

# MainStay MacKay New York Tax Free Opportunities 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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## Semiannual Report

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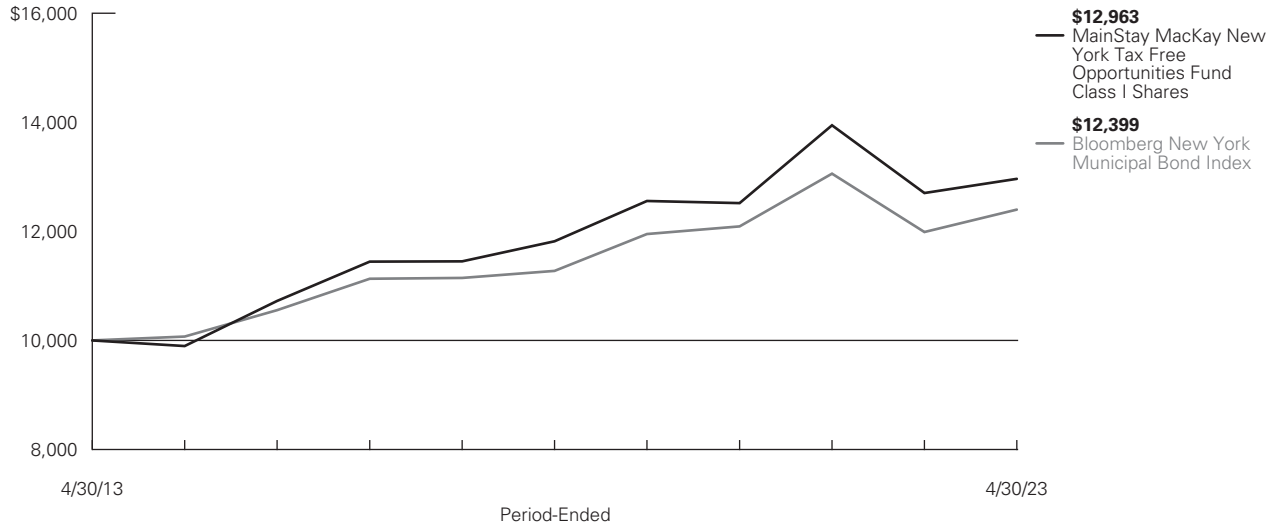
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**Investors should refer to the Fund's Summary Prospectus and/or Prospectus and consider the Fund's investment objectives, strategies, risks, charges and expenses carefully before investing. The Summary Prospectus and/or Prospectus contain this and 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 Trust's 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 <sup>3</sup>	Maximum 3.00% Initial Sales Charge	With sales charges	5/14/2012	6.26%	-2.79%	0.68%	1.90%	0.77%
		Excluding sales charges		9.54	1.80	1.61	2.37	0.77
Investor Class Shares <sup>4, 5</sup>	Maximum 2.50% Initial Sales Charge	With sales charges	5/14/2012	6.79	-2.29	0.65	1.84	0.78
		Excluding sales charges		9.53	1.78	1.58	2.31	0.78
Class C Shares	Maximum 1.00% CDSC if Redeemed Within One Year of Purchase	With sales charges	5/14/2012	8.40	0.54	1.32	2.05	1.03
		Excluding sales charges		9.40	1.52	1.32	2.05	1.03
Class C2 Shares	Maximum 1.00% CDSC if Redeemed Within One Year of Purchase	With sales charges	8/31/2020	8.44	0.39	N/A	-1.90	1.18
		Excluding sales charges		9.44	1.37	N/A	-1.90	1.18
Class I Shares	No Sales Charge		5/14/2012	9.79	2.05	1.87	2.63	0.52
Class R6 Shares	No Sales Charge		11/1/2019	9.69	1.96	N/A	-0.09	0.49

- Not annualized.
- 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.
- Prior to August 10, 2022, the maximum initial sales charge was 4.50%, which is reflected in the applicable average annual total return figures shown.
- 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.
- Prior to August 10, 2022, the maximum initial sales charge was 4.00%, which is reflected in the applicable average annual total return figures shown.

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>
Bloomberg New York Municipal Bond Index <sup>2</sup>	8.59%	3.42%	1.92%	2.17%
Morningstar Muni New York Long Category Average <sup>3</sup>	9.20	1.47	1.52	1.82

\* 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 Bloomberg New York Municipal Bond Index is the Fund's primary broad-based securities market index for comparison purposes. The Bloomberg New York Municipal Bond Index is a market value weighted index of New York investment grade tax exempt fixed-rate municipal bonds with maturities of one year or more.
3. The Morningstar Muni New York Long Category Average is representative of funds that invest at least 80% of assets in New York municipal debt. These funds have durations of more than 7.0 years. 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 New York Tax Free Opportunities 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	\$1,095.40	\$3.90	\$1,021.08	\$3.76	0.75%
Investor Class Shares	\$1,000.00	\$1,095.30	\$4.00	\$1,020.98	\$3.86	0.77%
Class C Shares	\$1,000.00	\$1,094.00	\$5.30	\$1,019.74	\$5.11	1.02%
Class C2 Shares	\$1,000.00	\$1,094.40	\$6.08	\$1,018.99	\$5.86	1.17%
Class I Shares	\$1,000.00	\$1,097.90	\$2.60	\$1,022.32	\$2.51	0.50%
Class R6 Shares	\$1,000.00	\$1,096.90	\$2.50	\$1,022.41	\$2.41	0.48%

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

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

Other Revenue	35.8%	Housing	1.0%
Transportation	15.3	Certificate of Participation/Lease	0.1
Education	14.8	Closed-End Funds	0.2
Water & Sewer	10.2	Short-Term Investment	1.3
General Obligation	8.9	Other Assets, Less Liabilities	1.4
Hospital	7.3		<u>100.0%</u>
Utilities	3.7		

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. New York State Dormitory Authority, 3.00%-5.00%, due 3/15/31-7/1/53
  2. New York City Municipal Water Finance Authority, 3.75%-5.00%, due 6/15/34-6/15/53
  3. Metropolitan Transportation Authority, 3.77%-5.25%, due 11/15/27-11/15/52
  4. New York City Transitional Finance Authority, 1.58%-5.50%, due 5/1/24-11/1/48
  5. Build NYC Resource Corp., 4.00%-5.50%, due 7/1/30-7/1/56
  6. New York City Industrial Development Agency, (zero coupon)-5.00%, due 7/1/28-3/1/49
  7. Port Authority of New York & New Jersey, 4.00%-5.50%, due 12/1/31-9/15/48
  8. City of New York, 4.00%-5.25%, due 10/1/41-8/1/50
  9. New York Transportation Development Corp., 4.00%-5.25%, due 12/1/29-4/30/53
  10. Triborough Bridge & Tunnel Authority, 4.00%-5.50%, due 11/15/42-11/15/57
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# Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by portfolio managers John Loffredo, CFA, Robert DiMella, CFA, Michael Petty, David Dowden, Scott Sprauer, Frances Lewis and Michael Denlinger, CFA, of MacKay Shields LLC, the Fund's Subadvisor.

## **How did MainStay MacKay New York Tax Free Opportunities 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 New York Tax Free Opportunities Fund returned 9.79%, outperforming the 8.59% return of the Fund's primary benchmark, the Bloomberg New York Municipal Bond Index (the "Index"). Over the same period, Class I shares outperformed the 9.20% return of the Morningstar Muni New York Long Category Average.<sup>1</sup>

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

The Fund outperformed the Index during the reporting period in part due to structure and yield curve<sup>2</sup> positioning. Adding to the relative return was the Fund's overweight exposure to longer maturing bonds. Late in the reporting period, U.S. Treasury interest rates pivoted lower as the U.S. Federal Reserve hinted towards an end to its historic hiking cycle. In addition, overweight exposure to 4+% coupons aided on a relative basis. From a geographic perspective, an overweight exposure to out-of-Index U.S. territories made a positive contribution on a relative basis. (Contributions take weightings and total returns into account.) From a credit perspective, overweight exposure to BBB-rated<sup>3</sup> credits was a positive contributor to relative performance. Conversely, overweight exposure to 5% coupons detracted from relative returns.

## **During the reporting period, how was the Fund's performance materially affected by investments in derivatives?**

The Fund, at times, will employ a Treasury futures hedge, typically as a paired strategy with longer maturity bonds, to dampen duration<sup>4</sup> and interest-rate sensitivity. During the reporting period, the Fund's performance was not materially impacted.

## **What was the Fund's duration strategy during the reporting period?**

The Fund's duration was targeted to remain in a neutral range relative to the Fund's investable universe. In addition to investment-grade New York bonds, the Fund may also invest in bonds of U.S. territories (Puerto Rico, Guam and the U.S. Virgin Islands) and up to 20% of net assets in securities below investment grade. Since the Fund's investable universe is broader than the Index, the Fund's duration may also differ from that of the Index. The Fund ended the reporting period with a slightly longer duration posture than the Index. As of April 30, 2023, the Fund's modified duration<sup>5</sup> to worst was 6.58 years, while the Index's modified duration to worst was 6.34 years.

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

During the reporting period, overweight positioning in the hospital and education sectors produced the largest relative outperformance, although underweight positioning in the special tax and transportation sectors offset some of those gains.

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

During the reporting period, there were no material changes to the weightings in the Fund. The Fund added to the electric and water/sewer sectors, as we expect greater demand for traditional municipal bonds secured by the revenues of essential service providers in the coming year. Conversely, there were decreases to the Fund's exposures in the leasing and hospital sectors.

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 yield curve is a line that plots the yields of various securities of similar quality—typically U.S. Treasury issues—across a range of maturities. The U.S. Treasury yield curve serves as a benchmark for other debt and is used in economic forecasting.
3. An obligation rated 'BBB' by Standard & Poor's ("S&P") is deemed by S&P to exhibit adequate protection parameters. In the opinion of S&P, however, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor 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.

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

As of April 30, 2023, the Fund continued to hold overweight exposure to the long end of the curve where municipal yields are more attractive. In addition, the Fund held an overweight allocation to the education and other revenue sectors. From a ratings perspective, the Fund held overweight exposure to BBB-rated bonds. In addition, the Fund held overweight exposure to non-investment-grade credits and U.S. territories, which are not included in the Index. As of the same date, the Fund held underweight exposure to the special tax and transportation sectors, as well as AAA-rated<sup>6</sup> bonds.

6. An obligation rated 'AAA' has the highest rating assigned by S&P, and in the opinion of S&P, the obligor's capacity to meet its financial commitment on the obligation is extremely strong. 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.

The opinions expressed are those of the portfolio managers 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>Municipal Bonds 97.1%</b>		
<b>Long-Term Municipal Bonds 89.8%</b>		
<b>Certificate of Participation/Lease 0.1%</b>		
Rensselaer City School District,		
Certificate of Participation		
Insured: AGM State Aid Withholding		
4.00%, due 6/1/34	\$ 650,000	\$ 658,965
Insured: AGM State Aid Withholding		
4.00%, due 6/1/35	850,000	860,980
		<u>1,519,945</u>
<b>Education 14.8%</b>		
Albany Capital Resource Corp., Albany		
College of Pharmacy and Health		
Sciences, Revenue Bonds		
Series A		
5.00%, due 12/1/33	150,000	152,071
Albany Capital Resource Corp., Albany		
Leadership Charter High School For		
Girls Project, Revenue Bonds		
5.00%, due 6/1/49	2,380,000	2,152,106
Albany Capital Resource Corp.,		
Brighter Choice Elementary Charter		
Schools, Revenue Bonds		
Series A		
4.00%, due 4/1/37	2,065,000	1,777,334
Albany Capital Resource Corp.,		
Equitable School Revolving		
Fund LLC, Revenue Bonds		
Series D		
4.00%, due 11/1/46	3,000,000	2,752,409
Amherst Development Corp., Daemen		
College Project, Revenue Bonds		
4.00%, due 10/1/37	1,000,000	897,962
5.00%, due 10/1/43	2,000,000	1,979,803
5.00%, due 10/1/48	2,000,000	1,944,666
Buffalo & Erie County Industrial Land		
Development Corp., D'Youville		
College Project, Revenue Bonds		
Series A		
4.00%, due 11/1/40	1,000,000	941,054
4.00%, due 11/1/45	4,000,000	3,604,495
Series A		
4.00%, due 11/1/50	1,000,000	873,798

	Principal Amount	Value
<b>Education (continued)</b>		
Buffalo & Erie County Industrial Land		
Development Corp., Tapestry		
Charter School Project, Revenue		
Bonds		
Series A		
5.00%, due 8/1/47	\$ 500,000	\$ 462,294
Series A		
5.00%, due 8/1/52	3,995,000	3,641,055
Build NYC Resource Corp., Brilla		
College Preparatory Charter		
Schools, Revenue Bonds		
Series A		
4.00%, due 11/1/41 (a)	2,000,000	1,677,067
Build NYC Resource Corp., Children's		
Aid Society Project, Revenue Bonds		
5.00%, due 7/1/45	1,120,000	1,123,385
Build NYC Resource Corp., Grand		
Concourse Academy Charter		
School Project, Revenue Bonds		
Series A		
5.00%, due 7/1/42	600,000	611,838
Series A		
5.00%, due 7/1/56	550,000	546,397
Build NYC Resource Corp., Inwood		
Academy Leadership Charter		
School Project, Revenue Bonds (a)		
Series A		
5.125%, due 5/1/38	800,000	786,450
Series A		
5.50%, due 5/1/48	1,500,000	1,489,923
Build NYC Resource Corp., Kipp NYC		
Public Charter Schools, Revenue		
Bonds		
5.00%, due 7/1/42	1,000,000	1,030,956
5.25%, due 7/1/52	10,000,000	10,302,155
Build NYC Resource Corp., Manhattan		
College Project, Revenue Bonds		
4.00%, due 8/1/42	1,500,000	1,446,808
5.00%, due 8/1/47	240,000	246,592
Build NYC Resource Corp.,		
Metropolitan College of New York,		
Revenue Bonds		
5.50%, due 11/1/44	2,500,000	2,069,499
Build NYC Resource Corp.,		
Metropolitan Lighthouse Charter		
School Project, Revenue Bonds (a)		
Series A		
5.00%, due 6/1/32	1,000,000	994,196

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>Long-Term Municipal Bonds (continued)</b>		
<b>Education (continued)</b>		
Build NYC Resource Corp., Metropolitan Lighthouse Charter School Project, Revenue Bonds (a) (continued) Series A 5.00%, due 6/1/37	\$ 1,500,000	\$ 1,461,482
Series A 5.00%, due 6/1/47	3,100,000	2,859,403
Series A 5.00%, due 6/1/52	1,500,000	1,363,488
Build NYC Resource Corp., New World Preparatory Charter School Project, Revenue Bonds Series A 4.00%, due 6/15/51	1,200,000	900,790
Series A 4.00%, due 6/15/56	1,640,000	1,196,226
Build NYC Resource Corp., New York Law School Project, Revenue Bonds 5.00%, due 7/1/30	3,865,000	3,957,239
5.00%, due 7/1/33	1,520,000	1,552,003
Build NYC Resource Corp., Shefa School Project, Revenue Bonds Series A 5.00%, due 6/15/51 (a)	2,500,000	2,153,143
City of New Rochelle, IONA College Project, Revenue Bonds Series A 5.00%, due 7/1/45	3,810,000	3,853,490
County of Cattaraugus, St. Bonaventure University Project, Revenue Bonds Series A 5.00%, due 5/1/44	1,200,000	1,212,682
Dutchess County Local Development Corp., Bard College Project, Revenue Bonds (a) Series A 5.00%, due 7/1/40	1,100,000	1,120,480
Series A 5.00%, due 7/1/45	1,000,000	1,004,836
Dutchess County Local Development Corp., Culinary Institute of America Project (The), Revenue Bonds Series A-1 5.00%, due 7/1/31	375,000	389,894

	Principal Amount	Value
<b>Education (continued)</b>		
Dutchess County Local Development Corp., Culinary Institute of America Project (The), Revenue Bonds (continued) Series A-1 5.00%, due 7/1/33	\$ 700,000	\$ 723,630
Dutchess County Local Development Corp., Marist College Project, Revenue Bonds Series A 5.00%, due 7/1/39	1,000,000	1,001,551
5.00%, due 7/1/43	2,000,000	2,097,156
5.00%, due 7/1/48	4,000,000	4,168,243
Hempstead Town Local Development Corp., Evergreen Charter School, Inc., Revenue Bonds Series A 5.25%, due 6/15/52	5,000,000	4,812,202
Hempstead Town Local Development Corp., Molloy College Project, Revenue Bonds 5.00%, due 7/1/38	870,000	894,097
5.00%, due 7/1/43	1,020,000	1,041,335
5.00%, due 7/1/48	1,100,000	1,117,070
Monroe County Industrial Development Corp., Nazareth College of Rochester, Revenue Bonds Series A 4.00%, due 10/1/47	1,695,000	1,482,576
Monroe County Industrial Development Corp., St. John Fisher College, Revenue Bonds Series A 5.00%, due 6/1/24	330,000	330,358
Monroe County Industrial Development Corp., University of Rochester Project, Revenue Bonds Series C 4.00%, due 7/1/43	3,000,000	2,954,708
Series D 4.00%, due 7/1/43	2,470,000	2,432,710
New York State Dormitory Authority, Brooklyn Law School, Revenue Bonds Series A 5.00%, due 7/1/33	1,650,000	1,758,313

	Principal Amount	Value
<b>Long-Term Municipal Bonds (continued)</b>		
<b>Education (continued)</b>		
New York State Dormitory Authority, Cornell University, Revenue Bonds Series A 5.00%, due 7/1/50	\$ 3,245,000	\$ 3,515,731
New York State Dormitory Authority, Fordham University, Revenue Bonds 4.00%, due 7/1/46 4.00%, due 7/1/50 Series A 5.00%, due 7/1/41	9,830,000 3,500,000 1,075,000	9,473,879 3,324,734 1,114,429
New York State Dormitory Authority, Friends of The Bay Shore-Brightwaters Public Library, Inc., Revenue Bonds Insured: AMBAC 4.625%, due 7/1/36	200,000	200,067
New York State Dormitory Authority, Iona College, Revenue Bonds Series A 5.00%, due 7/1/51	1,850,000	1,898,118
New York State Dormitory Authority, New School (The), Revenue Bonds Series A 5.00%, due 7/1/35 Series A 5.00%, due 7/1/35	15,000 195,000	15,679 200,578
New York State Dormitory Authority, New York University, Revenue Bonds Series A 4.00%, due 7/1/46 Series A 5.00%, due 7/1/38	4,000,000 4,580,000	3,953,964 4,986,781
New York State Dormitory Authority, Pace University, Revenue Bonds Series A 4.00%, due 5/1/33 Series A 4.25%, due 5/1/42	400,000 450,000	394,942 411,929
New York State Dormitory Authority, Rockefeller University, Revenue Bonds Series B 5.00%, due 7/1/50	5,000,000	5,368,053

	Principal Amount	Value
<b>Education (continued)</b>		
New York State Dormitory Authority, St. John's University, Revenue Bonds 5.00%, due 7/1/38	\$ 5,740,000	\$ 6,484,775
New York State Dormitory Authority, St. Joseph's College, Revenue Bonds 4.00%, due 7/1/40 5.00%, due 7/1/51	200,000 1,475,000	183,623 1,486,994
New York State Dormitory Authority, Touro College and University System Obligated Group, Revenue Bonds 5.00%, due 1/1/42	5,000,000	5,530,619
Oneida County Local Development Corp., Utica College Project, Revenue Bonds 5.00%, due 7/1/49	3,250,000	3,137,274
Onondaga County Trust for Cultural Resources, Syracuse University Project, Revenue Bonds 4.00%, due 12/1/47 4.00%, due 12/1/49	2,100,000 3,080,000	2,034,370 2,976,571
Orange County Funding Corp., Mount St. Mary College, Revenue Bonds Series A 5.00%, due 7/1/42	1,010,000	985,404
Riverhead Industrial Development Agency, Riverhead Charter School, Revenue Bonds Series A 7.00%, due 8/1/43 Series 2013A 7.00%, due 8/1/48	925,000 730,000	931,448 734,947
Schenectady County Capital Resource Corp., Union College Project, Revenue Bonds 5.25%, due 7/1/52	1,000,000	1,088,895
St. Lawrence County Industrial Development Agency, Clarkson University Project, Revenue Bonds 5.00%, due 9/1/47	2,975,000	3,010,532
St. Lawrence County Industrial Development Agency, St. Lawrence University, Revenue Bonds Series A 4.00%, due 7/1/43	3,000,000	2,899,090

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>Long-Term Municipal Bonds (continued)</b>		
<b>Education (continued)</b>		
Syracuse Industrial Development Agency, Syracuse City School District Project, Revenue Bonds Series A, Insured: State Aid Withholding 3.25%, due 5/1/34	\$ 1,000,000	\$ 1,002,867
Troy Capital Resource Corp., Rensselaer Polytechnic Institute, Revenue Bonds 5.00%, due 8/1/32 Series A 5.00%, due 9/1/39	1,000,000 2,000,000	1,047,952 2,154,802
Yonkers Economic Development Corp., Charter School of Educational Excellence Project, Revenue Bonds Series A 4.00%, due 10/15/29 Series A 5.00%, due 10/15/39 Series A 5.00%, due 10/15/49 5.00%, due 10/15/50	200,000 1,680,000 640,000 1,350,000	187,713 1,572,500 577,543 1,214,440
Yonkers Industrial Development Agency, New Community School Project, Revenue Bonds Insured: State Aid Withholding 4.00%, due 5/1/51	3,500,000	3,311,960
		<u>168,756,621</u>
<b>General Obligation 8.9%</b>		
City of Buffalo, Limited General Obligation Series A 5.00%, due 4/1/27 Series A 5.00%, due 4/1/28	500,000 400,000	531,202 424,385
City of Glens Falls, Public Improvement, Limited General Obligation Insured: AGM 4.00%, due 1/15/31 Insured: AGM 4.00%, due 1/15/32 Insured: AGM 4.00%, due 1/15/33	500,000 315,000 250,000	516,747 324,740 256,970

	Principal Amount	Value
<b>General Obligation (continued)</b>		
City of New York, Unlimited General Obligation Series A-1 4.00%, due 8/1/50 Series A-1 5.00%, due 8/1/43 Series B-1 5.25%, due 10/1/41 Series D-1 5.25%, due 5/1/42 Series A-1 5.25%, due 9/1/43 Series B-1 5.25%, due 10/1/43 Series B-1 5.25%, due 10/1/47	\$ 2,000,000 4,400,000 2,500,000 9,000,000 5,500,000 3,000,000 4,515,000	\$ 1,945,740 4,744,275 2,872,483 10,235,173 6,260,419 3,417,963 5,072,961
City of Newburgh, Limited General Obligation Series A, Insured: AGM 3.50%, due 7/15/36	725,000	669,542
City of Ogdensburg, Public Improvement, Limited General Obligation 5.50%, due 4/15/24 5.50%, due 4/15/26 5.50%, due 4/15/28	45,000 50,000 55,000	45,021 50,059 54,647
City of Plattsburgh, Public Improvement, Limited General Obligation Series B, Insured: AGM 5.00%, due 9/15/24 Series B, Insured: AGM 5.00%, due 9/15/25 Series B, Insured: AGM 5.00%, due 9/15/26	510,000 470,000 395,000	521,028 491,703 423,199
City of Poughkeepsie, Public Improvement, Limited General Obligation 5.00%, due 6/1/31	600,000	628,794
City of Rome, Limited General Obligation 3.00%, due 6/14/23	1,020,865	1,019,954
City of Yonkers, Limited General Obligation Series A, Insured: BAM 4.00%, due 9/1/31 Series A, Insured: BAM 4.00%, due 5/1/35	1,500,000 1,550,000	1,574,702 1,612,444

	Principal Amount	Value
<b>Long-Term Municipal Bonds (continued)</b>		
<b>General Obligation (continued)</b>		
City of Yonkers, Limited General Obligation (continued)		
Series A, Insured: BAM		
4.00%, due 5/1/36	\$ 1,700,000	\$ 1,749,600
Series A, Insured: BAM		
4.00%, due 5/1/37	2,000,000	2,039,293
Commonwealth of Puerto Rico, Unlimited General Obligation		
Series A-1		
(zero coupon), due 7/1/33	1,351,801	790,669
Series A-1		
4.00%, due 7/1/33	2,000,000	1,834,534
Series A-1		
4.00%, due 7/1/35	5,029,180	4,510,900
Series A-1		
5.625%, due 7/1/27	1,170,000	1,220,747
County of Clinton, Limited General Obligation		
Insured: AGM		
4.00%, due 6/1/38 (b)	1,500,000	1,488,351
County of Nassau, Limited General Obligation		
Series A, Insured: AGM-CR		
5.00%, due 1/1/26	1,000,000	1,062,340
Series B, Insured: AGM		
5.00%, due 4/1/44	4,870,000	5,318,460
Series B, Insured: AGM		
5.00%, due 4/1/49	5,000,000	5,413,890
County of Onondaga, Limited General Obligation		
3.00%, due 6/1/39	2,150,000	1,912,642
3.25%, due 4/15/34	1,250,000	1,252,708
County of Rockland, Limited General Obligation		
Insured: BAM		
5.00%, due 6/1/24	500,000	510,297
Insured: BAM		
5.00%, due 6/1/25	560,000	585,655
Insured: BAM		
5.00%, due 6/1/26	550,000	589,283
County of Rockland, Various Purpose, Limited General Obligation		
Insured: AGM		
4.00%, due 5/1/44	915,000	910,697
Insured: AGM		
4.00%, due 5/1/45	950,000	935,683

	Principal Amount	Value
<b>General Obligation (continued)</b>		
County of Rockland, Various Purpose, Limited General Obligation (continued)		
Insured: AGM		
4.00%, due 5/1/46	\$ 985,000	\$ 961,378
Insured: AGM		
4.00%, due 5/1/48	1,065,000	1,032,220
County of Suffolk, Public Improvement, Limited General Obligation		
Series B, Insured: AGM		
3.00%, due 10/15/32	5,480,000	5,475,287
Series A, Insured: AGM		
3.25%, due 6/1/36	715,000	687,961
Series A, Insured: AGM		
3.25%, due 6/1/37	725,000	685,144
Series A, Insured: BAM		
4.00%, due 4/1/33	2,190,000	2,265,068
Harrison Central School District, Unlimited General Obligation		
Insured: State Aid Withholding		
3.50%, due 3/15/44	1,015,000	975,763
Insured: State Aid Withholding		
3.50%, due 3/15/45	1,055,000	1,008,550
Insured: State Aid Withholding		
3.55%, due 3/15/47	1,130,000	1,081,757
Lackawanna City School District, Unlimited General Obligation		
Insured: BAM State Aid Withholding		
4.00%, due 6/15/32	745,000	761,937
Poughkeepsie School District, New York School District Refunding, Unlimited General Obligation		
Insured: AGM State Aid Withholding		
3.00%, due 5/1/33	400,000	401,805
Springville-Griffith Institute Central School District, Unlimited General Obligation		
Insured: State Aid Withholding		
4.00%, due 8/18/23	1,194,391	1,196,222
Town of Oyster Bay, Public Improvement, Limited General Obligation		
4.00%, due 2/15/26	3,440,000	3,535,462
Series A, Insured: BAM		
5.00%, due 1/15/28	500,000	505,724

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>Long-Term Municipal Bonds (continued)</b>		
<b>General Obligation (continued)</b>		
Village of Johnson City, Limited General Obligation Series C 5.25%, due 9/29/23		
	\$ 3,000,000	\$ 3,001,448
Village of Valley Stream, Various Purpose, Limited General Obligation Insured: BAM 4.00%, due 4/1/33		
	490,000	502,002
Insured: BAM 4.00%, due 4/1/34		
	510,000	522,262
Insured: BAM 4.00%, due 4/1/35		
	530,000	540,645
Insured: BAM 4.00%, due 4/1/36		
	550,000	556,974
Insured: BAM 4.00%, due 4/1/37		
	570,000	574,418
		<u>102,091,927</u>

## Hospital 7.3%

Brookhaven Local Development Corp., Long Island Community Hospital Health Care Services Foundation, Revenue Bonds Series A, Insured: AGM-CR 3.375%, due 10/1/40		
	7,990,000	7,257,248
Brookhaven Local Development Corp., Long Island Community Hospital Project, Revenue Bonds Series A 4.00%, due 10/1/45		
	3,500,000	3,355,666
Series A 5.00%, due 10/1/33		
	1,000,000	1,103,507
Series A 5.00%, due 10/1/35		
	1,000,000	1,089,070
Series A 5.00%, due 10/1/50		
	6,250,000	6,511,106
Broome County Local Development Corp., United Health Services Hospitals Obligated Group, Revenue Bonds Insured: AGM 3.00%, due 4/1/50		
	6,835,000	5,136,693
Build NYC Resource Corp., Children's Aid Society Project (The), Revenue Bonds 4.00%, due 7/1/49		
	1,300,000	1,221,949

	Principal Amount	Value
<b>Hospital (continued)</b>		
Dutchess County Local Development Corp., Health Quest Systems, Inc., Revenue Bonds Series B 4.00%, due 7/1/41		
	\$ 7,350,000	\$ 6,626,865
Genesee County Funding Corp. (The), Rochester Regional Health Obligated Group, Revenue Bonds Series A 5.00%, due 12/1/24		
	200,000	203,748
Series A 5.00%, due 12/1/25		
	215,000	222,267
Series A 5.00%, due 12/1/26		
	340,000	355,979
Series A 5.00%, due 12/1/27		
	400,000	423,628
Series A 5.00%, due 12/1/28		
	600,000	641,456
Jefferson County Civic Facility Development Corp., Samaritan Medical Center Project, Revenue Bonds Series A 4.00%, due 11/1/31		
	2,705,000	2,617,515
Monroe County Industrial Development Corp., Highland Hospital, Revenue Bonds 4.00%, due 7/1/40		
	3,100,000	3,054,428
Monroe County Industrial Development Corp., Rochester General Hospital (The), Revenue Bonds 4.00%, due 12/1/37		
	1,000,000	940,788
Series A 5.00%, due 12/1/32		
	540,000	540,614
Series A 5.00%, due 12/1/42		
	1,000,000	1,000,324
Nassau County Local Economic Assistance Corp., Catholic Health Services of Long Island Obligated Group, Revenue Bonds 5.00%, due 7/1/34		
	250,000	254,577
New York State Dormitory Authority, Garnet Health Medical Center Obligated Group, Revenue Bonds (a) 5.00%, due 12/1/32		
	800,000	808,253
5.00%, due 12/1/34		
	3,500,000	3,485,468



	Principal Amount	Value
<b>Long-Term Municipal Bonds (continued)</b>		
<b>Hospital (continued)</b>		
New York State Dormitory Authority, Maimonides Medical Center, Revenue Bonds Insured: FHA 241 3.00%, due 2/1/50	\$ 7,625,000	\$ 5,703,737
New York State Dormitory Authority, Memorial Sloan-Kettering Cancer Center, Revenue Bonds Series 1 4.00%, due 7/1/37	470,000	478,119
New York State Dormitory Authority, Northwell Health Obligated Group, Revenue Bonds Series B-3 5.00%, due 5/1/48 (c)	5,000,000	5,187,870
New York State Dormitory Authority, NYU Langone Hospitals Obligated Group, Revenue Bonds Series A 3.00%, due 7/1/48	2,375,000	1,774,980
Series A 4.00%, due 7/1/40	1,000,000	1,000,547
Series A 4.00%, due 7/1/50	3,005,000	2,849,912
Series A 4.00%, due 7/1/53	8,450,000	7,821,071
New York State Dormitory Authority, Orange Regional Medical Center Obligated Group, Revenue Bonds 5.00%, due 12/1/35 (a)	100,000	99,221
Oneida County Local Development Corp., Mohawk Valley Health System Project, Revenue Bonds Series A, Insured: AGM 3.00%, due 12/1/44	4,150,000	3,121,147
Series A, Insured: AGM 4.00%, due 12/1/34	1,585,000	1,612,759
Series A, Insured: AGM 4.00%, due 12/1/49	7,940,000	7,222,936
Suffolk County Economic Development Corp., Catholic Health Services of Long Island Obligated Group, Revenue Bonds Series C 5.00%, due 7/1/33	250,000	254,761
		<u>83,978,209</u>

	Principal Amount	Value
<b>Housing 1.0%</b>		
Albany Capital Resource Corp., Empire Commons Student Housing, Inc., Revenue Bonds Series A 5.00%, due 5/1/29	\$ 600,000	\$ 623,837
Series A 5.00%, due 5/1/30	350,000	363,300
Amherst Development Corp., UBF Faculty-Student Housing Corp., Revenue Bonds Series A, Insured: AGM 5.00%, due 10/1/45	2,000,000	2,118,465
New York City Housing Development Corp., College of Staten Island Residences, Revenue Bonds Series A, Insured: AGM 3.25%, due 7/1/27	2,670,000	2,671,232
New York State Dormitory Authority, University Facilities, Revenue Bonds Series A 5.00%, due 7/1/43	1,500,000	1,598,106
Onondaga Civic Development Corp., Onondaga Community College Housing Development Corp., Revenue Bonds Series A 5.00%, due 10/1/24	400,000	401,552
Series A 5.00%, due 10/1/25	250,000	250,383
Westchester County Local Development Corp., Purchase Housing Corp. II Project, Revenue Bonds 5.00%, due 6/1/29	185,000	191,754
5.00%, due 6/1/30	330,000	341,045
5.00%, due 6/1/31	320,000	329,619
5.00%, due 6/1/37	1,000,000	1,016,549
5.00%, due 6/1/42	1,000,000	1,009,874
		<u>10,915,716</u>
<b>Other Revenue 34.2%</b>		
Brookhaven Local Development Corp., Jefferson's Ferry Project, Revenue Bonds Series A 4.00%, due 11/1/55	3,565,000	2,755,032
5.25%, due 11/1/36	1,130,000	1,144,741

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>Long-Term Municipal Bonds (continued)</b>		
<b>Other Revenue (continued)</b>		
Broome County Local Development Corp., Good Shepherd Village at Endwell, Revenue Bonds		
4.00%, due 7/1/31	\$ 1,565,000	\$ 1,442,249
4.00%, due 7/1/36	2,100,000	1,809,312
4.00%, due 1/1/47	1,160,000	855,245
Build NYC Resource Corp., Bronx Charter School for Excellence Project, Revenue Bonds Series A		
5.50%, due 4/1/43	1,160,000	1,160,457
Build NYC Resource Corp., Pratt Paper, Inc. Project, Revenue Bonds		
5.00%, due 1/1/35 (a)(b)	4,305,000	4,356,784
Build NYC Resource Corp., Royal Charter Properties, Inc., Revenue Bonds		
Insured: AGM		
4.75%, due 12/15/32	2,000,000	1,999,910
Chautauqua Tobacco Asset Securitization Corp., Revenue Bonds		
5.00%, due 6/1/34	750,000	731,906
Children's Trust Fund, Asset-Backed, Revenue Bonds Series A		
(zero coupon), due 5/15/50	2,500,000	443,527
5.625%, due 5/15/43	2,300,000	2,312,277
City of New York, Alvin Ailey Dance Foundation, Inc., Revenue Bonds Series A		
4.00%, due 7/1/46	1,515,000	1,430,080
City of New York, Lincoln Center for the Performing Arts, Inc., Revenue Bonds Series A		
4.00%, due 12/1/33	2,250,000	2,361,341
Series A		
4.00%, due 12/1/34	1,600,000	1,668,973
City of New York, Museum of Modern Art (The), Revenue Bonds Series 2016-ONE-E		
4.00%, due 4/1/30	1,200,000	1,255,176

	Principal Amount	Value
<b>Other Revenue (continued)</b>		
Development Authority of the North Country, Solid Waste Management System, Revenue Bonds		
Insured: AGM		
3.25%, due 9/1/39	\$ 550,000	\$ 481,401
Insured: AGM		
3.25%, due 9/1/40	570,000	490,813
Dutchess County Local Development Corp., Health Quest Systems, Inc., Revenue Bonds Series A		
5.00%, due 7/1/34	500,000	510,984
Dutchess County Resource Recovery Agency, Solid Waste System, Revenue Bonds (b)		
5.00%, due 1/1/25	1,000,000	1,018,791
5.00%, due 1/1/26	1,000,000	1,033,085
Erie Tobacco Asset Securitization Corp., Tobacco Settlement, Asset-Backed, Revenue Bonds Series B		
(zero coupon), due 6/1/47	18,000,000	3,530,673
Guam Government Waterworks Authority, Water and Wastewater System, Revenue Bonds		
5.25%, due 7/1/33	1,230,000	1,233,702
5.50%, due 7/1/43	1,725,000	1,730,887
Hudson Yards Infrastructure Corp., Revenue Bonds Series A		
5.00%, due 2/15/42	4,000,000	4,226,576
Hudson Yards Infrastructure Corp., Second Indenture, Revenue Bonds Series A		
4.00%, due 2/15/40	3,250,000	3,249,855
Series A, Insured: AGM		
4.00%, due 2/15/47	4,000,000	3,913,125
Series A		
5.00%, due 2/15/31	8,380,000	9,032,870
Series A, Insured: BAM		
5.00%, due 2/15/42	7,500,000	7,938,508
Huntington Local Development Corp., Fountaingate Gardens Project, Revenue Bonds Series A		
5.00%, due 7/1/36	900,000	775,259
Series A		
5.25%, due 7/1/56	2,500,000	1,907,608

	Principal Amount	Value
<b>Long-Term Municipal Bonds (continued)</b>		
<b>Other Revenue (continued)</b>		
Long Island Power Authority, Electric System, Revenue Bonds		
Series A		
4.00%, due 9/1/37	\$ 3,890,000	\$ 3,963,595
Series A		
4.00%, due 9/1/38	2,000,000	2,015,513
Series B		
5.00%, due 9/1/35	2,500,000	2,655,564
5.00%, due 9/1/37	2,000,000	2,189,882
5.00%, due 9/1/38	1,500,000	1,634,873
5.00%, due 9/1/39	1,000,000	1,082,920
Series A		
5.00%, due 9/1/44	6,225,000	6,291,607
Series B		
5.00%, due 9/1/45	1,000,000	1,021,941
5.00%, due 9/1/47	2,000,000	2,129,075
Matching Fund Special Purpose Securitization Corp., Revenue Bonds		
Series A		
5.00%, due 10/1/30	3,140,000	3,196,301
Series A		
5.00%, due 10/1/32	3,140,000	3,186,940
Series A		
5.00%, due 10/1/39	10,915,000	10,746,457
Metropolitan Transportation Authority, Dedicated Tax Fund, Revenue Bonds		
Series B-2		
4.00%, due 11/15/34	4,000,000	4,111,772
Series A		
5.00%, due 11/15/49	4,000,000	4,371,281
Monroe County Industrial Development Corp., St. Ann's Community Project, Revenue Bonds		
5.00%, due 1/1/50	4,900,000	3,561,466
Nassau County Tobacco Settlement Corp., Tobacco Settlement, Asset-Backed, Revenue Bonds		
Series A-3		
5.00%, due 6/1/35	750,000	687,747
New York City Housing Development Corp., Capital Fund Grant Program, Revenue Bonds		
Series A		
5.00%, due 7/1/23	1,300,000	1,303,389

	Principal Amount	Value
<b>Other Revenue (continued)</b>		
New York City Housing Development Corp., Multi-Family Housing, Sustainable Neighborhood, Revenue Bonds		
Series G		
3.85%, due 11/1/45	\$ 595,000	\$ 534,561
Series I-1-A		
4.05%, due 11/1/41	1,000,000	991,271
Series F-1, Insured: FHA 542(C)		
4.30%, due 11/1/37	1,500,000	1,532,056
New York City Housing Development Corp., Multi-Family Housing, Sustainable Neighborhood, Green Bond, Revenue Bonds		
Series G-1		
3.70%, due 11/1/47	1,000,000	870,674
New York City Industrial Development Agency, Queens Baseball Stadium Project, Revenue Bonds		
Insured: AGM		
3.00%, due 1/1/39	6,955,000	5,993,769
Insured: AGM		
3.00%, due 1/1/40	8,315,000	7,037,100
Series A, Insured: AGM		
3.00%, due 1/1/46	19,195,000	15,005,380
New York City Industrial Development Agency, TRIPS Obligated Group, Revenue Bonds		
Series A		
5.00%, due 7/1/28	1,500,000	1,500,675
New York City Industrial Development Agency, Yankee Stadium Project, Revenue Bonds		
Series A, Insured: AGC		
(zero coupon), due 3/1/40	380,000	179,093
Series A, Insured: AGC		
(zero coupon), due 3/1/44	1,065,000	403,911
Series A, Insured: AGC		
(zero coupon), due 3/1/45	200,000	71,803
Series A, Insured: AGC		
(zero coupon), due 3/1/46	4,080,000	1,388,623
Series A, Insured: AGC		
(zero coupon), due 3/1/47	1,115,000	359,708
Series A, Insured: AGM-CR		
3.00%, due 3/1/49	10,980,000	8,162,620

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>Long-Term Municipal Bonds (continued)</b>		
<b>Other Revenue (continued)</b>		
New York City Transitional Finance Authority, Building Aid, Revenue Bonds		
Series S-1, Insured: State Aid Withholding		
4.00%, due 7/15/36	\$ 1,500,000	\$ 1,534,172
Series S-1B, Insured: State Aid Withholding		
4.00%, due 7/15/40	6,000,000	6,006,271
Series S-3, Insured: State Aid Withholding		
4.00%, due 7/15/46	2,905,000	2,828,947
Series S-2, Insured: State Aid Withholding		
5.00%, due 7/15/36	9,500,000	10,302,243
Series S-3, Insured: State Aid Withholding		
5.00%, due 7/15/43	2,500,000	2,667,064
New York City Transitional Finance Authority, Future Tax Secured, Revenue Bonds		
Series C-2		
1.58%, due 5/1/24	345,000	333,918
Series C-2		
1.58%, due 5/1/24	3,210,000	3,103,175
Series C		
4.00%, due 5/1/44	4,000,000	3,939,074
Series E-1		
4.00%, due 2/1/46	5,440,000	5,338,454
Series F-1		
5.00%, due 2/1/47	5,000,000	5,472,245
Series D-1		
5.25%, due 11/1/48	9,665,000	10,882,659
Series D-1		
5.50%, due 11/1/45	7,750,000	8,947,213
New York Convention Center Development Corp., Hotel Unit Fee, Revenue Bonds, Senior Lien		
Series A		
(zero coupon), due 11/15/47	6,500,000	2,027,880
New York Convention Center Development Corp., Hotel Unit Fee Secured, Revenue Bonds		
5.00%, due 11/15/40	1,620,000	1,662,612

	Principal Amount	Value
<b>Other Revenue (continued)</b>		
New York Convention Center Development Corp., Hotel Unit Fee Secured, Revenue Bonds, Sub. Lien		
Series B, Insured: BAM		
(zero coupon), due 11/15/41	\$ 2,320,000	\$ 1,008,041
New York Convention Center Development Corp., New York City Hotel Unit Fee, Revenue Bonds, Sub. Lien		
Series B, Insured: BAM		
(zero coupon), due 11/15/43	4,800,000	1,871,401
New York Counties Tobacco Trust IV, Settlement Pass Through, Revenue Bonds		
Series A		
5.00%, due 6/1/42	1,000,000	923,534
Series A		
5.00%, due 6/1/45	245,000	223,026
Series A		
6.25%, due 6/1/41 (a)	4,800,000	4,800,217
New York Counties Tobacco Trust V, Pass Through, Capital Appreciation, Revenue Bonds		
Series S-1		
(zero coupon), due 6/1/38	1,600,000	650,478
New York Counties Tobacco Trust VI, Tobacco Settlement Pass Through, Revenue Bonds		
Series B		
5.00%, due 6/1/30	135,000	140,222
New York Liberty Development Corp., 1 World Trade Center, Revenue Bonds		
Insured: BAM		
2.75%, due 2/15/44	8,000,000	6,001,354
Insured: AGM-CR		
4.00%, due 2/15/43	6,665,000	6,619,885
New York Liberty Development Corp., 3 World Trade Center LLC, Revenue Bonds		
Class 1		
5.00%, due 11/15/44 (a)	5,660,000	5,499,966
New York Liberty Development Corp., 7 World Trade Center Project, Revenue Bonds		
Series A		
3.00%, due 9/15/43	1,250,000	1,025,505

	Principal Amount	Value
<b>Long-Term Municipal Bonds (continued)</b>		
<b>Other Revenue (continued)</b>		
New York Liberty Development Corp., 7 World Trade Center Project, Revenue Bonds (continued) 3.50%, due 9/15/52	\$ 1,225,000	\$ 946,423
New York Liberty Development Corp., Goldman Sachs Headquarters LLC, Revenue Bonds 5.50%, due 10/1/37	700,000	807,357
New York State Dormitory Authority, Personal Income Tax, Revenue Bonds 5.00%, due 2/15/41	2,050,000	2,141,573
New York State Dormitory Authority, Sales Tax, Revenue Bonds Series A 5.00%, due 3/15/44	610,000	650,925
New York State Dormitory Authority, State Personal Income Tax, Revenue Bonds Series A 4.00%, due 3/15/39	8,000,000	8,106,960
Series E 4.00%, due 3/15/45	2,000,000	1,974,649
Series A 4.00%, due 3/15/47	5,500,000	5,404,933
Series C 5.00%, due 3/15/31	3,620,000	3,679,228
New York State Energy Research & Development Authority, New York State Electric & Gas Corp., Revenue Bonds Series D 3.50%, due 10/1/29	2,500,000	2,459,710
New York State Housing Finance Agency, Revenue Bonds Series C, Insured: FHA 542(C) 4.15%, due 5/1/47	12,470,000	11,773,774
New York State Urban Development Corp., Personal Income Tax, Revenue Bonds Series E 4.00%, due 3/15/43	2,885,000	2,849,921
New York State Urban Development Corp., Sales Tax, Revenue Bonds Series A 4.00%, due 3/15/38	4,000,000	4,070,161

	Principal Amount	Value
<b>Other Revenue (continued)</b>		
New York State Urban Development Corp., Sales Tax, Revenue Bonds (continued) Series A 4.00%, due 3/15/42	\$ 5,500,000	\$ 5,491,334
New York Transportation Development Corp., American Airlines, Inc. John F. Kennedy International Airport Project, Revenue Bonds 5.25%, due 8/1/31 (b)	1,420,000	1,467,657
New York Transportation Development Corp., Delta Air Lines, Inc. - LaGuardia Airport Terminals C&D Redevelopment Project, Revenue Bonds (b) 4.375%, due 10/1/45	6,200,000	5,914,127
5.00%, due 10/1/35	3,000,000	3,167,267
New York Transportation Development Corp., New York State Thruway Service Areas Project, Revenue Bonds (b) 4.00%, due 10/31/41	505,000	462,932
4.00%, due 10/31/46	2,595,000	2,285,395
4.00%, due 4/30/53	2,000,000	1,696,305
Niagara Tobacco Asset Securitization Corp., Tobacco Settlement, Asset-Backed, Revenue Bonds 5.25%, due 5/15/40	500,000	502,076
Puerto Rico Municipal Finance Agency, Revenue Bonds Series C, Insured: AGC 5.25%, due 8/1/23	100,000	100,472
Puerto Rico Sales Tax Financing Corp., Revenue Bonds Series A-2 4.784%, due 7/1/58	15,807,000	14,715,669
Series A-1 5.00%, due 7/1/58	1,189,000	1,148,102
Rockland Tobacco Asset Securitization Corp., Tobacco Settlement, Asset-Backed, Revenue Bonds Series B (zero coupon), due 8/15/50 (a)	13,000,000	2,196,086
Schenectady Metroplex Development Authority, General Resolution Bonds, Revenue Bonds Series A, Insured: AGM 5.50%, due 8/1/33	1,000,000	1,005,357

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>Long-Term Municipal Bonds (continued)</b>		
<b>Other Revenue (continued)</b>		
Southold Local Development Corp., Peconic Landing, Inc. Project, Revenue Bonds 5.00%, due 12/1/45	\$ 1,625,000	\$ 1,536,645
State of New York Mortgage Agency, Homeowner Mortgage, Revenue Bonds Series 213 4.25%, due 10/1/47	525,000	526,905
Suffolk County Economic Development Corp., Peconic Landing at Southold, Inc., Revenue Bonds Series A 5.00%, due 12/1/29 Series A 5.00%, due 12/1/34 Series A 5.00%, due 12/1/40	175,000 165,000 175,000	178,233 165,176 170,991
Suffolk Tobacco Asset Securitization Corp., Tobacco Settlement, Asset Backed, Revenue Bonds Series A-1 0.67%, due 6/1/23 Series A-1 1.015%, due 6/1/24 Series B-1 4.00%, due 6/1/50	1,585,000 1,000,000 4,250,000	1,579,309 958,344 4,173,933
Territory of Guam, Business Privilege Tax, Revenue Bonds Series D 4.00%, due 11/15/39 Series D 5.00%, due 11/15/27 Series D 5.00%, due 11/15/28	880,000 2,825,000 200,000	789,062 2,892,269 204,855
Territory of Guam, Section 30, Revenue Bonds Series A 5.00%, due 12/1/36	1,020,000	1,039,370
Tompkins County Development Corp., Kendal at Ithaca Project, Revenue Bonds Series 2014A 5.00%, due 7/1/44	690,000	662,108

	Principal Amount	Value
<b>Other Revenue (continued)</b>		
Triborough Bridge & Tunnel Authority, Payroll Mobility Tax, Revenue Bonds, Senior Lien Series C 5.25%, due 5/15/52	\$ 5,000,000	\$ 5,575,554
Triborough Bridge & Tunnel Authority, Sales Tax, Revenue Bonds Series A 5.00%, due 5/15/48	4,000,000	4,405,420
TSASC, Inc., Tobacco Settlement Bonds, Revenue Bonds Series A 5.00%, due 6/1/41 Series B 5.00%, due 6/1/48	2,000,000 9,890,000	2,040,561 9,170,357
Virgin Islands Public Finance Authority, Gross Receipts Taxes Loan, Revenue Bonds Series A 5.00%, due 10/1/29 (a) Series A 5.00%, due 10/1/32 Series A, Insured: AGM-CR 5.00%, due 10/1/32	1,000,000 1,000,000 1,200,000	925,570 895,755 1,200,954
Westchester County Local Development Corp., Kendal on Hudson Project, Revenue Bonds Series B 5.00%, due 1/1/51	2,500,000	2,363,892
Westchester County Local Development Corp., Miriam Osborn Memorial Home Association Project, Revenue Bonds 5.00%, due 7/1/27 5.00%, due 7/1/28 5.00%, due 7/1/29 5.00%, due 7/1/34	270,000 270,000 100,000 200,000	284,739 285,016 105,634 211,022
Westchester County Local Development Corp., Pace University, Revenue Bonds Series A 5.50%, due 5/1/42	3,265,000	3,288,518
Westchester Tobacco Asset Securitization Corp., Tobacco Settlement, Asset-Backed, Revenue Bonds, Senior Lien Series B 5.00%, due 6/1/41	250,000	256,261

	Principal Amount	Value
<b>Long-Term Municipal Bonds (continued)</b>		
<b>Other Revenue (continued)</b>		
Yonkers Industrial Development		
Agency, New Community School Project, Revenue Bonds Insured: State Aid Withholding 5.25%, due 5/1/51	\$ 1,280,000	\$ 1,415,889
		<u>391,113,005</u>
<b>Transportation 14.0%</b>		
Albany County Airport Authority, Revenue Bonds		
4.00%, due 12/15/44 Series A	835,000	812,672
5.00%, due 12/15/43 Series A	1,750,000	1,846,255
5.00%, due 12/15/48	2,585,000	2,703,630
Antonio B Won Pat International Airport Authority, Revenue Bonds		
Series C, Insured: AGM 6.00%, due 10/1/34	720,000	726,924
Series C, Insured: AGM 6.00%, due 10/1/34	280,000	282,693
Buffalo & Fort Erie Public Bridge Authority, Revenue Bonds		
5.00%, due 1/1/47	2,095,000	2,179,097
Metropolitan Transportation Authority, Revenue Bonds		
Series D 4.00%, due 11/15/42	1,230,000	1,173,446
Series D 5.00%, due 11/15/29	550,000	590,182
Series B 5.00%, due 11/15/40	2,500,000	2,524,306
Series A-2, Insured: AGM 5.00%, due 11/15/44	6,465,000	6,743,994
Series B, Insured: BAM 5.00%, due 11/15/52	2,535,000	2,627,230
Metropolitan Transportation Authority, Climate Certified Green Bond, Revenue Bonds		
Series C, Insured: AGM 4.00%, due 11/15/47	6,720,000	6,475,399
Metropolitan Transportation Authority, Dedicated Tax Fund, Revenue Bonds		
Series A 5.25%, due 11/15/28	475,000	511,133

	Principal Amount	Value
<b>Transportation (continued)</b>		
Metropolitan Transportation Authority, Green Bond, Revenue Bonds		
Series A-1, Insured: AGM 4.00%, due 11/15/42	\$ 2,180,000	\$ 2,136,610
Series A-1 4.00%, due 11/15/46	2,000,000	1,881,485
Series C, Insured: AGM 4.00%, due 11/15/46	1,600,000	1,545,462
Series D-2 4.00%, due 11/15/48	300,000	279,213
Series A-1 4.00%, due 11/15/49	2,000,000	1,853,372
Series A-1 4.00%, due 11/15/51	1,460,000	1,342,635
Series A-2 5.00%, due 11/15/27	590,000	618,292
New York State Thruway Authority, Revenue Bonds		
Series L 4.00%, due 1/1/36	4,000,000	4,076,697
Series O 4.00%, due 1/1/39	6,000,000	6,000,671
Series B, Insured: AGM 4.00%, due 1/1/45	4,450,000	4,341,958
Series N 4.00%, due 1/1/47	5,500,000	5,251,798
New York State Thruway Authority, General Revenue Junior Indebtedness Obligation, Revenue Bonds, Junior Lien		
Series B, Insured: BAM 4.00%, due 1/1/45	9,050,000	8,830,275
New York Transportation Development Corp., LaGuardia Airport Terminal B Redevelopment Project, Revenue Bonds		
Series A 5.00%, due 7/1/41 (b)	3,000,000	3,006,252
New York Transportation Development Corp., Terminal 4 John F. Kennedy International Airport Project, Revenue Bonds		
4.00%, due 12/1/38 (b)	1,275,000	1,218,810
4.00%, due 12/1/40	2,625,000	2,566,527
Series A 4.00%, due 12/1/42 (b)	1,350,000	1,236,063
Series C 4.00%, due 12/1/42	4,465,000	4,287,812

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>Long-Term Municipal Bonds (continued)</b>		
<b>Transportation (continued)</b>		
New York Transportation Development Corp., Terminal 4 John F. Kennedy International Airport Project, Revenue Bonds (continued)		
5.00%, due 12/1/29 (b) Series A	\$ 1,250,000	\$ 1,355,155
5.00%, due 12/1/36 (b)	1,600,000	1,691,934
5.00%, due 12/1/37 (b)	3,500,000	3,709,316
Niagara Frontier Transportation Authority, Buffalo Niagara International Airport, Revenue Bonds (b)		
Series A		
5.00%, due 4/1/24	490,000	495,518
Series A		
5.00%, due 4/1/27	610,000	615,914
Series A		
5.00%, due 4/1/29	325,000	328,254
Series A		
5.00%, due 4/1/29	600,000	650,332
Series A		
5.00%, due 4/1/30	375,000	404,727
Series A		
5.00%, due 4/1/31	1,350,000	1,456,896
Series A		
5.00%, due 4/1/32	400,000	431,425
Series A		
5.00%, due 4/1/34	450,000	483,668
Series A		
5.00%, due 4/1/35	400,000	427,464
Series A		
5.00%, due 4/1/36	600,000	636,352
Series A		
5.00%, due 4/1/38	375,000	393,489
Ogdensburg Bridge and Port Authority, Revenue Bonds		
5.75%, due 7/1/47 (a)	2,090,000	1,934,914
Port Authority of Guam, Revenue Bonds		
Series B		
5.00%, due 7/1/36 (b)	625,000	661,113
Series B		
5.00%, due 7/1/37 (b)	200,000	210,157
Series A		
5.00%, due 7/1/48	1,235,000	1,266,699

	Principal Amount	Value
<b>Transportation (continued)</b>		
Port Authority of New York & New Jersey, Revenue Bonds (b)		
Series 223		
4.00%, due 7/15/46	\$ 3,000,000	\$ 2,840,275
Series 178		
5.00%, due 12/1/31	16,745,000	16,851,235
Series 231		
5.50%, due 8/1/47	4,000,000	4,461,646
Port Authority of New York & New Jersey, Revenue Bonds, Third Series		
Series 193		
5.00%, due 10/15/34 (b)	5,775,000	5,946,136
Port Authority of New York & New Jersey, Consolidated 178th, Revenue Bonds		
Series 178		
5.00%, due 12/1/38 (b)	1,500,000	1,504,377
Port Authority of New York & New Jersey, Consolidated 1st, Revenue Bonds		
Series 207		
5.00%, due 9/15/48 (b)	2,500,000	2,569,716
Port Authority of New York & New Jersey, Consolidated 218th, Revenue Bonds		
Series 218		
4.00%, due 11/1/47 (b)	3,000,000	2,827,994
Syracuse Regional Airport Authority, Revenue Bonds (b)		
5.00%, due 7/1/26	1,000,000	1,039,578
5.00%, due 7/1/32	1,000,000	1,095,962
5.00%, due 7/1/33	750,000	817,868
Triborough Bridge & Tunnel Authority, Revenue Bonds		
Series B		
5.00%, due 11/15/45	2,000,000	2,068,672
Triborough Bridge & Tunnel Authority, MTA Bridges & Tunnels, Revenue Bonds		
Series A		
4.00%, due 11/15/54	5,000,000	4,825,663
Series C-2		
5.00%, due 11/15/42	1,000,000	1,071,426
Series A		
5.00%, due 11/15/54	4,000,000	4,260,544



	Principal Amount	Value
<b>Long-Term Municipal Bonds (continued)</b>		
<b>Transportation (continued)</b>		
Triborough Bridge & Tunnel Authority, MTA Bridges & Tunnels, Revenue Bonds (continued)		
Series A		
5.50%, due 11/15/57	\$ 10,000,000	\$ 11,357,319
		<u>160,362,631</u>
<b>Utilities 3.3%</b>		
Guam Power Authority, Revenue Bonds		
Series A		
5.00%, due 10/1/33	1,055,000	1,114,403
Series A		
5.00%, due 10/1/38	350,000	360,972
Series A		
5.00%, due 10/1/40	3,600,000	3,698,750
New York Power Authority, Revenue Bonds		
Series A		
4.00%, due 11/15/45	4,000,000	3,936,867
Series A		
4.00%, due 11/15/50	3,500,000	3,400,557
New York Power Authority, Green Transmission Project, Revenue Bonds		
Series A, Insured: AGM		
4.00%, due 11/15/47	7,710,000	7,435,639
Puerto Rico Electric Power Authority, Revenue Bonds		
Series TT, Insured: NATL-RE		
5.00%, due 7/1/23	265,000	265,000
Series TT, Insured: NATL-RE		
5.00%, due 7/1/26	215,000	215,189
Series XX		
5.25%, due 7/1/40 (d)(e)	5,630,000	3,969,150
Utility Debt Securitization Authority, Revenue Bonds		
5.00%, due 12/15/37	7,250,000	7,571,610
5.00%, due 12/15/38	5,500,000	5,985,060
		<u>37,953,197</u>
<b>Water &amp; Sewer 6.2%</b>		
Albany Municipal Water Finance Authority, Revenue Bonds		
Series A		
4.00%, due 12/1/50	5,670,000	5,508,683

	Principal Amount	Value
<b>Water &amp; Sewer (continued)</b>		
Great Neck North Water Authority, Revenue Bonds		
Series A		
4.00%, due 1/1/32	\$ 250,000	\$ 255,615
Guam Government Waterworks Authority, Water and Wastewater System, Revenue Bonds		
Series A		
5.00%, due 7/1/35	4,000,000	4,043,861
5.00%, due 1/1/46	3,365,000	3,412,218
Series A		
5.00%, due 1/1/50	9,975,000	10,109,488
Monroe County Water Authority, Water System, Revenue Bonds		
3.50%, due 3/1/45	2,000,000	1,856,501
5.00%, due 8/1/37	750,000	751,127
New York City Municipal Water Finance Authority, Water & Sewer System Second General Resolution, Revenue Bonds		
Series EE		
4.00%, due 6/15/45	2,000,000	1,980,225
Series DD		
5.00%, due 6/15/34	1,000,000	1,002,064
Series AA		
5.00%, due 6/15/38	3,500,000	3,767,366
5.00%, due 6/15/39	3,500,000	3,605,999
5.00%, due 6/15/40	2,250,000	2,461,708
Series GG-1		
5.00%, due 6/15/48	1,000,000	1,080,866
New York State Environmental Facilities Corp., State Revolving Fund, Revenue Bonds		
Series A		
5.00%, due 2/15/49	10,000,000	10,772,228
Series B		
5.25%, due 9/15/52	4,850,000	5,490,944
Niagara Falls Public Water Authority, Water & Sewer System, Revenue Bonds		
Series A		
5.00%, due 7/15/34	770,000	819,159
Puerto Rico Commonwealth Aqueduct & Sewer Authority, Revenue Bonds (a)		
Series B		
5.00%, due 7/1/29	870,000	883,772

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>Long-Term Municipal Bonds (continued)</b>		
<b>Water &amp; Sewer (continued)</b>		
Puerto Rico Commonwealth Aqueduct & Sewer Authority, Revenue Bonds (a) (continued) Series B 5.00%, due 7/1/37	\$ 545,000	\$ 539,512
Puerto Rico Commonwealth Aqueduct & Sewer Authority, Revenue Bonds, Senior Lien (a) Series 2020A 5.00%, due 7/1/35	5,455,000	5,454,629
Series A 5.00%, due 7/1/47	2,500,000	2,414,805
Saratoga County Water Authority, Revenue Bonds 4.00%, due 9/1/48	4,600,000	<u>4,608,757</u>
		<u>70,819,527</u>
Total Long-Term Municipal Bonds (Cost \$1,045,949,203)		<u>1,027,510,778</u>

## Short-Term Municipal Notes 7.3%

### Other Revenue 1.6%

New York City Housing Development Corp., Multi-Family Housing, Sustainable Neighborhood, Revenue Bonds Series F-2A, Insured: FHA 542(C) 3.40%, due 11/1/62 (f)	4,000,000	3,994,310
New York City Transitional Finance Authority, Future Tax Secured, Revenue Bonds (f) Series A4 3.75%, due 11/1/29	5,000,000	5,000,000
Series C-4 3.77%, due 11/1/44	3,650,000	3,650,000
New York State Housing Finance Agency, Revenue Bonds Series G-2, Insured: SONYMA, HUD Sector 8 3.45%, due 5/1/62 (f)	5,750,000	<u>5,752,353</u>
		<u>18,396,663</u>

### Transportation 1.3%

Metropolitan Transportation Authority, Revenue Bonds Series E-1 3.77%, due 11/15/50 (f)	14,000,000	<u>14,000,000</u>
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	Principal Amount	Value
<b>Utility 0.4%</b>		
Puerto Rico Electric Power Authority, Revenue Bonds Series UU, Insured: AGM 3.988%, due 7/1/29 (f)	\$ 5,000,000	\$ 4,571,556
<b>Water &amp; Sewer 4.0%</b>		
New York City Municipal Water Finance Authority, Water & Sewer System Second General Resolution, Revenue Bonds (f) Series DD-2 3.75%, due 6/15/43	4,465,000	4,465,000
Series FF-2 3.75%, due 6/15/44	4,070,000	4,070,000
3.75%, due 6/15/50	4,450,000	4,450,000
Series CC 3.77%, due 6/15/53	13,000,000	13,000,000
Series BB-1 3.78%, due 6/15/39	20,000,000	<u>20,000,000</u>
		<u>45,985,000</u>
Total Short-Term Municipal Notes (Cost \$83,165,952)		<u>82,953,219</u>
Total Municipal Bonds (Cost \$1,129,115,155)		<u>1,110,463,997</u>

## Shares

### Closed-End Funds 0.2%

#### New York 0.2%

BlackRock New York Municipal Income Trust	12,602	128,792
Eaton Vance New York Municipal Bond Fund	13,241	128,173
Nuveen New York AMT-Free Quality Municipal Income Fund	171,267	<u>1,777,752</u>
Total Closed-End Funds (Cost \$2,686,210)		<u>2,034,717</u>

	Shares	Value
<b>Short-Term Investment 1.3%</b>		
<b>Unaffiliated Investment Company 1.3%</b>		
BlackRock Liquidity Funds MuniCash, 3.461% (g)	15,365,090	\$ 15,363,950
Total Short-Term Investment (Cost \$15,363,950)		<u>15,363,950</u>
Total Investments (Cost \$1,147,165,315)	98.6%	1,127,862,664
Other Assets, Less Liabilities	<u>1.4</u>	<u>16,315,809</u>
Net Assets	<u>100.0%</u>	<u>\$ 1,144,178,473</u>

† Percentages indicated are based on Fund net assets.

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

(a) 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.

(b) Interest on these securities was subject to alternative minimum tax.

(c) Coupon rate may change based on changes of the underlying collateral or prepayments of principal. Rate shown was the rate in effect as of April 30, 2023.

(d) Issue in default.

(e) Issue in non-accrual status.

(f) Variable-rate demand notes (VRDNs)—Provide the right to sell the security at face value on either that day or within the rate-reset period. VRDNs will normally trade as if the maturity is the earlier put date, even though stated maturity is longer. The interest rate is reset on the put date at a stipulated daily, weekly, monthly, quarterly, or other specified time interval to reflect current market conditions. These securities do not indicate a reference rate and spread in their description. The maturity date shown is the final maturity.

(g) Current yield as of April 30, 2023.

## Futures Contracts

As of April 30, 2023, the Fund held the following futures contracts<sup>1</sup>:

Type	Number of Contracts	Expiration Date	Value at Trade Date	Current Notional Amount	Unrealized Appreciation (Depreciation) <sup>2</sup>
<b>Short Contracts</b>					
U.S. Treasury 10 Year Ultra Bonds	(650)	June 2023	\$ (76,028,193)	\$ (78,944,532)	\$ (2,916,339)
U.S. Treasury Long Bonds	(425)	June 2023	(53,270,116)	(55,953,906)	<u>(2,683,790)</u>
Net Unrealized Depreciation					<u>\$ (5,600,129)</u>

1. As of April 30, 2023, cash in the amount of \$3,800,000 was on deposit with a broker or futures commission merchant for futures transactions.

2. Represents the difference between the value of the contracts at the time they were opened and the value as of April 30, 2023.

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

Abbreviation(s):

AGC—Assured Guaranty Corp.

AGM—Assured Guaranty Municipal Corp.

AMBAC—Ambac Assurance Corp.

BAM—Build America Mutual Assurance Co.

CR—Custodial Receipts

FHA—Federal Housing Administration

HUD—Housing and Urban Development

NATL-RE—National Public Finance Guarantee Corp.

SONYMA—State of New York Mortgage Agency

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 and liabilities:

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)				
Municipal Bonds				
Long-Term Municipal Bonds	\$ —	\$ 1,027,510,778	\$ —	\$ 1,027,510,778
Short-Term Municipal Notes	—	82,953,219	—	82,953,219
Total Municipal Bonds	—	1,110,463,997	—	1,110,463,997
Closed-End Funds	2,034,717	—	—	2,034,717
Short-Term Investment				
Unaffiliated Investment Company	15,363,950	—	—	15,363,950
Total Investments in Securities	<u>\$ 17,398,667</u>	<u>\$ 1,110,463,997</u>	<u>\$ —</u>	<u>\$ 1,127,862,664</u>
<b>Liability Valuation Inputs</b>				
Other Financial Instruments				
Futures Contracts (b)	\$ (5,600,129)	\$ —	\$ —	\$ (5,600,129)

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

(b) The value listed for these securities reflects unrealized appreciation (depreciation) as shown on the Portfolio of Investments.

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

## Assets

Investment in securities, at value (identified cost \$1,147,165,315)	\$1,127,862,664
Cash	102,000
Cash collateral on deposit at broker for futures contracts	3,800,000
Receivables:	
Dividends and interest	14,438,440
Fund shares sold	3,794,302
Investment securities sold	730,286
Other assets	22,584
Total assets	<u>1,150,750,276</u>

## Liabilities

Payables:	
Investment securities purchased	2,851,383
Fund shares redeemed	1,439,359
Variation margin on futures contracts	1,018,745
Manager (See Note 3)	413,903
NYLIFE Distributors (See Note 3)	177,523
Transfer agent (See Note 3)	67,447
Professional fees	34,409
Custodian	27,666
Shareholder communication	13,006
Accrued expenses	2,273
Distributions payable	526,089
Total liabilities	<u>6,571,803</u>
Net assets	<u>\$1,144,178,473</u>

## Composition of Net Assets

Shares of beneficial interest outstanding (par value of \$.001 per share) unlimited number of shares authorized	\$ 119,513
Additional paid-in-capital	<u>1,279,769,701</u>
	1,279,889,214
Total distributable earnings (loss)	<u>(135,710,741)</u>
Net assets	<u>\$1,144,178,473</u>

## Class A

Net assets applicable to outstanding shares	<u>\$715,844,782</u>
Shares of beneficial interest outstanding	<u>74,779,190</u>
Net asset value per share outstanding	\$ 9.57
Maximum sales charge (3.00% of offering price)	<u>0.30</u>
Maximum offering price per share outstanding	<u>\$ 9.87</u>

## Investor Class

Net assets applicable to outstanding shares	<u>\$ 332,400</u>
Shares of beneficial interest outstanding	<u>34,720</u>
Net asset value per share outstanding	\$ 9.57
Maximum sales charge (2.50% of offering price)	<u>0.25</u>
Maximum offering price per share outstanding	<u>\$ 9.82</u>

## Class C

Net assets applicable to outstanding shares	<u>\$ 72,778,192</u>
Shares of beneficial interest outstanding	<u>7,601,746</u>
Net asset value and offering price per share outstanding	<u>\$ 9.57</u>

## Class C2

Net assets applicable to outstanding shares	<u>\$ 1,643,107</u>
Shares of beneficial interest outstanding	<u>171,712</u>
Net asset value and offering price per share outstanding	<u>\$ 9.57</u>

## Class I

Net assets applicable to outstanding shares	<u>\$351,598,174</u>
Shares of beneficial interest outstanding	<u>36,718,548</u>
Net asset value and offering price per share outstanding	<u>\$ 9.58</u>

## Class R6

Net assets applicable to outstanding shares	<u>\$ 1,981,818</u>
Shares of beneficial interest outstanding	<u>207,002</u>
Net asset value and offering price per share outstanding	<u>\$ 9.57</u>

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

## Investment Income (Loss)

### Income

Interest	\$ 21,321,608
Dividends	<u>47,924</u>
Total income	<u>21,369,532</u>

### Expenses

Manager (See Note 3)	2,460,671
Distribution/Service—Class A (See Note 3)	870,504
Distribution/Service—Investor Class (See Note 3)	435
Distribution/Service—Class C (See Note 3)	181,769
Distribution/Service—Class C2 (See Note 3)	5,717
Transfer agent (See Note 3)	181,429
Professional fees	65,832
Custodian	40,216
Trustees	13,271
Registration	13,241
Shareholder communication	10,718
Miscellaneous	<u>17,815</u>
Total expenses before waiver/reimbursement	3,861,618
Expense waiver/reimbursement from Manager (See Note 3)	(49,434)
Reimbursement from prior custodian <sup>(a)</sup>	<u>(2,177)</u>
Net expenses	<u>3,810,007</u>

Net investment income (loss) 17,559,525

## Realized and Unrealized Gain (Loss)

Net realized gain (loss) on:

Unaffiliated investment transactions	(45,138,263)
Futures transactions	<u>9,014,970</u>

Net realized gain (loss) (36,123,293)

Net change in unrealized appreciation (depreciation) on:

Unaffiliated investments	134,601,365
Futures contracts	<u>(17,066,144)</u>

Net change in unrealized appreciation (depreciation) 117,535,221

Net realized and unrealized gain (loss) 81,411,928

Net increase (decrease) in net assets resulting from operations \$ 98,971,453

(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
<b>Increase (Decrease) in Net Assets</b>		
Operations:		
Net investment income (loss)	\$ 17,559,525	\$ 30,094,707
Net realized gain (loss)	(36,123,293)	(37,856,201)
Net change in unrealized appreciation (depreciation)	117,535,221	(210,871,867)
Net increase (decrease) in net assets resulting from operations	98,971,453	(218,633,361)
Distributions to shareholders:		
Class A	(12,312,317)	(23,036,677)
Investor Class	(6,112)	(9,823)
Class C	(1,187,084)	(2,420,147)
Class C2	(27,401)	(46,357)
Class I	(6,151,573)	(10,162,463)
Class R6	(25,607)	(24,025)
Total distributions to shareholders	(19,710,094)	(35,699,492)
Capital share transactions:		
Net proceeds from sales of shares	253,156,628	1,065,321,666
Net asset value of shares issued to shareholders in reinvestment of distributions	16,392,246	29,183,591
Cost of shares redeemed	(265,604,304)	(1,155,538,985)
Increase (decrease) in net assets derived from capital share transactions	3,944,570	(61,033,728)
Net increase (decrease) in net assets	83,205,929	(315,366,581)
<b>Net Assets</b>		
Beginning of period	1,060,972,544	1,376,339,125
End of period	\$1,144,178,473	\$ 1,060,972,544

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 A	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 8.89	\$ 10.94	\$ 10.63	\$ 10.68	\$ 10.12	\$ 10.34
Net investment income (loss)	0.15(a)	0.24(a)	0.22(a)	0.29	0.32	0.34
Net realized and unrealized gain (loss)	0.70	(2.00)	0.34	(0.04)	0.56	(0.22)
Total from investment operations	0.85	(1.76)	0.56	0.25	0.88	0.12
<b>Less distributions:</b>						
From net investment income	(0.17)	(0.29)	(0.25)	(0.30)	(0.32)	(0.34)
Net asset value at end of period	\$ 9.57	\$ 8.89	\$ 10.94	\$ 10.63	\$ 10.68	\$ 10.12
Total investment return (b)	9.54%	(16.36)%	5.32%	2.35%	8.84%	1.17%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	3.14%††	2.37%	2.02%	2.38%	3.00%	3.31%
Net expenses (c)	0.75%††	0.75%	0.75%	0.75%	0.75%	0.75%
Expenses (before waiver/reimbursement) (c)	0.76%††	0.76%	0.76%	0.80%	0.82%	0.82%
Portfolio turnover rate	33%	53%(d)	10%(d)	29%(d)	28%(d)	33%
Net assets at end of period (in 000's)	\$ 715,845	\$ 690,832	\$ 907,662	\$ 688,870	\$ 462,499	\$ 186,579

\* 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.

(d) The portfolio turnover rate includes variable rate demand notes.

Investor Class	Six months ended April 30, 2023*	Year Ended October 31,				
		2022	2021	2020	2019	2018
Net asset value at beginning of period	\$ 8.89	\$ 10.94	\$ 10.63	\$ 10.68	\$ 10.13	\$ 10.34
Net investment income (loss)	0.15(a)	0.24(a)	0.22(a)	0.25	0.32	0.34
Net realized and unrealized gain (loss)	0.70	(2.00)	0.34	0.00‡	0.55	(0.21)
Total from investment operations	0.85	(1.76)	0.56	0.25	0.87	0.13
<b>Less distributions:</b>						
From net investment income	(0.17)	(0.29)	(0.25)	(0.30)	(0.32)	(0.34)
Net asset value at end of period	\$ 9.57	\$ 8.89	\$ 10.94	\$ 10.63	\$ 10.68	\$ 10.13
Total investment return (b)	9.53%	(16.37)%	5.32%	2.33%	8.72%	1.25%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	3.12%††	2.37%	2.03%	2.39%	3.06%	3.29%
Net expenses (c)	0.77%††	0.76%	0.76%	0.77%	0.77%	0.78%
Expenses (before waiver/reimbursement) (c)	0.78%††	0.77%	0.77%	0.82%	0.84%	0.85%
Portfolio turnover rate	33%	53%(d)	10%(d)	29%(d)	28%(d)	33%
Net assets at end of period (in 000's)	\$ 332	\$ 301	\$ 375	\$ 414	\$ 463	\$ 385

\* Unaudited.

‡ 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. 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.

(d) The portfolio turnover rate includes variable rate demand notes.



# Financial Highlights selected per share data and 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	\$ 8.89	\$ 10.94	\$ 10.63	\$ 10.68	\$ 10.12	\$ 10.34
Net investment income (loss)	0.14(a)	0.21(a)	0.19(a)	0.24	0.30	0.31
Net realized and unrealized gain (loss)	0.69	(2.00)	0.35	(0.02)	0.56	(0.22)
Total from investment operations	0.83	(1.79)	0.54	0.22	0.86	0.09
<b>Less distributions:</b>						
From net investment income	(0.15)	(0.26)	(0.23)	(0.27)	(0.30)	(0.31)
Net asset value at end of period	\$ 9.57	\$ 8.89	\$ 10.94	\$ 10.63	\$ 10.68	\$ 10.12
Total investment return (b)	9.40%	(16.58)%	5.05%	2.08%	8.55%	0.90%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	2.87%††	2.11%	1.77%	2.13%	2.77%	3.04%
Net expenses (c)	1.02%††	1.01%	1.01%	1.02%	1.02%	1.03%
Expenses (before waiver/reimbursement) (c)	1.03%††	1.02%	1.02%	1.07%	1.09%	1.10%
Portfolio turnover rate	33%	53%(d)	10%(d)	29%(d)	28%(d)	33%
Net assets at end of period (in 000's)	\$ 72,778	\$ 73,022	\$ 111,681	\$ 107,117	\$ 90,553	\$ 54,258

\* 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.

(d) The portfolio turnover rate includes variable rate demand notes.

Class C2	Six months ended April 30, 2023*	Year Ended October 31,		August 31, 2020^ through October 31, 2020
		2022	2021	2020
Net asset value at beginning of period	\$ 8.88	\$ 10.94	\$ 10.63	\$ 10.72
Net investment income (loss)	0.13(a)	0.20(a)	0.17(a)	0.04
Net realized and unrealized gain (loss)	0.71	(2.02)	0.35	(0.09)
Total from investment operations	0.84	(1.82)	0.52	(0.05)
<b>Less distributions:</b>				
From net investment income	(0.15)	(0.24)	(0.21)	(0.04)
Net asset value at end of period	\$ 9.57	\$ 8.88	\$ 10.94	\$ 10.63
Total investment return (b)	9.44%	(16.80)%	4.89%	(0.50)%
<b>Ratios (to average net assets)/Supplemental Data:</b>				
Net investment income (loss)	2.72%††	1.96%	1.55%	1.32%††
Net expenses (c)	1.17%††	1.16%	1.15%	1.17%††
Expenses (before waiver/reimbursement) (c)	1.18%††	1.17%	1.16%	1.22%††
Portfolio turnover rate (d)	33%	53%	10%	29%
Net assets at end of period (in 000's)	\$ 1,643	\$ 1,638	\$ 1,861	\$ 315

\* Unaudited.

^ Inception date.

†† 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.

(d) The portfolio turnover rate includes variable rate demand notes.

# 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	\$ 8.89	\$ 10.94	\$ 10.63	\$ 10.68	\$ 10.13	\$ 10.34
Net investment income (loss)	0.16(a)	0.26(a)	0.25(a)	0.32	0.35	0.37
Net realized and unrealized gain (loss)	0.71	(2.00)	0.34	(0.05)	0.55	(0.21)
Total from investment operations	0.87	(1.74)	0.59	0.27	0.90	0.16
<b>Less distributions:</b>						
From net investment income	(0.18)	(0.31)	(0.28)	(0.32)	(0.35)	(0.37)
Net asset value at end of period	\$ 9.58	\$ 8.89	\$ 10.94	\$ 10.63	\$ 10.68	\$ 10.13
Total investment return (b)	9.79%	(16.15)%	5.59%	2.61%	9.01%	1.53%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	3.39%††	2.63%	2.27%	2.64%	3.37%	3.54%
Net expenses (c)	0.50%††	0.50%	0.50%	0.50%	0.50%	0.50%
Expenses (before waiver/reimbursement) (c)	0.51%††	0.51%	0.51%	0.55%	0.57%	0.57%
Portfolio turnover rate	33%	53%(d)	10%(d)	29%(d)	28%(d)	33%
Net assets at end of period (in 000's)	\$ 351,598	\$ 294,456	\$ 353,955	\$ 261,819	\$ 161,203	\$ 181,059

\* 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.

(d) The portfolio turnover rate includes variable rate demand notes.

Class R6	Six months ended April 30, 2023*	Year Ended October 31,		November 1, 2019^ through October 31, 2020
		2022	2021	2020
Net asset value at beginning of period	\$ 8.89	\$ 10.94	\$ 10.63	\$ 10.69
Net investment income (loss)	0.16(a)	0.27(a)	0.26(a)	0.29
Net realized and unrealized gain (loss)	0.70	(2.01)	0.33	(0.03)
Total from investment operations	0.86	(1.74)	0.59	0.26
<b>Less distributions:</b>				
From net investment income	(0.18)	(0.31)	(0.28)	(0.32)
Net asset value at end of period	\$ 9.57	\$ 8.89	\$ 10.94	\$ 10.63
Total investment return (b)	9.69%	(16.14)%	5.61%	2.60%
<b>Ratios (to average net assets)/Supplemental Data:</b>				
Net investment income (loss)	3.41%††	2.67%	2.34%	2.39%
Net expenses (c)	0.48%††	0.48%	0.47%	0.48%
Expenses (before waiver/reimbursement) (c)	0.48%††	0.48%	0.49%	0.54%
Portfolio turnover rate (d)	33%	53%	10%	29%
Net assets at end of period (in 000's)	\$ 1,982	\$ 724	\$ 806	\$ 1,404

\* Unaudited.

^ Inception date.

†† 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.

(d) The portfolio turnover rate includes variable rate demand notes.

# Notes to Financial Statements (Unaudited)

## Note 1—Organization and Business

MainStay Funds Trust (the "Trust") was organized as a Delaware statutory trust on April 28, 2009. 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 thirty-three funds (collectively referred to as the "Funds"). These financial statements and notes relate to the MainStay MacKay New York Tax Free Opportunities 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	May 14, 2012
Investor Class	May 14, 2012
Class C	May 14, 2012
Class C2	August 31, 2020
Class I	May 14, 2012
Class R6	November 1, 2019

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 \$250,000 or more (and certain other qualified purchases) in Class A and Investor Class shares. However, a contingent deferred sales charge ("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 and Class C2 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 and Class C2 shares. Class I and Class R6 shares are offered at NAV without a sales charge. In addition, depending upon eligibility, Class C and Class C2 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 based on a shareholder's account balance as described in the Fund's prospectus. 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 C and Class C2 shares are subject to higher distribution and/or service fees than Class A and Investor Class shares. Class I and Class R6 shares are not subject to a distribution and/or service fee.

The Fund's investment objective is to seek current income exempt from federal and New York state and, in some cases, New York local income taxes.

## 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

# Notes to Financial Statements (Unaudited) (continued)

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 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.

Investments in mutual funds, including money market funds, are valued at their respective NAVs at the close of business each day on the valuation date. These securities are generally categorized as Level 1 in the hierarchy.

Futures contracts are valued at the last posted settlement price on the market where such futures are primarily traded. These securities are generally categorized as Level 1 in the hierarchy.

Municipal debt securities are valued at the evaluated mean prices 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. Municipal debt securities purchased on a delayed delivery basis are marked to market daily until settlement at the forward settlement date. Municipal debt securities are generally categorized as Level 2 in the hierarchy.

In calculating NAV, each closed-end fund is valued at market value, which will generally be determined using the last reported official closing or last trading price on the exchange or market on which the security is primarily traded at the time of valuation. Price information on closed-end funds is taken from the exchange where the security is primarily traded. In addition, because closed-end funds and exchange-traded funds trade on a secondary market, their shares may trade at a premium or discount to the actual net asset value of their portfolio securities and their shares may have greater volatility because of the potential lack of liquidity. These closed-end funds are generally categorized as Level 1 in the hierarchy.

Temporary cash investments acquired in excess of 60 days to maturity at the time of purchase are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities and ratings), both as furnished by independent pricing services. Temporary cash investments that mature in 60 days or less at the time of purchase ("Short-Term Investments") are valued using the amortized cost method of valuation, unless the use of such method would be inappropriate. The amortized cost method involves valuing a security at its cost on the date of purchase and thereafter assuming a constant amortization to maturity of the difference between such cost and the value on maturity date. Amortized cost approximates the current fair value of a security. Securities valued using the amortized cost method are not valued using quoted prices in an active market and are generally categorized as Level 2 in the hierarchy.

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.

**(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 dividends from net investment income, if any, daily and intends to pay them at least monthly and declares and pays distributions from net realized capital 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. Interest income is accrued as earned using the effective interest rate method. Discounts and premiums on securities purchased for the Fund are accreted and amortized, respectively, on the effective interest rate method over the life of the respective securities.

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 mutual funds, which are subject to management fees and other fees that may cause the costs of investing in mutual funds to be greater than the costs of owning the underlying

# Notes to Financial Statements (Unaudited) (continued)

securities directly. These indirect expenses of 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) Futures Contracts.** A futures contract is an agreement to purchase or sell a specified quantity of an underlying instrument at a specified future date and price, or to make or receive a cash payment based on the value of a financial instrument (e.g., foreign currency, interest rate, security or securities index). The Fund is subject to risks such as market price risk, leverage risk, liquidity risk, counterparty risk, operational risk, legal risk and/or interest rate risk in the normal course of investing in these contracts. Upon entering into a futures contract, the Fund is required to pledge to the broker or futures commission merchant an amount of cash and/or U.S. government securities equal to a certain percentage of the collateral amount, known as the "initial margin." During the period the futures contract is open, changes in the value of the contract are recognized as unrealized appreciation or depreciation by marking to market such contract on a daily basis to reflect the market value of the contract at the end of each day's trading. The Fund agrees to receive from or pay to the broker or futures commission merchant an amount of cash equal to the daily fluctuation in the value of the contract. Such receipts or payments are known as "variation margin." When the futures contract is closed, the Fund records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Fund's basis in the contract.

The use of futures contracts involves, to varying degrees, elements of market risk in excess of the amount recognized in the Statement of Assets and Liabilities. The contract or notional amounts and variation margin reflect the extent of the Fund's involvement in open futures positions. There are several risks associated with the use of futures contracts as hedging techniques. There can be no assurance that a liquid market will exist at the time when the Fund seeks to close out a futures contract. If no liquid market exists, the Fund would remain obligated to meet margin requirements until the position is closed. Futures contracts may involve a small initial investment relative to the risk assumed, which could result in losses greater than if the Fund did not invest in futures contracts. Futures contracts may be more volatile than direct investments in the instrument underlying the futures and may not correlate to the underlying instrument, causing a given hedge not to achieve its objectives. The Fund's activities in futures contracts have minimal counterparty risk as they are conducted through regulated exchanges that guarantee the futures against default by the counterparty. In the event of a bankruptcy or insolvency of a futures commission merchant that holds margin on behalf of the Fund, the Fund may not be entitled to the return of the entire margin owed to the Fund, potentially resulting in a loss. The Fund may invest in futures contracts to seek enhanced returns or to reduce the risk of loss by hedging certain of its holdings. The Fund's

investment in futures contracts and other derivatives may increase the volatility of the Fund's NAVs and may result in a loss to the Fund. Open futures contracts as of April 30, 2023, are shown in the Portfolio of Investments.

**(H) Municipal Bond Risk.** The Fund may invest more heavily in municipal bonds from certain cities, states, territories or regions than others, which may increase the Fund's exposure to losses resulting from economic, political, regulatory occurrences, or declines in tax revenue impacting these particular cities, states, territories or regions. In addition, many state and municipal governments that issue securities are under significant economic and financial stress and may not be able to satisfy their obligations, and these events may be made worse due to economic challenges posed by COVID-19. The Fund may invest a substantial amount of its assets in municipal bonds whose interest is paid solely from revenues of similar projects, such as tobacco settlement bonds. If the Fund concentrates its investments in this manner, it assumes the legal and economic risks relating to such projects and this may have a significant impact on the Fund's investment performance.

Certain of the issuers in which the Fund may invest have recently experienced, or may experience, significant financial difficulties and repeated credit rating downgrades. On May 3, 2017, the Commonwealth of Puerto Rico (the "Commonwealth") began proceedings pursuant to the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA") to seek bankruptcy-type protections from approximately \$74 billion in debt and approximately \$48 billion in unfunded pension obligations. In addition, the economic downturn following the outbreak of COVID-19 and the resulting pressure on Puerto Rico's budget have further contributed to its financial challenges. The federal government has passed certain relief packages, including the Coronavirus Aid, Relief, and Economic Security Act and the American Rescue Plan, which included an aggregate of more than \$7 billion in disaster relief funds for the U.S. territories, including Puerto Rico. However, there can be no assurances that the federal funds allocated to the Commonwealth will be sufficient to address the long-term economic challenges that arose from COVID-19.

The Commonwealth concluded its Title III restructuring proceedings on behalf of itself and certain instrumentalities effective March 15, 2022. Approximately \$18.75 billion of claims related to debt guaranteed under Puerto Rico's constitution including the Commonwealth of Puerto Rico in new Puerto Rico General Obligation Bonds, \$7.1 billion of cash, and \$3.5 billion of new Contingent Value instruments. In addition, the Commonwealth's exit from the restructuring proceedings resolved certain claims relating to the Commonwealth Employee Retirement System, Convention Center, Highway Authority, and Infrastructure Financing Authority. Two of the Commonwealth's agencies are still under Title III restructuring proceedings including the Puerto Rico Electric Power Authority (PREPA) and the Puerto Rico Industrial Development Authority (PRIDCO).

Puerto Rico's debt restructuring process and other economic, political, social, environmental or health factors or developments could occur rapidly and may significantly affect the value of municipal securities of

Puerto Rico. Any agreement between the Federal Oversight and Management Board and creditors is subject to approval by the judge overseeing the Title III proceedings. The composition of the Federal Oversight and Management Board is subject to change every three years due to existing members either stepping down or being replaced following the expiration of a member's term. There is no assurance that board members will approve the restructuring agreements that a prior board negotiated.

As of May 30, 2023 the Puerto Rico Electric Power Authority (PREPA) remains in Title III Bankruptcy after nearly 6 years. A significant number of net revenue bond creditors, the Oversight Board, and the Commonwealth have been unable to reach a consensual resolution on PREPA's debt restructuring following the termination of the previous 2019 PREPA Restructuring Support Agreement by the Commonwealth of Puerto Rico in March of 2022. Further bankruptcy litigation has ensued between the Oversight Board and a group of net revenue bond creditors over the security provisions of PREPA's 8.3bln of net revenue bonds resulting in a ruling from Judge Swain that PREPA's net revenue bonds are unsecured. The Ad Hoc group of net revenue bond creditors and bond insurer Assured Guaranty have informed Judge Swain they will seek to appeal her decision absent a consensual resolution in the case. The Oversight Board has reached plan confirmation support from at least one creditor class, the ~700mm of claims relating to fuel line lenders. In addition, the Oversight Board reached a settlement agreement with bond insurer National Public Finance Guaranty regarding ~876mm of PREPA's net revenue bond claims or ~11% of PREPA's net revenue bond claims.

If a settlement agreement cannot be reached between a majority of net revenue bond holders and the Oversight Board, Judge Swain could approve a cram-down plan or dismiss the bankruptcy case entirely. A cram-down plan could significantly reduce recoveries. Furthermore, a dismissal of the case would result in further litigation in local PR courts with guaranty of additional recovery.

The Fund's vulnerability to potential losses associated with such developments may be reduced through investing in municipal securities that feature credit enhancements (such as bond insurance). The bond insurance provider pays both principal and interest when due to the bond holder. The magnitude of Puerto Rico's debt restructuring or other adverse economic developments could pose significant strains on the ability of municipal securities insurers to meet all future claims. As of April 30, 2023, 23.5% of the Puerto Rico municipal securities held by the Fund were insured.

**(I) 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.

**(J) Quantitative Disclosure of Derivative Holdings.** The following tables show additional disclosures related to the Fund's derivative and hedging activities, including how such activities are accounted for and their effect on the Fund's financial positions, performance and cash flows.

The Fund entered into futures contracts to help manage the duration and yield curve positioning of the portfolio. These derivatives are not accounted for as hedging instruments.

Fair value of derivative instruments as of April 30, 2023:

Liability Derivatives	Interest Rate Contracts Risk	Total
Futures Contracts - Net Assets—Net unrealized depreciation on futures contracts (a)	\$(5,600,129)	\$(5,600,129)
Total Fair Value	<u>\$(5,600,129)</u>	<u>\$(5,600,129)</u>

(a) Includes cumulative appreciation (depreciation) of futures contracts as reported in the Portfolio of Investments. Only current day's variation margin is reported within the Statement of Assets and Liabilities.

The effect of derivative instruments on the Statement of Operations for the six-month period ended April 30, 2023:

Net Realized Gain (Loss) from:	Interest Rate Contracts Risk	Total
Futures Contracts	\$9,014,970	\$9,014,970
Total Net Realized Gain (Loss)	<u>\$9,014,970</u>	<u>\$9,014,970</u>

Net Change in Unrealized Appreciation (Depreciation)	Interest Rate Contracts Risk	Total
Futures Contracts	\$(17,066,144)	\$(17,066,144)
Total Net Change in Unrealized Appreciation (Depreciation)	<u>\$(17,066,144)</u>	<u>\$(17,066,144)</u>

Average Notional Amount	Total
Futures Contracts Short	<u>\$ (150,995,052)</u>

## 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

# Notes to Financial Statements (Unaudited) (continued)

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: 0.45% on assets up to \$1 billion; 0.43% on assets from \$1 billion to \$3 billion; and 0.42% on assets over \$3 billion. During the year ended April 30, 2023, the effective management fee rate was 0.45% of the Fund's average daily net assets, exclusive of any applicable waivers/reimbursements.

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 A shares do not exceed 0.75% of its average daily net assets. New York Life Investments will apply an equivalent waiver or reimbursement, in an equal number of basis points to Investor Class, Class C, Class C2 and Class I shares. 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. These agreements 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 \$2,460,671 and waived fees and/or reimbursed expenses in the amount of \$49,434 and paid the Subadvisor fees of \$1,205,618.

JPMorgan Chase Bank, N.A. ("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 and Investor Class Plans, the Distributor receives a monthly fee from the Class A and Investor Class shares at an annual rate of 0.25% of the average daily net assets of the Class A and Investor Class shares for distribution and/or service activities as designated by the Distributor. Pursuant to the Class C Plan, Class C shares pay the Distributor a monthly distribution fee at an annual rate of 0.25% of the average daily net assets of the Class C shares along with a service fee at an annual rate of 0.25% of the average daily net assets of the Class C shares, for a total 12b-1 fee of 0.50%. Pursuant to the Class C2 Plan, Class C2 shares pay the Distributor a monthly distribution fee at an annual rate of 0.40% of the average daily net assets of the Class C2 shares, along with a service fee at an annual rate of 0.25% of the average daily net assets of the Class C shares, for a total 12b-1 fee of 0.65%. Class I 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.

**(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 \$3,876 and \$2, respectively.

The Fund was also advised that the Distributor retained CDSCs on redemptions of Class A and Class C shares during the six-month period ended April 30, 2023, of \$66,190 and \$2,347, 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	\$110,011	\$—
Investor Class	92	—
Class C	19,236	—
Class C2	466	—
Class I	51,597	—
Class R6	27	—

**(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 C2	\$23,696	1.4%
Class R6	24,819	1.3

#### 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	\$1,158,665,280	\$5,317,199	\$(36,119,815)	\$(30,802,616)

As of October 31, 2022, for federal income tax purposes, capital loss carryforwards of \$49,549,810, 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	\$26,930	\$22,620

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	\$ 811,027
Exempt Interest Dividends	34,888,465
Total	\$35,699,492

#### Note 5—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 6—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 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.

# Notes to Financial Statements (Unaudited) (continued)

## Note 7—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 8—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 \$380,361 and \$352,316, respectively.

## Note 9—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	12,549,808	\$ 118,758,459
Shares issued to shareholders in reinvestment of distributions	1,130,283	10,780,323
Shares redeemed	(16,635,523)	(155,787,702)
Net increase (decrease) in shares outstanding before conversion	(2,955,432)	(26,248,920)
Shares converted into Class A (See Note 1)	19,283	183,079
Shares converted from Class A (See Note 1)	(9,596)	(90,779)
Net increase (decrease)	(2,945,745)	\$ (26,156,620)
Year ended October 31, 2022:		
Shares sold	87,298,953	\$ 844,637,242
Shares issued to shareholders in reinvestment of distributions	2,025,106	20,047,685
Shares redeemed	(94,566,928)	(915,687,479)
Net increase (decrease) in shares outstanding before conversion	(5,242,869)	(51,002,552)
Shares converted into Class A (See Note 1)	11,505	111,557
Shares converted from Class A (See Note 1)	(7,371)	(74,414)
Net increase (decrease)	(5,238,735)	\$ (50,965,409)

Investor Class	Shares	Amount
Six-month period ended April 30, 2023:		
Shares sold	14,123	\$ 133,580
Shares issued to shareholders in reinvestment of distributions	594	5,664
Shares redeemed	(2,490)	(23,226)
Net increase (decrease) in shares outstanding before conversion	12,227	116,018
Shares converted from Investor Class (See Note 1)	(11,369)	(107,785)
Net increase (decrease)	858	\$ 8,233
Year ended October 31, 2022:		
Shares sold	30,048	\$ 300,879
Shares issued to shareholders in reinvestment of distributions	931	9,203
Shares redeemed	(29,134)	(289,595)
Net increase (decrease) in shares outstanding before conversion	1,845	20,487
Shares converted into Investor Class (See Note 1)	353	3,710
Shares converted from Investor Class (See Note 1)	(2,575)	(26,300)
Net increase (decrease)	(377)	\$ (2,103)

Class C	Shares	Amount
Six-month period ended April 30, 2023:		
Shares sold	719,970	\$ 6,879,550
Shares issued to shareholders in reinvestment of distributions	96,649	921,987
Shares redeemed	(1,421,589)	(13,481,052)
Net increase (decrease) in shares outstanding before conversion	(604,970)	(5,679,515)
Shares converted from Class C (See Note 1)	(7,915)	(75,294)
Net increase (decrease)	(612,885)	\$ (5,754,809)
Year ended October 31, 2022:		
Shares sold	915,604	\$ 9,185,855
Shares issued to shareholders in reinvestment of distributions	179,004	1,774,437
Shares redeemed	(3,077,812)	(30,367,036)
Net increase (decrease) in shares outstanding before conversion	(1,983,204)	(19,406,744)
Shares converted from Class C (See Note 1)	(8,930)	(85,257)
Net increase (decrease)	(1,992,134)	\$ (19,492,001)

<b>Class C2</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2023:		
Shares sold	37,797	\$ 360,103
Shares issued to shareholders in reinvestment of distributions	2,874	27,401
Shares redeemed	(53,264)	(510,719)
Net increase (decrease)	(12,593)	\$ (123,215)
Year ended October 31, 2022:		
Shares sold	50,559	\$ 530,063
Shares issued to shareholders in reinvestment of distributions	4,690	46,357
Shares redeemed	(41,066)	(396,237)
Net increase (decrease)	14,183	\$ 180,183

<b>Class I</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2023:		
Shares sold	13,227,911	\$ 125,633,935
Shares issued to shareholders in reinvestment of distributions	485,271	4,631,264
Shares redeemed	(10,124,305)	(95,586,187)
Net increase (decrease) in shares outstanding before conversion	3,588,877	34,679,012
Shares converted into Class I (See Note 1)	9,596	90,779
Net increase (decrease)	3,598,473	\$ 34,769,791
Year ended October 31, 2022:		
Shares sold	21,497,011	\$ 210,615,126
Shares issued to shareholders in reinvestment of distributions	736,274	7,281,884
Shares redeemed	(21,464,030)	(208,798,438)
Net increase (decrease) in shares outstanding before conversion	769,255	9,098,572
Shares converted into Class I (See Note 1)	7,019	70,704
Net increase (decrease)	776,274	\$ 9,169,276

<b>Class R6</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2023:		
Shares sold	145,521	\$ 1,391,001
Shares issued to shareholders in reinvestment of distributions	2,683	25,607
Shares redeemed	(22,628)	(215,418)
Net increase (decrease)	125,576	\$ 1,201,190
Year ended October 31, 2022:		
Shares sold	5,363	\$ 52,501
Shares issued to shareholders in reinvestment of distributions	2,433	24,025
Shares redeemed	(18)	(200)
Net increase (decrease)	7,778	\$ 76,326

## Note 10—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 11—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 New York Tax Free Opportunities 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 MainStay Funds Trust (“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 managers 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

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 managers, the number of accounts managed by the portfolio managers and the method for compensating the portfolio managers.

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.

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

## 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. In considering the investment performance of the Fund, the Board noted that the Fund underperformed its peer funds for the one- and three-year periods ended July 31, 2022, and performed favorably relative to its peer funds for the five- and ten-year periods ended July 31, 2022. The Board considered its discussions with representatives from New York Life Investments and MacKay regarding the Fund's investment performance.

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 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.

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

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 MainStay Funds Trust (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.

# 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)

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