainStay Group of Funds historically has played in serving the investment needs of New York Life Insurance Company customers, who often maintain smaller account balances than other shareholders of funds, and the impact of small accounts on the expense ratios of Fund share classes. The Board also recognized measures that it and New York Life Investments have taken intended to mitigate the effect of small accounts on the expense ratios of Fund share classes, including through the imposition of an expense limitation on net transfer agency expenses. The Board also considered that NYLIM Service Company LLC had waived its contractual cost of living adjustments during the seven years prior to 2021.

Based on the factors outlined above, among other considerations, the Board concluded that the Fund's management fee and total ordinary operating expenses are within a range that is competitive and support a conclusion that these fees and expenses are reasonable.

## Economies of Scale

The Board considered information regarding economies of scale, including whether economies of scale may exist for the Fund and whether the Fund's expense structure permits any economies of scale to be appropriately shared with the Fund's shareholders. The Board also considered a report from New York Life Investments, previously prepared at the request of the Board, that addressed economies of scale, including with respect to the mutual fund business generally, and the various ways in which the benefits of economies of scale may be shared with the funds in the MainStay Group of Funds. Although the Board recognized the difficulty of determining economies of scale with precision, the Board acknowledged that economies of scale may be shared with the Fund in a number of ways, including, for example, through the imposition of fee breakpoints, initially setting management fee rates at scale or making additional investments to enhance the services provided to the Fund. The Board reviewed information from New York Life Investments showing how the Fund's management fee schedule compared to fee schedules of other funds and accounts managed by New York Life Investments. The Board also reviewed information from ISS showing how the Fund's management fee schedule compared with fees paid for similar services by peer funds at varying asset levels.

Based on this information, the Board concluded that economies of scale are appropriately shared for the benefit of the Fund's shareholders through the Fund's expense structure and other methods to share benefits from economies of scale.



**Conclusion**

On the basis of the information and factors summarized above, among other information and factors deemed relevant by the Trustees, and the evaluation thereof, the Board unanimously voted to approve the continuation of each of the Advisory Agreements.

## Discussion of the Operation and Effectiveness of the Fund's Liquidity Risk Management Program (Unaudited)

In compliance with Rule 22e-4 under the Investment Company Act of 1940, as amended (the "Liquidity Rule"), the Fund has adopted and implemented a liquidity risk management program (the "Program"), which New York Life Investment Management LLC believes is reasonably designed to assess and manage the Fund's liquidity risk. A Fund's liquidity risk is the risk that the Fund could not meet requests to redeem shares issued by the Fund without significant dilution of the remaining investors' interests in the Fund. The Board of Trustees of The MainStay Funds (the "Board") previously approved the designation of New York Life Investment Management LLC as administrator of the Program (the "Administrator"). The Administrator has established a Liquidity Risk Management Committee to assist the Administrator in the implementation and day-to-day administration of the Program and to otherwise support the Administrator in fulfilling its responsibilities under the Program.

At a meeting of the Board held on February 28, 2023, the Administrator provided the Board with a written report addressing the Program's operation and assessing the adequacy and effectiveness of its implementation for the period from January 1, 2022, through December 31, 2022 (the "Review Period"), as required under the Liquidity Rule. The report noted that the Administrator concluded that (i) the Program operated effectively to assess and manage the Fund's liquidity risk, (ii) the Program has been and continues to be adequately and effectively implemented to monitor and, as applicable, respond to the Fund's liquidity developments and (iii) the Fund's investment strategy continues to be appropriate for an open-end fund. In addition, the report summarized the operation of the Program and the information and factors considered by the Administrator in its assessment of the Program's implementation, such as the liquidity risk assessment framework and the liquidity classification methodologies, and discussed notable geopolitical, market and other economic events that impacted liquidity risk during the Review Period.

In accordance with the Program, the Fund's liquidity risk is assessed no less frequently than annually taking into consideration certain factors, as applicable, such as (i) investment strategy and liquidity of portfolio investments, (ii) short-term and long-term cash flow projections, and (iii) holdings of cash and cash equivalents, as well as borrowing arrangements and other funding sources. Certain factors are considered under both normal and reasonably foreseeable stressed conditions.

Each Fund portfolio investment is classified into one of four liquidity categories. The classification is based on a determination of the number of days it is reasonably expected to take to convert the investment into cash, or sell or dispose of the investment, in current market conditions without significantly changing the market value of the investment. The Administrator has delegated liquidity classification determinations to the Fund's subadvisor, subject to appropriate oversight by the Administrator, and liquidity classification determinations are made by taking into account the Fund's reasonably anticipated trade size, various market, trading and investment-specific considerations, as well as market depth, and, in certain cases, third-party vendor data.

The Liquidity Rule requires funds that do not primarily hold assets that are highly liquid investments to adopt a minimum amount of net assets that must be invested in highly liquid investments that are assets (an "HLIM"). In addition, the Liquidity Rule limits a fund's investments in illiquid investments. Specifically, the Liquidity Rule prohibits acquisition of illiquid investments if, immediately after acquisition, doing so would result in a fund holding more than 15% of its net assets in illiquid investments that are assets. The Program includes provisions reasonably designed to determine, periodically review and comply with the HLIM requirement, as applicable, and to comply with the 15% limit on illiquid investments.

There can be no assurance that the Program will achieve its objectives under all circumstances in the future. Please refer to the Fund's prospectus for more information regarding the Fund's exposure to liquidity risk and other risks to which it may be subject.

## Proxy Voting Policies and Procedures and Proxy Voting Record

The Fund is required to file with the SEC its proxy voting record for the 12-month period ending June 30 on Form N-PX. A description of the policies and procedures that are used to vote proxies relating to portfolio securities of the Fund is available free of charge upon request by calling 800-624-6782 or visiting the SEC's website at [www.sec.gov](http://www.sec.gov). The most recent Form N-PX or proxy voting record is available free of charge upon request by calling 800-624-6782; visiting [newyorklifeinvestments.com](http://newyorklifeinvestments.com); or visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

## Shareholder Reports and Quarterly Portfolio Disclosure

The Fund is required to file its complete schedule of portfolio holdings with the SEC 60 days after its first and third fiscal quarter on Form N-PORT. The Fund's holdings report is available free of charge upon request by calling New York Life Investments at 800-624-6782.

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# MainStay Funds

## Equity

### U.S. Equity

MainStay Epoch U.S. Equity Yield Fund  
MainStay Fiera SMID Growth Fund  
MainStay S&P 500 Index Fund  
MainStay Winslow Large Cap Growth Fund  
MainStay WMC Enduring Capital Fund  
MainStay WMC Growth Fund  
MainStay WMC Small Companies Fund  
MainStay WMC Value Fund

### International Equity

MainStay Epoch International Choice Fund  
MainStay MacKay International Equity Fund  
MainStay WMC International Research Equity Fund

### Emerging Markets Equity

MainStay Candriam Emerging Markets Equity Fund

### Global Equity

MainStay Epoch Capital Growth Fund  
MainStay Epoch Global Equity Yield Fund

## Fixed Income

### Taxable Income

MainStay Candriam Emerging Markets Debt Fund  
MainStay Floating Rate Fund  
MainStay MacKay High Yield Corporate Bond Fund  
MainStay MacKay Short Duration High Yield Fund  
MainStay MacKay Strategic Bond Fund  
MainStay MacKay Total Return Bond Fund  
MainStay MacKay U.S. Infrastructure Bond Fund  
MainStay Short Term Bond Fund

### Tax-Exempt Income

MainStay MacKay California Tax Free Opportunities Fund<sup>1</sup>  
MainStay MacKay High Yield Municipal Bond Fund  
MainStay MacKay New York Tax Free Opportunities Fund<sup>2</sup>  
MainStay MacKay Short Term Municipal Fund  
MainStay MacKay Strategic Municipal Allocation Fund  
MainStay MacKay Tax Free Bond Fund

### Money Market

MainStay Money Market Fund

## Mixed Asset

MainStay Balanced Fund  
MainStay Income Builder Fund  
MainStay MacKay Convertible Fund

## Speciality

MainStay CBRE Global Infrastructure Fund  
MainStay CBRE Real Estate Fund  
MainStay Cushing MLP Premier Fund

## Asset Allocation

MainStay Conservative Allocation Fund  
MainStay Conservative ETF Allocation Fund  
MainStay Defensive ETF Allocation Fund  
MainStay Equity Allocation Fund  
MainStay Equity ETF Allocation Fund  
MainStay ESG Multi-Asset Allocation Fund  
MainStay Growth Allocation Fund  
MainStay Growth ETF Allocation Fund  
MainStay Moderate Allocation Fund  
MainStay Moderate ETF Allocation Fund

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## Manager

### New York Life Investment Management LLC

New York, New York

## Subadvisors

### Candriam<sup>3</sup>

Strassen, Luxembourg

### CBRE Investment Management Listed Real Assets LLC

Radnor, Pennsylvania

### Cushing Asset Management, LP

Dallas, Texas

### Epoch Investment Partners, Inc.

New York, New York

### Fiera Capital Inc.

New York, New York

### IndexIQ Advisors LLC<sup>3</sup>

New York, New York

### MacKay Shields LLC<sup>3</sup>

New York, New York

### NYL Investors LLC<sup>3</sup>

New York, New York

### Wellington Management Company LLP

Boston, Massachusetts

### Winslow Capital Management, LLC

Minneapolis, Minnesota

## Legal Counsel

### Dechert LLP

Washington, District of Columbia

## Independent Registered Public Accounting Firm

### KPMG LLP

Philadelphia, Pennsylvania

## Distributor

### NYLIFE Distributors LLC<sup>3</sup>

Jersey City, New Jersey

## Custodian

### JPMorgan Chase Bank, N.A.

New York, New York

1. This Fund is registered for sale in AZ, CA, NV, OR, TX, UT, WA and MI (Class A and Class I shares only), and CO, FL, GA, HI, ID, MA, MD, NH, NJ and NY (Class I shares only).
2. This Fund is registered for sale in CA, CT, DE, FL, MA, NJ, NY and VT.
3. An affiliate of New York Life Investment Management LLC.

**For more information**

800-624-6782

[newyorklifeinvestments.com](http://newyorklifeinvestments.com)

“New York Life Investments” is both a service mark, and the common trade name, of certain investment advisors affiliated with New York Life Insurance Company. The MainStay Funds<sup>®</sup> are managed by New York Life Investment Management LLC and distributed by NYLIFE Distributors LLC, 30 Hudson Street, Jersey City, NJ 07302, a wholly owned subsidiary of New York Life Insurance Company. NYLIFE Distributors LLC is a Member FINRA/SIPC.

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