# MainStay VP Income Builder Portfolio

## Message from the President and Annual Report

December 31, 2023

**Special Notice:**

Beginning in July 2024, new regulations issued by the Securities and Exchange Commission (SEC) will take effect requiring open-end mutual fund companies and ETFs to (1) overhaul the content of their shareholder reports and (2) mail paper copies of the new tailored shareholder reports to shareholders who have not opted to receive these documents electronically.

If you have not yet elected to receive your shareholder reports electronically, please contact your financial intermediary or visit our website.


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New York Life Investments

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# Message from the President

Against a backdrop of easing inflationary pressures and continued economic growth, stocks and bonds generally gained ground during the 12-month period ended December 31, 2023, despite high levels of volatility and sharp disparities between the performance of the different market sectors.

Although the war in Ukraine, the outbreak of hostilities in the Middle East and several other notable events affected financial assets, inflation, interest rate, and economic growth trends stood at the forefront of market developments during most of the period. As the reporting period began, high levels of inflation already showed signs of easing in the face of aggressive rate hikes by U.S. Federal Reserve (the “Fed”). From a peak of 9.1% in June 2022, the annualized U.S. inflation rate dropped to 6.4% in January, and 3.4% in December 2023. At the same time, the Fed increased the benchmark federal funds rate from 4.25%–4.50% at the beginning of reporting period, to 5.25%–5.50% as of the end of 2023. Despite the increasing cost of capital and tighter lending environment that resulted from rising rates, economic growth remained surprisingly robust, bolstered by high levels of consumer spending, low levels of unemployment and better-than-expected corporate earnings. With the pace of rate increases slowing from the prior year, investors began hoping for an early shift to a looser monetary policy, with stock prices and bond yields reacting as economic data and statements from the Fed either reinforced or undercut those hopes. Following months of hawkish rhetoric, the Fed finally reversed its stance in December 2023, signaling a positive economic outlook with little chance of a recession and a likelihood of rate cuts in 2024.

The S&P 500® Index, a widely regarded benchmark of U.S. market performance, produced strong gains during the reporting period-— recovering all its losses from 2022 and approached new record territory. A preponderance of the Index’s gains were generated by a relatively small number of mega-cap stocks in the information technology, communication services and consumer discretionary sectors that stood to benefit from rapid developments in generative artificial intelligence (“AI”). Value-oriented, interest-rate sensitive and small-capitalization shares lagged by significant margins, although market strength widened during the closing weeks of the reporting period. Most overseas equity markets trailed the U.S. market, as developed international economies experienced relatively low growth rates, and weak economic conditions in China undermined emerging markets.

Bonds produced generally positive returns, bolstered by attractive and relatively stable yields. The yield on the 10-year Treasury note hit a high of just under 5% in mid-October 2023, ranging between approximately 3.5% and 4.8% for most of the reporting period. The yield curve remained inverted throughout the year, with the 2-year Treasury yield modestly above the 10-year yield. Corporate bond prices trended moderately higher, generally outperforming government securities. After years of low yields and tight credit spreads, the corporate sector benefited from more attractive valuations and income opportunities. Among corporates, markets generally rewarded longer duration and lower credit quality, although an uptick in default rates posed added risks for high-yield corporate bonds. International bond markets produced mixed returns, with emerging-markets issues advancing over their developed-markets counterparts.

The market volatility of recent years reminds us of the constant need for experienced and steadfast portfolio management in the face of uncertainty. New York Life Investments remains dedicated to providing you, as a valued MainStay VP investor, with the guidance, resources and investment solutions you need to pursue your financial goals.

Thank you for trusting us to help 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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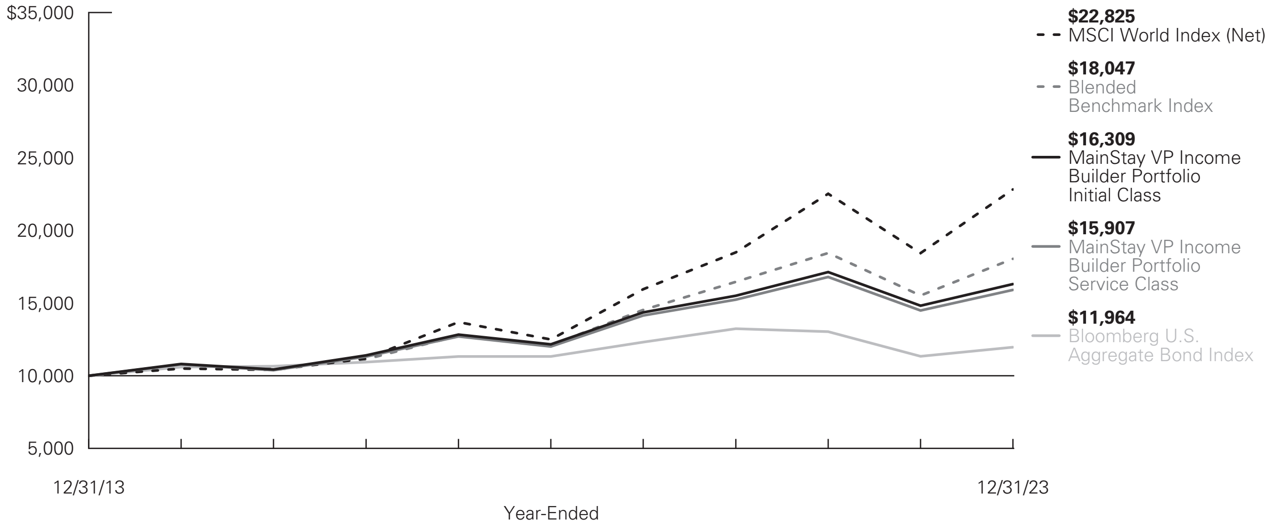
**Investors should refer to the Portfolio's Summary Prospectus and/or Prospectus and consider the Portfolio's investment objectives, strategies, risks, charges and expenses carefully before investing. The Summary Prospectus and/or Prospectus contain this and other information about the Portfolio. You may obtain copies of the Portfolio's Summary Prospectus, Prospectus and Statement of Additional Information, which includes information about the MainStay VP Funds Trust's Trustees, free of charge, upon request, by calling toll-free 800-598-2019, by writing to New York Life Insurance and Annuity Corporation, 51 Madison Avenue, Room 251, New York, New York 10010 or by sending an email to MainStayShareholdersServices@nylim.com. These documents are also available at newyorklifeinvestments.com/investment-products/vp. Please read the Portfolio's Summary Prospectus and/or Prospectus carefully before investing. MainStay VP Funds Trust portfolios are separate account options which are purchased through a variable insurance or variable annuity contract.**

# 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 performance table and graph do not reflect any deduction of sales charges, mortality and expense charges, contract charges or administrative charges. Please refer to the Performance Summary appropriate for your policy. For performance information current to the most recent month-end, please call 800-598-2019 or visit www.newyorklife.com.**

Performance figures may reflect certain fee waivers and/or expense limitations, without which total returns may have been different. For information on current fee waivers and/or expense limitations (if any), please refer to the Notes to Financial Statements.




## Average Annual Total Returns for the Year-Ended December 31, 2023

| Class | Inception Date | One Year | Five Years | Ten Years | Gross Expense Ratio[1] |
|---|---|---|---|---|---|
| Initial Class Shares | 1/29/1993 | 10.05% | 6.04% | 5.01% | 0.62% |
| Service Class Shares | 6/4/2003 | 9.78 | 5.78 | 4.75 | 0.87 |

1. The gross expense ratios presented reflect the Portfolio's "Total Annual Portfolio Operating Expenses" from the most recent Prospectus and may differ from other expense ratios disclosed in this report.

| Benchmark Performance* | One Year | Five Years | Ten Years |
|---|---|---|---|
| MSCI World Index (Net)[1] | 23.79% | 12.80% | 8.60% |
| Bloomberg U.S. Aggregate Bond Index[2] | 5.53 | 1.10 | 1.81 |
| Blended Benchmark Index[3] | 16.27 | 8.31 | 6.08 |
| Morningstar World Allocation Category Average[4] | 10.72 | 6.09 | 4.02 |

* 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. The MSCI World Index (Net) is the Portfolio's primary broad-based securities market index for comparison purposes. The MSCI World Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets.
2. The Portfolio has selected the Bloomberg U.S. Aggregate Bond Index as a secondary benchmark. The Bloomberg U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable rate mortgage pass-throughs), asset-backed securities, and commercial mortgage-backed securities.
3. The Portfolio has selected the Blended Benchmark Index as an additional benchmark. The Blended Benchmark Index consists of the MSCI World Index (Net) and the Bloomberg U.S. Aggregate Bond Index, weighted 60% and 40%, respectively.
4. The Morningstar World Allocation Category Average is representative of funds that seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. While these funds do explore the whole world, most of them focus on the U.S., Canada, Japan, and the larger markets in Europe. It is rare for such funds to invest more than 10% of their assets in emerging markets. These funds typically have at least 10% of assets in bonds, less than 70% of assets in stocks, and at least 40% of assets in non-U.S. stocks or bonds. Results are based on average total returns of similar funds with all dividends and capital gain distributions reinvested.

## Cost in Dollars of a $1,000 Investment in MainStay VP Income Builder Portfolio (Unaudited)

The example below is intended to describe the fees and expenses borne by shareholders during the six-month period from July 1, 2023 to December 31, 2023, and the impact of those costs on your investment.

### Example

As a shareholder of the Portfolio 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 Portfolio expenses (as applicable). This example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio 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 July 1, 2023 to December 31, 2023. Shares are only sold in connection with variable life and annuity contracts and the example does not reflect any contract level or transactional fees or expenses. If these costs had been included, your costs would have been higher.

This example illustrates your Portfolio'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 December 31, 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.

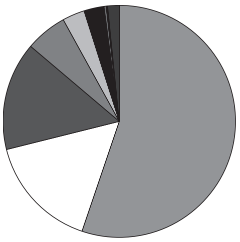
**Hypothetical Example for Comparison Purposes**
The fourth and fifth data columns in the table below provide information about hypothetical account values and hypothetical expenses based on the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio'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 Portfolio 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 7/1/23 | Ending Account Value (Based on Actual Returns and Expenses) 12/31/23 | Expenses Paid During Period[1] | Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 12/31/23 | Expenses Paid During Period[1] | Net Expense Ratio During Period[2] |
|---|---|---|---|---|---|---|
| Initial Class Shares | $1,000.00 | $1,051.90 | $3.21 | $1,022.08 | $3.16 | 0.62% |
| Service Class Shares | $1,000.00 | $1,050.60 | $4.50 | $1,020.82 | $4.43 | 0.87% |

1. Expenses are equal to the Portfolio's annualized expense ratio of each class multiplied by the average account value over the period, divided by 365 and multiplied by 184 (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 Portfolio bears directly, it also indirectly bears a pro rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above-reported expense figures.
2. Expenses are equal to the Portfolio's annualized expense ratio to reflect the six-month period.

## **Portfolio Composition as of December 31, 2023** (Unaudited)



| | | | |
|---|---|---|---|
| 55.2% | Common Stocks | 2.8% | Short-Term Investments |
| 15.9 | Mortgage-Backed Securities | 0.3 | Foreign Government Bonds |
| 15.1 | Corporate Bonds | 0.1 | Municipal Bond |
| 5.8 | U.S. Government & Federal Agencies | 0.1 | Loan Assignments |
| 3.1 | Asset-Backed Securities | 1.6 | Other Assets, Less Liabilities |

See Portfolio of Investments beginning on page 12 for specific holdings within these categories. The Portfolio's holdings are subject to change.

## **Top Ten Holdings and/or Issuers Held as of December 31, 2023** (excluding short-term investments) (Unaudited)

1. GNMA, (zero coupon)-7.83%, due 4/20/48–10/16/63
2. FHLMC STACR REMIC Trust, 7.437%-12.837%, due 8/25/33–1/25/51
3. UMBS, 30 Year, 2.50%-6.50%, due 8/1/48–12/1/53
4. FHLMC, (zero coupon)-4.50%, due 1/15/41–1/25/55
5. U.S. Treasury Bonds, 4.75%, due 11/15/43–11/15/53
6. Broadcom, Inc.
7. Microsoft Corp.
8. UMBS Pool, 30 Year, 3.50%-6.50%, due 7/1/50–12/1/53
9. Bank of America Corp.
10. International Business Machines Corp.

# Portfolio Management Discussion and Analysis (Unaudited)

*Answers to the questions reflect the views of Jae S. Yoon, CFA, and Jonathan Swaney of New York Life Investment Management LLC, the Portfolio's Manager; Neil Moriarty III, Shu-Yang Tan, Tom Musmanno, CFA and Michael DePalma of MacKay Shields LLC ("MacKay Shields"), the Subadvisor for the fixed-income portion of the Portfolio; and William W. Priest, CFA, Michael A. Welhoelter, CFA, John Tobin, PhD, CFA, and Kera Van Valen, CFA, of Epoch Investment Partners, Inc. ("Epoch"), the Subadvisor for the equity portion of the Portfolio.*

**How did MainStay VP Income Builder Portfolio perform relative to its benchmarks and peers during the 12 months ended December 31, 2023?**

For the 12 months ended December 31, 2023, MainStay VP Income Builder Portfolio returned 10.05% for Initial Class shares and 9.78% for Service Class shares. Over the same period, both share classes underperformed the 23.79% return of the MSCI World Index (Net), which is the Portfolio's primary benchmark; outperformed the 5.53% return of the Bloomberg U.S. Aggregate Bond Index, which is the Portfolio's secondary benchmark; and underperformed the 16.27% return of the Blended Benchmark Index, which is an additional benchmark of the Portfolio. For the 12 months ended December 31, 2023, both share classes underperformed the 10.72% return of the Morningstar World Allocation Category Average.[1]

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

U.S. equities staged a remarkable recovery in 2023, as policy actions and a strong labor market gradually reduced the odds of a recession, ending the year with the U.S. Federal Reserve (the "Fed") finally signaling the pivot on interest rates that had been anticipated for the prior two years. The economic backdrop and uncertainties that had plagued the markets through a challenging 2022 remained in place at the start of the reporting period: inflation at multi-decade highs, central bankers adamantly hawkish, elevated geopolitical tensions driving a trend of deglobalizing trade and forecasts for a near-term recession almost ubiquitous. Despite these pressures, investors began 2023 optimistic that sluggish disinflation would lead to a dovish policy pivot, fueling a steep rally in January. However, swift hawkish pushback from the Fed drove markets lower in February, making it clear that equities would remain heavily influenced by long-standing uncertainties regarding the trajectory for inflation and interest rates.

The market's response to the high-profile collapse of a few regional banks in March drove this point home forcefully. Markets dipped briefly on the news, but rather than sparking lasting economic fears, the episode ultimately fueled broad expectations for an early dovish pivot by the Fed. Those hopes reignited risk-on sentiment and drove markets higher. Rising broad market indexes painted a misleading picture, however, as market leadership proved extraordinarily narrow. Many of the mega-cap technology titans that frequently led markets in recent years once again emerged as market darlings, with Apple, Microsoft, Alphabet, Amazon.com, NVIDIA, Meta Platforms and Tesla collectively earning the name "The Magnificent 7." The concentrated rally was led by the fact that the aforementioned stocks were central players in the mainstream arrival of generative artificial intelligence ("AI"). AI's headlining emergence further galvanized bullish sentiment, with market caps soaring for the Magnificent 7, together with several other companies perceived as early movers in the space.

The rally powered through most of the summer, sustained by remarkably resilient consumer spending alongside a thriving economy, continued disinflation and a pause in rate hikes. However, sentiment shifted once again in August, as markets began to digest the Fed's hawkish messaging and "higher-for-longer" stance on rates. Surging bond yields accompanied declining equities through late October, before sentiment abruptly reversed again on another bout of peak-Fed and soft-landing hopes. The Fed's revised December forecast of 75 basis points of easing in 2024 drove the equity market even higher, with investors pricing in more rate cuts than the Fed suggested. (A basis point is one one-hundredth of a percentage point.) Markets ended the year having recouped nearly all the ground lost in 2022.

On the fixed-income side, although volatility was prevalent throughout the reporting period, in our opinion no single event adversely impacted the Portfolio's performance or liquidity significantly during the reporting period.

**What factors affected the relative performance of the equity portion of the Portfolio during the reporting period?**

The reporting period saw sentiment swing several times as investors grappled with the forward trajectory for interest rates and global growth. The strength and narrowness of market leadership heavily pressured the equity portion of the Portfolio's performance relative to the MSCI World Index (Net). Underperformance was significantly concentrated in the first half of 2023, largely due to the surge in mega-cap tech stocks, many of which do not pay a dividend and so are outside of the Portfolio's investable universe. By nature of being a more defensive, income-oriented strategy and, therefore, having a value tilt, the sector/industry exposures within the Portfolio also gave rise to relative performance headwinds; utilities, a sector in which the Portfolio tends to hold an overweight position, was the weakest sector within the MSCI World Index (Net), and information technology, a sector in which the Portfolio tends to hold an underweight position, was the strongest. From a factor perspective, negative exposure to market sensitivity and size were headwinds to relative return. The Portfolio continued to find companies with strong, growing cash flows and capital allocation policies that emphasize returning excess free cash flow to shareholders. Dividend growth remained central to the Portfolio's investment strategy, with most holdings increasing their dividend in 2023. The Portfolio participated in the market rallies and

1. See page 5 for more information on benchmark and peer group returns.

provided downside protection during the two broader market downturns.

### Which market segments were the strongest positive contributors to relative performance in the equity portion of the Portfolio, and which market segments detracted the most?

During the reporting period, the energy sector made the strongest contribution to returns relative to the MSCI World Index (Net), due to positive stock selection. (Contributions take weightings and total returns into account.) Stock selection in real estate also contributed positively. Information technology was the largest detractor, due to stock selection and an underweight allocation to the best performing sector in the MSCI World Index (Net). Communication services was the next-most significant detractor, driven by stock selection, followed by consumer discretionary, as a result of stock selection and an underweight allocation.

### During the reporting period, which individual stocks made the strongest positive contributions to absolute performance in the equity portion of the Portfolio and which stocks detracted the most?

The strongest positive contributors to the absolute performance of the equity portion of the Portfolio included communications semiconductor manufacturer Broadcom, enterprise software company Microsoft and consumer electronics maker Apple.

Broadcom designs and manufactures digital and analog semiconductors focused on connectivity. It also develops and maintains software for mainframe applications. Shares outperformed based on continued support for, and backlog of, enterprise network upgrades. The stock also benefited from growing AI-related workloads and the completion of the company's acquisition of cloud computing and virtualization company VMWare, which led Broadcom's management to provide positive forward guidance for 2024. Broadcom returns cash to shareholders via an attractive dividend, with a target of paying out 50% of free cash flow. The balance of cash generation is used to fund debt reduction, share repurchases and/or accretive mergers and acquisitions.

Microsoft shares rose on the company's strong position in generative AI. The company is at the forefront of AI adoption through its investment in, and integration of, models developed by OpenAI. Shared plans for integration, pricing and a better board structure all helped drive Microsoft's shares higher. Management is dedicated to shareholder returns through continued improvements to its dividend and share repurchase plans.

Apple shares outperformed as the company benefited from being one of a handful of favored mega-cap tech names to which investors flocked in an uncertain economic environment. Underlying financial performance was solid, despite softness in iPhone sales prior to the iPhone 15 launch. Mac sales were pressured on difficult post-pandemic comparisons. Apple returns cash to shareholders through dividends and share repurchases.

The weakest contributors to the absolute performance of the equity portion of the Portfolio included positions in regional bank KeyCorp, pharmaceutical company Pfizer and tobacco producer British American Tobacco.

KeyCorp operates branches in 15 states in the Northeast, Midwest, and Northwest United States. Shares declined during the reporting period, along with those of banking industry peers, as the failures of Silicon Valley Bank and Signature Bank caused a crisis of confidence that reverberated through the entire sector. Although we believe the company will continue to generate strong earnings power, as higher capital standards for the industry are expected to be imposed by regulators, we anticipate that KeyCorp will need to build capital by retaining a greater proportion of earnings, holding dividends flat and deferring share repurchases for several years. We exited the Portfolio's position to reallocate funds toward other companies in the sector that offered stronger potential for capital returns over the medium term.

Pfizer develops and markets drugs and vaccines in several therapeutic areas. Shares lagged in 2023, underperforming peers in the pharmaceutical industry as the company adjusted to life without the strong tailwind from its COVID-19 franchise drugs. The impact was compounded in December, when preliminary guidance for 2024 suggested COVID-19-related sales below market expectations. During the reporting period, Pfizer also reported that its entry in the GLP-1 class failed in a key clinical trial. Despite these near-term stumbles, we expect that ongoing revenues and earnings from the COVID-19 franchise will remain substantial, with other pipeline opportunities to offset the GLP-1 disappointment. Pfizer raised its dividend in December in line with other dividend increases in recent years, demonstrating management's confidence in, and commitment to, the company's attractive and well-covered dividend policy.

British American Tobacco holds 30% market share in its top 40 markets. The company has also invested to develop a robust portfolio of next-generation, reduced-risk products. Sentiment toward the company's stock came under pressure during the reporting period, due to modest share losses to lower-price competitors, suboptimal execution in the state of California after menthol products were banned earlier in the year, continued fears regarding regulation of U.S. vaping products and the company's abrupt replacement of its CEO in May. Long term, British American Tobacco's top-line growth, coupled with disciplined cost controls, allow it to generate strong cash flows and consistently return cash to shareholders through a growing dividend.

### Did the equity portion of the Portfolio make any significant purchases or sales during the reporting period?

During the reporting period, the equity portion of the Portfolio initiated multiple positions, including IT service provider Dell and communications and media company Rogers Communications. Dell provides products serving the infrastructure marketplace, including servers and data storage, and serves the consumer and commercial space with PC hardware and peripherals. Growth is driven by an increase in data storage, processing and computing needs, and the company captures market share through attractive technology and pricing. Dell targets distributing 40-60% of adjusted free cash flow back to shareholders, which is achieved through a combination of a growing dividend and periodic share repurchases. Additional cash generation is directed to slight debt reduction and tuck-in mergers and acquisitions to broaden the company's addressable market.

Rogers provides wireless, fixed line telephone, internet, cable TV and IT services in Canada. The company recently completed the acquisition of Shaw Communications wireline assets. We believe growth will come from market expansion driven by immigration into Canada, increased package sizes and market share gains in the Shaw footprint from bundled deals. Rogers returns cash through its dividend, debt reduction and periodic share repurchases.

A number of positions were closed during the reporting period, including equipment manufacturer Hubbell and tire manufacturer Bridgestone. Hubbell produces highly engineered utility solutions and electrical products for a broad range of applications that enable utility, commercial, and industrial customers to operate critical infrastructure safely, reliably and efficiently. The company has continued to generate robust cash flow in recent periods; however, in our view, share price appreciation has constrained the company's shareholder yield potential. We exited the Portfolio's position to reallocate capital toward what we believe are more attractive opportunities. Bridgestone generates cash as a result of new car sales and replacement tires, which are largely tied to mileage driven. Growth is related to pricing, market share gains, global vehicle sales and miles driven, with near-term growth benefiting from investments in technology to increase the range of electric vehicles and a focus on larger-size tires. The position was closed to fund other opportunities.

**How did sector weightings in the equity portion of the Portfolio change during the reporting period?**

During the reporting period, the most significant sector allocation changes to the equity portion of the Portfolio included decreased exposures to financials and energy, and increased exposures to information technology and industrials. The most significant country allocation changes were increases in the United States and South Korea, and reductions in Germany and China. The Portfolio's sector and country allocations are a result of our bottom-up fundamental investment process and reflect the companies and securities that we confidently believe can collect and distribute sustainable, growing shareholder value.

**How was the equity portion of the Portfolio positioned at the end of the reporting period?**

Relative to the MSCI World Index (Net), as of December 31, 2023, the most substantially overweight sector positions in the equity portion of the Portfolio were in utilities and consumer staples. As of the same date, the most substantially underweight sector positions relative to the Index were in consumer discretionary and information technology. These relative weightings were the result of individual stock selections rather than a top-down macroeconomic view.

**What factors affected the relative performance of the fixed-income portion of the Portfolio during the reporting period?**

During the reporting period, security selection and overweight exposure to securitized products, high-yield corporates, and emerging-markets credit made positive contributions to the fixed-income portion of the Portfolio's outperformance relative to the Bloomberg U.S. Aggregate Bond Index, as spread product,[2] in general, outperformed.

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

The fixed-income portion of the Portfolio used U.S. Treasury futures to hedge its duration.[3] This position did not materially impact returns during the reporting period.

**What was the duration strategy of the fixed-income portion of the Portfolio during the reporting period?**

Although the fixed-income portion of the Portfolio maintained a longer duration position than the Bloomberg U.S. Aggregate Bond Index, it was reduced during the reporting period. The longer duration was a slight drag on relative performance during the year. As of the end of the reporting period, the Fund's duration was 6.3 years, relative to 6.1 years for the Index.

**What specific factors, risks or market forces prompted significant decisions for the fixed-income portion of the Portfolio during the reporting period?**

During the reporting period, we lowered the fixed-income portion of the Portfolio's risk profile by reducing its weight in high-yield corporate bonds due to tighter valuations, and we increased the Portfolio's weight in residential mortgage-backed securities ("RMBS") as those spreads to U.S. Treasury securities had widened out. Additionally, we reduced the Portfolio's exposure to regional banks in favor of G-SIBs (globally systematically important banks), due to stronger capital ratios and balance sheet liquidity, in addition to the fact that regional banks have a

2. The terms "spread" and "yield spread" may refer to the difference in yield between a security or type of security and comparable U.S. Treasury issues. The terms may also refer to the difference in yield between two specific securities or types of securities at a given time. The term "spread product" refers to asset classes that typically trade at a spread to comparable U.S. Treasury securities.
3. 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.

disproportionate exposure to commercial real estate, which remained a risk.

**During the reporting period, which market segments were the strongest positive contributors to the absolute performance of the fixed-income portion of the Portfolio and which market segments were particularly weak?**

During the reporting period, the market segments making the strongest contributions to the fixed-income portion of the Portfolio's absolute returns included credit risk transfer bonds, investment-grade corporate bonds and asset-backed securities. The market segments that contributed the least on an absolute basis included collateralized mortgage obligations, U.S. Treasury securities and preferred securities.

**Did the fixed-income portion of the Portfolio make any significant purchases or sales during the reporting period?**

During the reporting period, the fixed-income portion of the Portfolio added exposure to Georgia Power, a fully regulated utility, because we saw attractive value on a risk-adjusted basis. Georgia Power benefits from stable and predictable cash flow generation and strong relationships with its regulators. The Portfolio also initiated a position in Charter Communications, based on attractive valuation. We consider Charter a core high yield holding as one of the largest cable and telecommunications providers in the United States, with solid fundamentals and relatively non-cyclical operations.

During the same period, we sold the Portfolio's position in Howmet Aerospace for relative value reasons as valuations became full. Although Howmet is a strong high-yield credit rated BB+[4] on an improving trajectory, in our opinion, the valuation already fully reflected any potential future improvement. At the time of sale, Howmet traded in line with, or better than, many low-BBB-rated[5] investment-grade corporates. We also sold the Portfolio's position in QVC following a periodic credit review of the issuer. In light of worsening earnings trends, coupled with our cautious outlook on cyclical consumer spending, we concluded that a stress event may materialize for the issuer in 2024, and was likely in 2025.

**How did sector weightings change in the fixed-income portion of the Portfolio during the reporting period?**

During the reporting period, the fixed-income portion of the Portfolio increased its exposure to residential and agency mortgage-backed securities. During the same period, the Portfolio reduced its exposure to Treasuries, as well as investment-grade and high-yield corporate bonds.

**How was the fixed-income portion of the Portfolio positioned at the end of the reporting period?**

As of December 31, 2023, relative to the Bloomberg U.S. Aggregate Bond Index, the fixed-income portion of the Portfolio held overweight exposure to high-yield and investment-grade corporate bonds, as well as securitized assets. As of the same date, the Portfolio held underweight exposure to U.S. Treasury securities.

4. An obligation rated 'BB' by Standard & Poor's ("S&P") is deemed by S&P to be less vulnerable to nonpayment than other speculative issues. In the opinion of S&P, however, the obligor faces major ongoing uncertainties or exposure to adverse business, financial or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation. When applied to Fund holdings, ratings are based solely on the creditworthiness of the bonds in the portfolio and are not meant to represent the security or safety of the Fund. Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (–) sign to show relative standing within the major rating categories.
5. An obligation rated 'BBB' by 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.

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.

Not all MainStay VP Portfolios and/or share classes are available under all policies.

# Portfolio of Investments December 31, 2023†^

| | Principal Amount | Value |
|---|---|---|
| **Long-Term Bonds 40.4%** | | |
| **Asset-Backed Securities 3.1%** | | |
| **Automobile Asset-Backed Securities 1.7%** | | |
| American Credit Acceptance Receivables Trust (a) | | |
| Series 2021-2, Class D 1.34%, due 7/13/27 | $ 400,000 | $ 389,526 |
| Series 2021-3, Class D 1.34%, due 11/15/27 | 940,000 | 909,065 |
| Series 2021-2, Class E 2.54%, due 7/13/27 | 900,000 | 866,607 |
| Avis Budget Rental Car Funding AESOP LLC | | |
| Series 2021-1A, Class A 1.38%, due 8/20/27 (a) | 570,000 | 518,405 |
| CPS Auto Receivables Trust | | |
| Series 2021-C, Class E 3.21%, due 9/15/28 (a) | 260,000 | 244,358 |
| Drive Auto Receivables Trust | | |
| Series 2021-2, Class D 1.39%, due 3/15/29 | 800,000 | 759,246 |
| Exeter Automobile Receivables Trust | | |
| Series 2021-3A, Class E 3.04%, due 12/15/28 (a) | 855,000 | 778,705 |
| Flagship Credit Auto Trust (a) | | |
| Series 2021-1, Class D 1.27%, due 3/15/27 | 575,000 | 534,671 |
| Series 2020-3, Class D 2.50%, due 9/15/26 | 280,000 | 266,794 |
| Series 2022-2, Class D 5.80%, due 4/17/28 | 655,000 | 607,839 |
| GLS Auto Receivables Issuer Trust (a) | | |
| Series 2021-2A, Class E 2.87%, due 5/15/28 | 795,000 | 741,270 |
| Series 2019-4A, Class D 4.09%, due 8/17/26 | 535,000 | 528,500 |
| Hertz Vehicle Financing III LP | | |
| Series 2021-2A, Class D 4.34%, due 12/27/27 (a) | 1,295,000 | 1,157,498 |
| Hertz Vehicle Financing LLC | | |
| Series 2021-1A, Class B 1.56%, due 12/26/25 (a) | 520,000 | 500,901 |
| | | 8,803,385 |
| **Home Equity Asset-Backed Securities 0.0% ‡** | | |
| J.P. Morgan Mortgage Acquisition Trust | | |
| Series 2007-HE1, Class AF1 4.414% (1 Month SOFR + 0.214%), due 3/25/47 (b) | 115,637 | 69,872 |

| | Principal Amount | Value |
|---|---|---|
| **Home Equity Asset-Backed Securities (continued) ‡** | | |
| Mastr Asset-Backed Securities Trust | | |
| Series 2006-HE4, Class A1 5.57% (1 Month SOFR + 0.214%), due 11/25/36 (b) | $ 184,490 | $ 57,700 |
| | | 127,572 |
| **Other Asset-Backed Securities 1.4%** | | |
| American Airlines Pass-Through Trust | | |
| Series 2016-2, Class A 3.65%, due 6/15/28 | 509,247 | 454,838 |
| Series 2019-1, Class B 3.85%, due 2/15/28 | 372,644 | 332,971 |
| British Airways Pass-Through Trust | | |
| Series 2021-1, Class A 2.90%, due 3/15/35 (United Kingdom) (a) | 776,880 | 663,921 |
| CF Hippolyta Issuer LLC (a) | | |
| Series 2021-1A, Class A1 1.53%, due 3/15/61 | 612,591 | 547,543 |
| Series 2020-1, Class A1 1.69%, due 7/15/60 | 499,196 | 461,341 |
| Series 2020-1, Class A2 1.99%, due 7/15/60 | 481,437 | 410,234 |
| CVS Pass-Through Trust | | |
| 5.789%, due 1/10/26 (a) | 10,998 | 11,002 |
| DB Master Finance LLC | | |
| Series 2021-1A, Class A23 2.791%, due 11/20/51 (a) | 739,900 | 610,499 |
| Home Partners of America Trust (a) | | |
| Series 2021-2, Class A 1.901%, due 12/17/26 | 270,800 | 244,742 |
| Series 2021-2, Class B 2.302%, due 12/17/26 | 250,182 | 226,388 |
| Navient Private Education Refi Loan Trust (a) | | |
| Series 2021-BA, Class A 0.94%, due 7/15/69 | 383,475 | 333,487 |
| Series 2020-EA, Class A 1.69%, due 5/15/69 | 279,957 | 253,521 |
| New Economy Assets Phase 1 Sponsor LLC (a) | | |
| Series 2021-1, Class A1 1.91%, due 10/20/61 | 665,000 | 581,934 |
| Series 2021-1, Class B1 2.41%, due 10/20/61 | 755,000 | 612,098 |
| Taco Bell Funding LLC | | |
| Series 2021-1A, Class A23 2.542%, due 8/25/51 (a) | 648,450 | 524,955 |



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

| | Principal Amount | Value |
|---|---|---|
| **Asset-Backed Securities (continued)** | | |
| **Other Asset-Backed Securities (continued)** | | |
| U.S. Airways Pass-Through Trust | | |
| Series 2012-1, Class A | | |
| 5.90%, due 10/1/24 | $ 367,052 | $ 367,077 |
| United Airlines Pass-Through Trust | | |
| Series 2020-1, Class A | | |
| 5.875%, due 10/15/27 | 549,936 | 556,771 |
| | | 7,193,322 |
| Total Asset-Backed Securities | | |
| (Cost $17,308,822) | | 16,124,279 |
| **Corporate Bonds 15.1%** | | |
| **Agriculture 0.1%** | | |
| BAT Capital Corp. | | |
| 3.734%, due 9/25/40 (United Kingdom) | 605,000 | 444,739 |
| **Airlines 0.5%** | | |
| American Airlines, Inc. (a) | | |
| 5.50%, due 4/20/26 | 500,000 | 496,393 |
| 5.75%, due 4/20/29 | 360,000 | 350,914 |
| Delta Air Lines, Inc. (a) | | |
| 4.50%, due 10/20/25 | 311,003 | 306,277 |
| 4.75%, due 10/20/28 | 900,000 | 885,140 |
| Mileage Plus Holdings LLC | | |
| 6.50%, due 6/20/27 (a) | 556,500 | 558,081 |
| | | 2,596,805 |
| **Apparel 0.1%** | | |
| Tapestry, Inc. | | |
| 7.85%, due 11/27/33 | 345,000 | 368,074 |
| **Auto Manufacturers 1.0%** | | |
| Ford Motor Credit Co. LLC | | |
| 2.30%, due 2/10/25 | 230,000 | 221,184 |
| 2.70%, due 8/10/26 | 595,000 | 551,082 |
| 4.125%, due 8/17/27 | 485,000 | 459,142 |
| 6.80%, due 5/12/28 | 365,000 | 381,224 |
| General Motors Financial Co., Inc. | | |
| 2.35%, due 1/8/31 | 344,000 | 284,374 |
| 2.70%, due 6/10/31 | 850,000 | 712,689 |
| 4.30%, due 4/6/29 | 470,000 | 452,739 |
| Nissan Motor Acceptance Co. LLC (a) | | |
| 1.125%, due 9/16/24 | 810,000 | 781,263 |
| 1.85%, due 9/16/26 | 1,350,000 | 1,213,803 |
| | | 5,057,500 |

| | Principal Amount | Value |
|---|---|---|
| **Banks 5.4%** | | |
| Banco Santander SA | | |
| 5.294%, due 8/18/27 (Spain) | $ 600,000 | $ 601,808 |
| Bank of America Corp. (c) | | |
| 2.087%, due 6/14/29 | 345,000 | 304,055 |
| 2.496%, due 2/13/31 | 650,000 | 558,166 |
| 2.572%, due 10/20/32 | 510,000 | 422,827 |
| 2.687%, due 4/22/32 | 465,000 | 392,660 |
| 3.384%, due 4/2/26 | 465,000 | 452,240 |
| Series MM | | |
| 4.30%, due 1/28/25 (d) | 631,000 | 594,807 |
| Barclays plc (United Kingdom) (b)(d) | | |
| 4.375% (5 Year Treasury Constant Maturity Rate + 3.41%), due 3/15/28 | 835,000 | 649,134 |
| 8.00% (5 Year Treasury Constant Maturity Rate + 5.431%), due 3/15/29 | 680,000 | 667,360 |
| BNP Paribas SA (France) (a) | | |
| 3.052%, due 1/13/31 (c) | 565,000 | 496,340 |
| 4.625% (5 Year Treasury Constant Maturity Rate + 3.196%), due 1/12/27 (b)(d) | 625,000 | 546,116 |
| 4.625% (5 Year Treasury Constant Maturity Rate + 3.34%), due 2/25/31 (b)(d) | 885,000 | 712,847 |
| 7.75% (5 Year Treasury Constant Maturity Rate + 4.899%), due 8/16/29 (b)(d) | 230,000 | 234,777 |
| BPCE SA (France) (a) | | |
| 2.045%, due 10/19/27 (c)(e) | 530,000 | 481,008 |
| 5.125%, due 1/18/28 | 185,000 | 184,561 |
| 6.714%, due 10/19/29 (c) | 250,000 | 263,226 |
| Citigroup, Inc. | | |
| 3.668%, due 7/24/28 (c) | 430,000 | 409,803 |
| 3.98%, due 3/20/30 (c) | 565,000 | 536,142 |
| Series Y | | |
| 4.15% (5 Year Treasury Constant Maturity Rate + 3.00%), due 11/15/26 (b)(d) | 740,000 | 635,095 |
| 6.625%, due 6/15/32 | 190,000 | 206,770 |
| Citizens Bank NA | | |
| 6.064%, due 10/24/25 (c) | 475,000 | 463,395 |
| Citizens Financial Group, Inc. | | |
| 2.638%, due 9/30/32 | 540,000 | 416,917 |
| Credit Agricole SA | | |
| 4.75% (5 Year Treasury Constant Maturity Rate + 3.237%), due 3/23/29 (France) (a)(b)(d) | 1,000,000 | 848,299 |

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

| | Principal Amount | Value |
|---|---|---|
| **Corporate Bonds (continued)** | | |
| **Banks (continued)** | | |
| Deutsche Bank AG (Germany) | | |
| 3.035%, due 5/28/32 (c) | $ 255,000 | $ 213,023 |
| 6.654% (SOFR + 1.219%), due 11/16/27 (b) | 820,000 | 794,295 |
| First Horizon Bank | | |
| 5.75%, due 5/1/30 | 815,000 | 768,401 |
| First Horizon Corp. | | |
| 4.00%, due 5/26/25 | 775,000 | 749,527 |
| Freedom Mortgage Corp. | | |
| 7.625%, due 5/1/26 (a) | 355,000 | 350,367 |
| Goldman Sachs Group, Inc. (The) | | |
| 1.431%, due 3/9/27 (c)(e) | 535,000 | 493,317 |
| 1.948%, due 10/21/27 (c) | 610,000 | 558,041 |
| 1.992%, due 1/27/32 (c) | 480,000 | 387,835 |
| 6.75%, due 10/1/37 | 159,000 | 175,017 |
| HSBC Holdings plc | | |
| 3.973%, due 5/22/30 (United Kingdom) (c) | 600,000 | 560,395 |
| Intesa Sanpaolo SpA | | |
| 7.00%, due 11/21/25 (Italy) (a) | 200,000 | 204,880 |
| JPMorgan Chase & Co. | | |
| 2.182%, due 6/1/28 (c) | 835,000 | 763,738 |
| Lloyds Banking Group plc (United Kingdom) | | |
| 4.582%, due 12/10/25 | 508,000 | 497,151 |
| 4.65%, due 3/24/26 (e) | 1,075,000 | 1,054,040 |
| 4.976% (1 Year Treasury Constant Maturity Rate + 2.30%), due 8/11/33 (b) | 365,000 | 355,477 |
| Macquarie Group Ltd. | | |
| 2.871%, due 1/14/33 (Australia) (a)(c) | 820,000 | 674,077 |
| Mizuho Financial Group, Inc. | | |
| 3.261% (1 Year Treasury Constant Maturity Rate + 1.25%), due 5/22/30 (Japan) (b) | 345,000 | 314,334 |
| Morgan Stanley (c) | | |
| 2.484%, due 9/16/36 | 885,000 | 701,440 |
| 2.511%, due 10/20/32 | 645,000 | 534,085 |
| NatWest Group plc | | |
| 3.073% (1 Year Treasury Constant Maturity Rate + 2.55%), due 5/22/28 (United Kingdom) (b) | 1,580,000 | 1,467,272 |
| Santander Holdings USA, Inc. | | |
| 6.499%, due 3/9/29 (c) | 340,000 | 351,245 |

| | Principal Amount | Value |
|---|---|---|
| **Banks (continued)** | | |
| Societe Generale SA (France) (a)(b)(d) | | |
| 4.75% (5 Year Treasury Constant Maturity Rate + 3.931%), due 5/26/26 | $ 395,000 | $ 346,493 |
| 5.375% (5 Year Treasury Constant Maturity Rate + 4.514%), due 11/18/30 | 1,040,000 | 850,858 |
| 10.00% (5 Year Treasury Constant Maturity Rate + 5.448%), due 11/14/28 | 395,000 | 422,063 |
| Standard Chartered plc | | |
| 1.822% (1 Year Treasury Constant Maturity Rate + 0.95%), due 11/23/25 (United Kingdom) (a)(b) | 1,060,000 | 1,020,773 |
| UBS Group AG (Switzerland) (a) | | |
| 3.091%, due 5/14/32 (c) | 500,000 | 425,833 |
| 4.375% (5 Year Treasury Constant Maturity Rate + 3.313%), due 2/10/31 (b)(d) | 1,005,000 | 793,728 |
| 4.751% (1 Year Treasury Constant Maturity Rate + 1.75%), due 5/12/28 (b) | 160,000 | 157,566 |
| 6.442%, due 8/11/28 (c) | 245,000 | 254,432 |
| Wells Fargo & Co. (c) | | |
| 3.35%, due 3/2/33 | 390,000 | 340,632 |
| 5.557%, due 7/25/34 | 190,000 | 193,441 |
| Westpac Banking Corp. | | |
| 3.02% (5 Year Treasury Constant Maturity Rate + 1.53%), due 11/18/36 (Australia) (b) | 533,000 | 433,272 |
| | | 28,285,401 |
| **Beverages 0.1%** | | |
| Anheuser-Busch Cos. LLC | | |
| 4.70%, due 2/1/36 (Belgium) | 475,000 | 473,450 |
| **Biotechnology 0.0% ‡** | | |
| Amgen, Inc. | | |
| 5.75%, due 3/2/63 | 250,000 | 262,286 |
| **Chemicals 0.2%** | | |
| Braskem Netherlands Finance BV | | |
| 4.50%, due 1/10/28 (Brazil) (a) | 745,000 | 609,810 |
| Huntsman International LLC | | |
| 4.50%, due 5/1/29 | 731,000 | 704,165 |
| | | 1,313,975 |



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| | Principal Amount | Value |
|---|---|---|
| **Corporate Bonds (continued)** | | |
| **Commercial Services 0.1%** | | |
| Ashtead Capital, Inc. | | |
| 4.00%, due 5/1/28 (United Kingdom) (a) | $ 380,000 | $ 357,541 |
| California Institute of Technology | | |
| 3.65%, due 9/1/2119 | 385,000 | 274,180 |
| | | 631,721 |
| **Computers 0.3%** | | |
| Dell International LLC | | |
| 3.375%, due 12/15/41 | 885,000 | 667,308 |
| 5.30%, due 10/1/29 | 318,000 | 327,477 |
| 8.10%, due 7/15/36 | 527,000 | 648,157 |
| | | 1,642,942 |
| **Diversified Financial Services 1.6%** | | |
| AerCap Ireland Capital DAC | | |
| 2.45%, due 10/29/26 (Ireland) | 665,000 | 615,738 |
| Air Lease Corp. | | |
| 2.30%, due 2/1/25 | 820,000 | 791,107 |
| 4.25%, due 9/15/24 | 420,000 | 415,274 |
| Aircastle Ltd. | | |
| 5.25% (5 Year Treasury Constant Maturity Rate + 4.41%), due 6/15/26 (a)(b)(d) | 565,000 | 484,381 |
| Ally Financial, Inc. | | |
| 3.875%, due 5/21/24 | 310,000 | 307,320 |
| 6.992%, due 6/13/29 (c) | 265,000 | 273,681 |
| 8.00%, due 11/1/31 | 640,000 | 701,120 |
| American Express Co. | | |
| 5.625%, due 7/28/34 (c) | 275,000 | 284,162 |
| Aviation Capital Group LLC | | |
| 1.95%, due 1/30/26 (a) | 520,000 | 481,957 |
| Avolon Holdings Funding Ltd. (Ireland) (a) | | |
| 2.125%, due 2/21/26 | 645,000 | 597,670 |
| 2.875%, due 2/15/25 | 1,040,000 | 1,003,116 |
| Banco BTG Pactual SA | | |
| 2.75%, due 1/11/26 (Brazil) (a) | 505,000 | 475,937 |
| Capital One Financial Corp. | | |
| 6.312%, due 6/8/29 (c) | 515,000 | 528,344 |
| Nomura Holdings, Inc. | | |
| 5.099%, due 7/3/25 (Japan) | 770,000 | 764,777 |
| OneMain Finance Corp. | | |
| 3.50%, due 1/15/27 | 375,000 | 347,041 |
| | | 8,071,625 |

| | Principal Amount | Value |
|---|---|---|
| **Electric 1.5%** | | |
| AEP Texas, Inc. | | |
| 4.70%, due 5/15/32 | $ 475,000 | $ 463,872 |
| Alabama Power Co. | | |
| 3.00%, due 3/15/52 | 335,000 | 234,117 |
| Arizona Public Service Co. | | |
| 2.20%, due 12/15/31 | 750,000 | 609,321 |
| Calpine Corp. | | |
| 5.125%, due 3/15/28 (a)(e) | 290,000 | 278,046 |
| Duke Energy Ohio, Inc. | | |
| 4.30%, due 2/1/49 | 565,000 | 480,855 |
| Duke Energy Progress LLC | | |
| 5.35%, due 3/15/53 | 250,000 | 253,246 |
| Duquesne Light Holdings, Inc. | | |
| 3.616%, due 8/1/27 (a) | 865,000 | 808,105 |
| Entergy Louisiana LLC | | |
| 4.00%, due 3/15/33 | 790,000 | 735,982 |
| Jersey Central Power & Light Co. | | |
| 2.75%, due 3/1/32 (a) | 700,000 | 590,787 |
| National Rural Utilities Cooperative Finance Corp. | | |
| 5.80%, due 1/15/33 | 460,000 | 487,134 |
| Nevada Power Co. | | |
| Series GG | | |
| 5.90%, due 5/1/53 | 230,000 | 245,951 |
| Ohio Power Co. | | |
| Series R | | |
| 2.90%, due 10/1/51 | 420,000 | 284,425 |
| Public Service Co. of Oklahoma | | |
| 5.25%, due 1/15/33 | 200,000 | 201,389 |
| Sempra | | |
| 5.50%, due 8/1/33 (e) | 535,000 | 554,505 |
| Southern California Edison Co. | | |
| 4.00%, due 4/1/47 | 520,000 | 423,880 |
| 5.70%, due 3/1/53 | 370,000 | 389,438 |
| Virginia Electric and Power Co. | | |
| 2.95%, due 11/15/51 | 435,000 | 295,863 |
| 5.45%, due 4/1/53 | 225,000 | 231,665 |
| WEC Energy Group, Inc. | | |
| 7.754% (3 Month SOFR + 2.374%), due 5/15/67 (b) | 480,000 | 429,362 |
| | | 7,997,943 |
| **Entertainment 0.1%** | | |
| Warnermedia Holdings, Inc. | | |
| 4.279%, due 3/15/32 | 565,000 | 517,090 |

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| | Principal Amount | Value |
|---|---|---|
| **Corporate Bonds (continued)** | | |
| **Food 0.3%** | | |
| J M Smucker Co. (The) | | |
| 6.50%, due 11/15/53 | $ 185,000 | $ 213,349 |
| JBS USA LUX SA | | |
| 5.75%, due 4/1/33 | 810,000 | 802,375 |
| Smithfield Foods, Inc. | | |
| 4.25%, due 2/1/27 (a) | 500,000 | 478,748 |
| | | 1,494,472 |
| **Gas 0.3%** | | |
| Brooklyn Union Gas Co. (The) | | |
| 6.388%, due 9/15/33 (a) | 425,000 | 443,667 |
| National Fuel Gas Co. | | |
| 2.95%, due 3/1/31 | 450,000 | 376,691 |
| Southern California Gas Co. | | |
| Series VV | | |
| 4.30%, due 1/15/49 | 325,000 | 275,562 |
| Southern Co. Gas Capital Corp. | | |
| Series 21A | | |
| 3.15%, due 9/30/51 | 830,000 | 557,770 |
| | | 1,653,690 |
| **Insurance 0.5%** | | |
| Peachtree Corners Funding Trust | | |
| 3.976%, due 2/15/25 (a) | 425,000 | 417,929 |
| Protective Life Corp. | | |
| 8.45%, due 10/15/39 | 725,000 | 909,795 |
| Reliance Standard Life Global Funding II | | |
| 2.50%, due 10/30/24 (a) | 950,000 | 924,610 |
| Willis North America, Inc. | | |
| 3.875%, due 9/15/49 | 185,000 | 142,958 |
| | | 2,395,292 |
| **Lodging 0.2%** | | |
| Las Vegas Sands Corp. | | |
| 3.20%, due 8/8/24 | 555,000 | 544,226 |
| Sands China Ltd. | | |
| 5.375%, due 8/8/25 (Macao) (f) | 460,000 | 453,635 |
| | | 997,861 |
| **Media 0.1%** | | |
| DISH DBS Corp. | | |
| 5.75%, due 12/1/28 (a) | 495,000 | 394,812 |
| **Miscellaneous—Manufacturing 0.2%** | | |
| Textron Financial Corp. | | |
| 7.376% (3 Month SOFR + 1.997%), due 2/15/42 (a)(b) | 1,045,000 | 821,407 |
| **Oil & Gas 0.0% ‡** | | |
| Gazprom PJSC Via Gaz Capital SA | | |
| 7.288%, due 8/16/37 (Russia) (a)(g) | $ 325,000 | $ 251,875 |
| **Packaging & Containers 0.1%** | | |
| Berry Global, Inc. | | |
| 4.875%, due 7/15/26 (a) | 84,000 | 82,547 |
| Owens-Brockway Glass Container, Inc. | | |
| 6.625%, due 5/13/27 (a) | 320,000 | 320,040 |
| | | 402,587 |
| **Pharmaceuticals 0.2%** | | |
| Teva Pharmaceutical Finance Netherlands III BV (Israel) | | |
| 3.15%, due 10/1/26 | 360,000 | 333,324 |
| 4.75%, due 5/9/27 | 545,000 | 521,837 |
| | | 855,161 |
| **Pipelines 1.1%** | | |
| Cheniere Corpus Christi Holdings LLC | | |
| 2.742%, due 12/31/39 | 670,000 | 533,781 |
| Columbia Pipelines Operating Co. LLC | | |
| 6.544%, due 11/15/53 (a) | 360,000 | 396,363 |
| DT Midstream, Inc. | | |
| 4.30%, due 4/15/32 (a) | 500,000 | 448,780 |
| Enbridge, Inc. | | |
| 5.70%, due 3/8/33 (Canada) | 365,000 | 379,380 |
| Energy Transfer LP | | |
| 5.35%, due 5/15/45 | 415,000 | 385,427 |
| EnLink Midstream LLC | | |
| 5.625%, due 1/15/28 (a) | 260,000 | 257,058 |
| Flex Intermediate Holdco LLC | | |
| 3.363%, due 6/30/31 (a) | 865,000 | 708,027 |
| MPLX LP | | |
| 2.65%, due 8/15/30 | 730,000 | 629,933 |
| Targa Resources Corp. | | |
| 4.20%, due 2/1/33 | 335,000 | 308,010 |
| Transcontinental Gas Pipe Line Co. LLC | | |
| 4.60%, due 3/15/48 | 840,000 | 756,357 |
| Venture Global LNG, Inc. | | |
| 9.875%, due 2/1/32 (a) | 315,000 | 328,116 |
| Western Midstream Operating LP | | |
| 5.25%, due 2/1/50 (f) | 630,000 | 564,833 |
| | | 5,696,065 |
| **Real Estate Investment Trusts 0.6%** | | |
| American Tower Corp. | | |
| 3.60%, due 1/15/28 | 375,000 | 357,184 |
| Digital Realty Trust LP | | |
| 3.70%, due 8/15/27 | 660,000 | 636,468 |

| | Principal Amount | Value |
|---|---|---|
| **Corporate Bonds (continued)** | | |
| **Real Estate Investment Trusts (continued)** | | |
| GLP Capital LP | | |
| 3.35%, due 9/1/24 | $ 505,000 | $ 498,367 |
| Invitation Homes Operating Partnership LP | | |
| 2.00%, due 8/15/31 | 680,000 | 541,118 |
| Starwood Property Trust, Inc. (a) | | |
| 3.75%, due 12/31/24 | 710,000 | 696,638 |
| 4.375%, due 1/15/27 | 415,000 | 391,108 |
| | | 3,120,883 |
| **Retail 0.1%** | | |
| AutoNation, Inc. | | |
| 4.75%, due 6/1/30 | 373,000 | 360,259 |
| Nordstrom, Inc. | | |
| 4.25%, due 8/1/31 (e) | 465,000 | 386,871 |
| | | 747,130 |
| **Telecommunications 0.3%** | | |
| Altice France SA | | |
| 5.125%, due 7/15/29 (France) (a) | 865,000 | 672,987 |
| AT&T, Inc. | | |
| 3.50%, due 9/15/53 | 680,000 | 493,481 |
| T-Mobile USA, Inc. | | |
| 2.625%, due 2/15/29 | 300,000 | 270,082 |
| | | 1,436,550 |
| **Trucking & Leasing 0.1%** | | |
| Penske Truck Leasing Co. LP | | |
| 6.05%, due 8/1/28 (a) | 410,000 | 424,960 |
| Total Corporate Bonds (Cost $86,025,120) | | 78,356,296 |
| **Foreign Government Bonds 0.3%** | | |
| **Chile 0.2%** | | |
| Empresa Nacional del Petroleo | | |
| 3.45%, due 9/16/31 (a) | 980,000 | 823,653 |
| **Colombia 0.1%** | | |
| Colombia Government Bond | | |
| 3.25%, due 4/22/32 | 725,000 | 575,417 |
| 4.50%, due 1/28/26 | 235,000 | 230,972 |
| | | 806,389 |
| Total Foreign Government Bonds (Cost $1,932,830) | | 1,630,042 |

| | Principal Amount | Value |
|---|---|---|
| **Loan Assignments 0.1%** | | |
| **Diversified/Conglomerate Service 0.1%** | | |
| TruGreen LP (b) | | |
| First Lien Second Refinancing Term Loan 9.456% (1 Month SOFR + 4.00%), due 11/2/27 | $ 312,119 | $ 301,195 |
| Second Lien Initial Term Loan 14.145% (3 Month SOFR + 8.50%), due 11/2/28 | 250,000 | 185,000 |
| | | 486,195 |
| Total Loan Assignments (Cost $556,761) | | 486,195 |
| **Mortgage-Backed Securities 15.9%** | | |
| **Agency (Collateralized Mortgage Obligations) 8.1%** | | |
| FHLMC | | |
| REMIC, Series 5326, Class QO (zero coupon), due 9/25/50 | 802,221 | 569,552 |
| REMIC, Series 5021, Class SA (zero coupon) (SOFR 30A + 3.55%), due 10/25/50 (b)(h) | 1,236,273 | 38,094 |
| REMIC, Series 5187, Class SA (zero coupon) (SOFR 30A + 1.80%), due 1/25/52 (b)(h) | 936,048 | 2,164 |
| REMIC, Series 5200, Class SA (zero coupon) (SOFR 30A + 3.50%), due 2/25/52 (b)(h) | 179,963 | 5,703 |
| REMIC, Series 5326 (zero coupon), due 8/25/53 | 252,376 | 202,545 |
| REMIC, Series 5351, Class DO (zero coupon), due 9/25/53 | 480,600 | 379,082 |
| REMIC, Series 5351, Class EO (zero coupon), due 10/25/53 | 934,856 | 735,591 |
| REMIC, Series 5315, Class OQ (zero coupon), due 1/25/55 | 393,812 | 318,753 |
| REMIC, Series 5328, Class JY 0.25%, due 9/25/50 | 750,427 | 501,070 |
| REMIC, Series 4993, Class KS 0.598% (SOFR 30A + 5.936%), due 7/25/50 (b)(h) | 1,519,729 | 232,640 |
| REMIC, Series 4994, Class TS 0.648% (SOFR 30A + 5.986%), due 7/25/50 (b)(h) | 818,610 | 117,352 |
| REMIC, Series 4831, Class SA 0.747% (SOFR 30A + 6.086%), due 10/15/48 (b)(h) | 692,136 | 90,735 |

| | Principal Amount | Value |
|---|---|---|
| **Mortgage-Backed Securities (continued)** | | |
| **Agency (Collateralized Mortgage Obligations) (continued)** | | |
| FHLMC (continued) | | |
| REMIC, Series 5092, Class XA 1.00%, due 1/15/41 | $ 570,315 | $ 477,832 |
| REMIC, Series 4988, Class BA 1.50%, due 6/25/50 | 201,332 | 144,769 |
| REMIC, Series 4120, Class ZA 3.00%, due 10/15/42 | 405,233 | 363,260 |
| REMIC, Series 5204, Class KA 3.00%, due 5/25/49 | 929,379 | 856,277 |
| REMIC, Series 5070, Class PI 3.00%, due 8/25/50 (h) | 844,866 | 147,405 |
| REMIC, Series 5011, Class MI 3.00%, due 9/25/50 (h) | 807,564 | 126,049 |
| REMIC, Series 5023, Class LI 3.00%, due 10/25/50 (h) | 570,720 | 91,174 |
| REMIC, Series 5094, Class IP 3.00%, due 4/25/51 (h) | 623,933 | 96,749 |
| REMIC, Series 5160 3.00%, due 10/25/51 (h) | 670,990 | 76,781 |
| REMIC, Series 4710, Class WZ 3.50%, due 8/15/47 | 505,340 | 457,370 |
| REMIC, Series 4725, Class WZ 3.50%, due 11/15/47 | 899,367 | 812,246 |
| REMIC, Series 5040 3.50%, due 11/25/50 (h) | 481,836 | 75,271 |
| REMIC, Series 5304, Class UB 4.00%, due 2/25/52 | 648,150 | 608,035 |
| REMIC, Series 5268, Class B 4.50%, due 10/25/52 | 801,651 | 776,248 |
| FHLMC, Strips | | |
| REMIC, Series 272 (zero coupon), due 8/15/42 | 537,009 | 414,483 |
| REMIC, Series 311 (zero coupon), due 8/15/43 | 283,327 | 217,152 |
| REMIC, Series 402 (zero coupon), due 9/25/53 | 577,313 | 470,683 |
| REMIC, Series 311, Class S1 0.497% (SOFR 30A + 5.836%), due 8/15/43 (b)(h) | 789,095 | 93,892 |
| REMIC, Series 389, Class C35 2.00%, due 6/15/52 (h) | 1,324,899 | 162,878 |
| FNMA | | |
| REMIC, Series 2022-5, Class SN (zero coupon) (SOFR 30A + 1.80%), due 2/25/52 (b)(h) | 552,929 | 2,945 |

| | Principal Amount | Value |
|---|---|---|
| **Agency (Collateralized Mortgage Obligations) (continued)** | | |
| FNMA (continued) | | |
| REMIC, Series 2022-3, Class YS (zero coupon) (SOFR 30A + 2.55%), due 2/25/52 (b)(h) | $ 3,873,005 | $ 39,430 |
| REMIC, Series 2023-24, Class OQ (zero coupon), due 7/25/54 | 515,427 | 420,466 |
| REMIC, Series 2022-10, Class SA 0.413% (SOFR 30A + 5.75%), due 2/25/52 (b)(h) | 852,779 | 124,182 |
| REMIC, Series 2021-40, Class SI 0.498% (SOFR 30A + 5.836%), due 9/25/47 (b)(h) | 961,735 | 107,981 |
| REMIC, Series 2016-57, Class SN 0.598% (SOFR 30A + 5.936%), due 6/25/46 (b)(h) | 793,042 | 92,263 |
| REMIC, Series 2020-70, Class SD 0.798% (SOFR 30A + 6.136%), due 10/25/50 (b)(h) | 1,078,810 | 156,417 |
| REMIC, Series 2020-47, Class BD 1.50%, due 7/25/50 | 172,568 | 123,311 |
| REMIC, Series 2020-70, Class AD 1.50%, due 10/25/50 | 1,035,222 | 821,307 |
| REMIC, Series 2021-3, Class TI 2.50%, due 2/25/51 (h) | 1,229,039 | 197,536 |
| REMIC, Series 2021-12, Class JI 2.50%, due 3/25/51 (h) | 550,124 | 87,021 |
| REMIC, Series 2021-10, Class LI 2.50%, due 3/25/51 (h) | 375,043 | 53,073 |
| REMIC, Series 2021-34, Class MI 2.50%, due 3/25/51 (h) | 1,598,862 | 178,922 |
| REMIC, Series 2021-54, Class HI 2.50%, due 6/25/51 (h) | 257,950 | 34,178 |
| REMIC, Series 2013-77, Class CY 3.00%, due 7/25/43 | 494,872 | 431,571 |
| REMIC, Series 2021-53, Class GI 3.00%, due 7/25/48 (h) | 2,068,843 | 304,867 |
| REMIC, Series 2019-13, Class PE 3.00%, due 3/25/49 | 274,915 | 247,836 |
| REMIC, Series 2021-85, Class BI 3.00%, due 12/25/51 (h) | 1,436,183 | 233,049 |
| REMIC, Series 2021-12, Class GC 3.50%, due 7/25/50 | 642,231 | 586,514 |
| REMIC, Series 2021-8, Class ID 3.50%, due 3/25/51 (h) | 977,291 | 192,527 |
| REMIC, Series 2020-10, Class DA 3.50%, due 3/25/60 | 561,891 | 496,368 |



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| | Principal Amount | Value |
|---|---|---|
| **Mortgage-Backed Securities (continued)** | | |
| **Agency (Collateralized Mortgage Obligations) (continued)** | | |
| FNMA, Strips (h) | | |
| REMIC, Series 426, Class C32 1.50%, due 2/25/52 | $ 2,266,704 | $ 213,003 |
| REMIC, Series 427, Class C77 2.50%, due 9/25/51 | 1,531,878 | 219,848 |
| REMIC, Series 429, Class C5 3.00%, due 10/25/52 | 2,124,074 | 366,695 |
| GNMA | | |
| REMIC, Series 2019-136, Class YS (zero coupon) (1 Month SOFR + 2.716%), due 11/20/49 (b)(h) | 422,420 | 6,279 |
| REMIC, Series 2020-1, Class YS (zero coupon) (1 Month SOFR + 2.716%), due 1/20/50 (b)(h) | 1,404,649 | 21,333 |
| REMIC, Series 2023-101, Class KO (zero coupon), due 1/20/51 | 1,149,675 | 785,334 |
| REMIC, Series 2021-77, Class SN (zero coupon) (1 Month SOFR + 2.486%), due 5/20/51 (b)(h) | 3,015,407 | 43,943 |
| REMIC, Series 2021-97, Class SA (zero coupon) (SOFR 30A + 2.60%), due 6/20/51 (b)(h) | 2,639,175 | 35,686 |
| REMIC, Series 2021-136, Class SB (zero coupon) (SOFR 30A + 3.20%), due 8/20/51 (b)(h) | 7,427,902 | 149,962 |
| REMIC, Series 2021-158, Class SB (zero coupon) (SOFR 30A + 3.70%), due 9/20/51 (b)(h) | 1,498,843 | 56,040 |
| REMIC, Series 2021-205, Class DS (zero coupon) (SOFR 30A + 3.20%), due 11/20/51 (b)(h) | 3,135,879 | 54,365 |
| REMIC, Series 2022-19, Class SG (zero coupon) (SOFR 30A + 2.45%), due 1/20/52 (b)(h) | 2,431,907 | 23,760 |
| REMIC, Series 2022-24, Class SC (zero coupon) (SOFR 30A + 2.37%), due 2/20/52 (b)(h) | 12,362,484 | 99,905 |
| REMIC, Series 2023-66, Class OQ (zero coupon), due 7/20/52 | 697,973 | 540,756 |
| REMIC, Series 2023-53 (zero coupon), due 4/20/53 | 323,750 | 237,334 |
| REMIC, Series 2023-80, Class SA (zero coupon) (SOFR 30A + 5.25%), due 6/20/53 (b)(h) | 2,979,847 | 133,092 |
| REMIC, Series 2023-114, Class MO (zero coupon), due 8/20/53 | 419,678 | 340,755 |

| | Principal Amount | Value |
|---|---|---|
| **Agency (Collateralized Mortgage Obligations) (continued)** | | |
| GNMA (continued) | | |
| REMIC, Series 2023-60, Class ES 0.525% (SOFR 30A + 11.20%), due 4/20/53 (b) | $ 757,188 | $ 690,689 |
| REMIC, Series 2019-115, Class SA 0.578% (1 Month SOFR + 5.936%), due 9/20/49 (b)(h) | 1,110,582 | 123,432 |
| REMIC, Series 2020-34, Class SC 0.578% (1 Month SOFR + 5.936%), due 3/20/50 (b)(h) | 1,032,145 | 134,980 |
| REMIC, Series 2023-47, Class KS 0.628% (1 Month SOFR + 5.986%), due 4/20/48 (b)(h) | 2,994,626 | 349,125 |
| REMIC, Series 2020-146, Class SA 0.828% (1 Month SOFR + 6.186%), due 10/20/50 (b)(h) | 990,772 | 148,959 |
| REMIC, Series 2020-175, Class CS 0.828% (1 Month SOFR + 6.186%), due 11/20/50 (b)(h) | 1,080,063 | 154,842 |
| REMIC, Series 2021-179, Class SA 0.828% (1 Month SOFR + 6.186%), due 11/20/50 (b)(h) | 1,439,098 | 200,033 |
| REMIC, Series 2020-167, Class SN 0.828% (1 Month SOFR + 6.186%), due 11/20/50 (b)(h) | 485,102 | 68,430 |
| REMIC, Series 2020-189, Class SU 0.828% (1 Month SOFR + 6.186%), due 12/20/50 (b)(h) | 641,285 | 93,011 |
| REMIC, Series 2021-46, Class QS 0.828% (1 Month SOFR + 6.186%), due 3/20/51 (b)(h) | 584,117 | 80,984 |
| REMIC, Series 2021-57, Class SA 0.828% (1 Month SOFR + 6.186%), due 3/20/51 (b)(h) | 1,109,490 | 157,887 |
| REMIC, Series 2021-57, Class SD 0.828% (1 Month SOFR + 6.186%), due 3/20/51 (b)(h) | 1,415,201 | 181,348 |
| REMIC, Series 2021-46, Class TS 0.828% (1 Month SOFR + 6.186%), due 3/20/51 (b)(h) | 712,258 | 99,588 |
| REMIC, Series 2021-96, Class SN 0.828% (1 Month SOFR + 6.186%), due 6/20/51 (b)(h) | 1,247,535 | 160,880 |
| REMIC, Series 2021-122, Class HS 0.828% (1 Month SOFR + 6.186%), due 7/20/51 (b)(h) | 1,175,413 | 172,044 |

| | Principal Amount | Value |
|---|---|---|
| **Mortgage-Backed Securities (continued)** | | |
| **Agency (Collateralized Mortgage Obligations) (continued)** | | |
| GNMA (continued) | | |
| REMIC, Series 2022-137, Class S 0.828% (1 Month SOFR + 6.186%), due 7/20/51 (b)(h) | $ 1,305,682 | $ 193,077 |
| REMIC, Series 2021-135, Class GS 0.828% (1 Month SOFR + 6.186%), due 8/20/51 (b)(h) | 1,966,362 | 261,483 |
| REMIC, Series 2021-96, Class JS 0.878% (1 Month SOFR + 6.236%), due 6/20/51 (b)(h) | 1,031,287 | 122,566 |
| REMIC, Series 2020-97, Class HB 1.00%, due 7/20/50 | 315,752 | 232,637 |
| REMIC, Series 2020-146, Class YK 1.00%, due 10/20/50 | 614,480 | 471,446 |
| REMIC, Series 2020-166, Class CA 1.00%, due 11/20/50 | 683,460 | 509,598 |
| REMIC, Series 2023-86, Class SE 1.312% (SOFR 30A + 6.65%), due 9/20/50 (b)(h) | 876,890 | 125,912 |
| REMIC, Series 2020-165, Class UD 1.50%, due 11/20/50 | 263,970 | 204,764 |
| REMIC, Series 2023-66, Class MP 1.625% (SOFR 30A + 12.30%), due 5/20/53 (b) | 722,448 | 707,281 |
| REMIC, Series 2021-41, Class FS 2.00% (SOFR 30A + 0.20%), due 10/20/50 (b)(h) | 1,623,322 | 172,913 |
| REMIC, Series 2020-166, Class IC 2.00%, due 11/20/50 (h) | 332,877 | 33,723 |
| REMIC, Series 2020-188 2.00%, due 12/20/50 (h) | 1,542,248 | 157,630 |
| REMIC, Series 2020-185, Class BI 2.00%, due 12/20/50 (h) | 724,989 | 80,613 |
| REMIC, Series 2021-30, Class HI 2.00%, due 2/20/51 (h) | 2,148,428 | 221,583 |
| REMIC, Series 2022-10, Class IC 2.00%, due 11/20/51 (h) | 1,050,801 | 125,465 |
| REMIC, Series 2021-97, Class IN 2.50%, due 8/20/49 (h) | 2,129,515 | 219,379 |
| REMIC, Series 2019-159, Class P 2.50%, due 9/20/49 | 548,979 | 476,747 |
| REMIC, Series 2022-1, Class IA 2.50%, due 6/20/50 (h) | 255,702 | 34,068 |
| REMIC, Series 2020-122, Class IW 2.50%, due 7/20/50 (h) | 915,705 | 119,830 |
| REMIC, Series 2020-151, Class TI 2.50%, due 10/20/50 (h) | 852,917 | 110,754 |

| | Principal Amount | Value |
|---|---|---|
| **Agency (Collateralized Mortgage Obligations) (continued)** | | |
| GNMA (continued) | | |
| REMIC, Series 2020-173, Class EI 2.50%, due 11/20/50 (h) | $ 952,459 | $ 129,110 |
| REMIC, Series 2020-188, Class DI 2.50%, due 12/20/50 (h) | 2,089,891 | 285,943 |
| REMIC, Series 2021-1, Class PI 2.50%, due 12/20/50 (h) | 623,588 | 79,729 |
| REMIC, Series 2021-83, Class FM 2.50% (SOFR 30A + 0.51%), due 5/20/51 (b) | 1,406,606 | 1,160,984 |
| REMIC, Series 2021-140, Class GF 2.50% (1 Month SOFR + 0.764%), due 8/20/51 (b) | 518,258 | 427,940 |
| REMIC, Series 2021-188 2.50%, due 10/20/51 (h) | 1,663,426 | 242,687 |
| REMIC, Series 2022-83 2.50%, due 11/20/51 (h) | 1,348,422 | 177,086 |
| REMIC, Series 2021-1, Class IT 3.00%, due 1/20/51 (h) | 1,363,439 | 217,756 |
| REMIC, Series 2021-44, Class IQ 3.00%, due 3/20/51 (h) | 1,387,667 | 220,293 |
| REMIC, Series 2021-74, Class HI 3.00%, due 4/20/51 (h) | 175,573 | 25,155 |
| REMIC, Series 2021-97, Class FA 3.00% (SOFR 30A + 0.40%), due 6/20/51 (b) | 387,343 | 334,957 |
| REMIC, Series 2021-98, Class IN 3.00%, due 6/20/51 (h) | 627,996 | 108,726 |
| REMIC, Series 2021-98, Class KI 3.00%, due 6/20/51 (h) | 1,603,497 | 254,294 |
| REMIC, Series 2022-189, Class AT 3.00%, due 7/20/51 | 531,050 | 458,199 |
| REMIC, Series 2022-207 3.00%, due 8/20/51 (h) | 855,529 | 134,802 |
| REMIC, Series 2021-139, Class IA 3.00%, due 8/20/51 (h) | 2,066,883 | 319,424 |
| REMIC, Series 2021-158, Class NI 3.00%, due 9/20/51 (h) | 1,674,523 | 248,068 |
| REMIC, Series 2021-177, Class IM 3.00%, due 10/20/51 (h) | 1,394,780 | 186,330 |
| REMIC, Series 2023-19, Class CI 3.00%, due 11/20/51 (h) | 1,298,474 | 198,278 |
| REMIC, Series 2022-207, Class NA 3.00%, due 1/20/52 | 2,202,864 | 1,907,061 |
| REMIC, Series 2022-206, Class CN 3.00%, due 2/20/52 | 1,585,505 | 1,360,798 |



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| | Principal Amount | Value |
|---|---|---|
| **Mortgage-Backed Securities (continued)** | | |
| **Agency (Collateralized Mortgage Obligations) (continued)** | | |
| GNMA (continued) | | |
| REMIC, Series 2019-92, Class GF 3.50% (1 Month SOFR + 0.804%), due 7/20/49 (b) | $ 335,285 | $ 298,862 |
| REMIC, Series 2019-97, Class FG 3.50% (1 Month SOFR + 0.804%), due 8/20/49 (b) | 701,794 | 625,592 |
| REMIC, Series 2019-110, Class FG 3.50% (1 Month SOFR + 0.764%), due 9/20/49 (b) | 243,448 | 215,791 |
| REMIC, Series 2019-128, Class KF 3.50% (1 Month SOFR + 0.764%), due 10/20/49 (b) | 374,236 | 332,554 |
| REMIC, Series 2019-128, Class YF 3.50% (1 Month SOFR + 0.764%), due 10/20/49 (b) | 482,984 | 430,279 |
| REMIC, Series 2020-5, Class FA 3.50% (1 Month SOFR + 0.814%), due 1/20/50 (b) | 752,077 | 669,174 |
| REMIC, Series 2023-63, Class MA 3.50%, due 5/20/50 | 618,419 | 568,339 |
| REMIC, Series 2021-125, Class AF 3.50% (SOFR 30A + 0.25%), due 7/20/51 (b) | 739,849 | 659,358 |
| REMIC, Series 2021-146, Class IN 3.50%, due 8/20/51 (h) | 1,110,194 | 191,344 |
| REMIC, Series 2023-1, Class HD 3.50%, due 1/20/52 | 617,935 | 568,606 |
| REMIC, Series 2022-69, Class FA 4.50% (SOFR 30A + 0.75%), due 4/20/52 (b) | 421,568 | 396,977 |
| REMIC, Series 2023-81, Class LA 5.00%, due 6/20/52 | 482,976 | 484,421 |
| REMIC, Series 2023-38, Class WT 6.727%, due 12/20/51 (i) | 305,930 | 328,116 |
| REMIC, Series 2023-59, Class YC 6.952%, due 9/20/51 (i) | 676,523 | 743,340 |
| REMIC, Series 2023-55, Class CG 7.505%, due 7/20/51 (i) | 755,073 | 837,037 |
| REMIC, Series 2023-55, Class LB 7.83%, due 11/20/51 (i) | 863,521 | 1,000,754 |
| | | 42,147,554 |

| | Principal Amount | Value |
|---|---|---|
| **Commercial Mortgage Loans (Collateralized Mortgage Obligations) 2.8%** | | |
| Bayview Commercial Asset Trust | | |
| Series 2006-4A, Class A1 5.815% (1 Month SOFR + 0.459%), due 12/25/36 (a)(b) | $ 21,349 | $ 19,920 |
| BBCMS Mortgage Trust (a)(b) | | |
| Series 2018-TALL, Class C 6.68% (1 Month SOFR + 1.318%), due 3/15/37 | 320,000 | 259,914 |
| Series 2018-TALL, Class D 7.008% (1 Month SOFR + 1.646%), due 3/15/37 | 360,000 | 269,174 |
| Benchmark Mortgage Trust | | |
| Series 2020-B19, Class A2 1.691%, due 9/15/53 | 935,000 | 855,777 |
| BX Commercial Mortgage Trust (a)(j) | | |
| Series 2020-VIV2, Class C 3.542%, due 3/9/44 | 365,000 | 311,773 |
| Series 2020-VIV3, Class B 3.544%, due 3/9/44 | 450,059 | 393,810 |
| Series 2020-VIVA, Class D 3.549%, due 3/11/44 | 340,000 | 283,663 |
| BX Trust (a) | | |
| Series 2019-OC11, Class C 3.856%, due 12/9/41 | 205,000 | 182,015 |
| Series 2019-OC11, Class D 3.944%, due 12/9/41 (j) | 450,000 | 391,664 |
| Series 2021-ARIA, Class E 7.721% (1 Month SOFR + 2.359%), due 10/15/36 (b) | 970,000 | 916,427 |
| Series 2022-PSB, Class B 8.311% (1 Month SOFR + 2.949%), due 8/15/39 (b) | 633,324 | 633,090 |
| Series 2022-PSB, Class C 9.059% (1 Month SOFR + 3.697%), due 8/15/39 (b) | 168,296 | 168,331 |
| BXHPP Trust | | |
| Series 2021-FILM, Class B 6.376% (1 Month SOFR + 1.014%), due 8/15/36 (a)(b) | 535,000 | 490,943 |
| DROP Mortgage Trust | | |
| Series 2021-FILE, Class A 6.626% (1 Month SOFR + 1.264%), due 10/15/43 (a)(b) | 295,000 | 272,506 |
| Extended Stay America Trust | | |
| Series 2021-ESH, Class D 7.726% (1 Month SOFR + 2.364%), due 7/15/38 (a)(b) | 588,067 | 577,727 |

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| | Principal Amount | Value |
|---|---|---|
| **Mortgage-Backed Securities (continued)** | | |
| **Commercial Mortgage Loans (Collateralized Mortgage Obligations) (continued)** | | |
| GNMA (h)(j) | | |
| REMIC, Series 2021-164 0.949%, due 10/16/63 | $ 1,907,952 | $ 132,184 |
| REMIC, Series 2021-108 0.967%, due 6/16/61 | 4,174,830 | 292,451 |
| REMIC, Series 2020-168, Class IA 0.978%, due 12/16/62 | 1,445,706 | 100,652 |
| REMIC, Series 2021-47 0.992%, due 3/16/61 | 3,371,936 | 234,601 |
| Hudson Yards Mortgage Trust | | |
| Series 2019-30HY, Class A 3.228%, due 7/10/39 (a) | 665,000 | 588,254 |
| Morgan Stanley Bank of America Merrill Lynch Trust | | |
| Series 2017-C34, Class A4 3.536%, due 11/15/52 | 320,000 | 298,231 |
| Series 2016-C28, Class A4 3.544%, due 1/15/49 | 200,000 | 190,907 |
| Morgan Stanley Capital I Trust | | |
| Series 2015-UBS8, Class A4 3.809%, due 12/15/48 | 395,000 | 380,133 |
| Multifamily Connecticut Avenue Securities Trust (a)(b) | | |
| Series 2019-01, Class M10 8.702% (SOFR 30A + 3.364%), due 10/25/49 | 949,495 | 923,341 |
| Series 2020-01, Class M10 9.202% (SOFR 30A + 3.864%), due 3/25/50 | 1,052,040 | 1,014,108 |
| Series 2023-01, Class M10 11.837% (SOFR 30A + 6.50%), due 11/25/53 | 1,040,000 | 1,055,874 |
| Series 2020-01, Class CE 12.952% (SOFR 30A + 7.614%), due 3/25/50 | 180,000 | 175,899 |
| One Bryant Park Trust | | |
| Series 2019-OBP, Class A 2.516%, due 9/15/54 (a) | 1,140,000 | 965,162 |
| ORL Trust (a)(b) | | |
| Series 2023-GLKS, Class C 9.013% (1 Month SOFR + 3.651%), due 10/19/36 | 395,000 | 394,630 |
| Series 2023-GLKS, Class D 9.663% (1 Month SOFR + 4.301%), due 10/19/36 | 320,000 | 319,701 |

| | Principal Amount | Value |
|---|---|---|
| **Commercial Mortgage Loans (Collateralized Mortgage Obligations) (continued)** | | |
| SLG Office Trust (a) | | |
| Series 2021-OVA, Class A 2.585%, due 7/15/41 | $ 325,000 | $ 268,493 |
| Series 2021-OVA, Class F 2.851%, due 7/15/41 | 355,000 | 251,250 |
| Wells Fargo Commercial Mortgage Trust | | |
| Series 2018-AUS, Class A 4.058%, due 8/17/36 (a)(j) | 705,000 | 643,532 |
| | | 14,256,137 |
| **Whole Loan (Collateralized Mortgage Obligations) 5.0%** | | |
| CIM Trust | | |
| Series 2021-J2, Class AS 0.21%, due 4/25/51 (a)(h)(i) | 17,974,593 | 198,905 |
| Connecticut Avenue Securities Trust (a)(b) | | |
| Series 2022-R01, Class 1M2 7.237% (SOFR 30A + 1.90%), due 12/25/41 | 235,000 | 235,367 |
| Series 2021-R03, Class 1B1 8.087% (SOFR 30A + 2.75%), due 12/25/41 | 545,000 | 546,353 |
| Series 2021-R01, Class 1B1 8.437% (SOFR 30A + 3.10%), due 10/25/41 | 1,290,000 | 1,300,412 |
| Series 2022-R02, Class 2B1 9.837% (SOFR 30A + 4.50%), due 1/25/42 | 905,000 | 931,672 |
| Series 2021-R01, Class 1B2 11.337% (SOFR 30A + 6.00%), due 10/25/41 | 1,020,000 | 1,042,652 |
| Series 2022-R01, Class 1B2 11.337% (SOFR 30A + 6.00%), due 12/25/41 | 215,000 | 219,266 |
| FHLMC STACR REMIC Trust (a)(b) | | |
| Series 2021-HQA3, Class M2 7.437% (SOFR 30A + 2.10%), due 9/25/41 | 1,210,000 | 1,193,716 |
| Series 2021-HQA4, Class M2 7.687% (SOFR 30A + 2.35%), due 12/25/41 | 700,000 | 689,865 |
| Series 2022-DNA1, Class M2 7.837% (SOFR 30A + 2.50%), due 1/25/42 | 925,000 | 923,287 |
| Series 2021-HQA1, Class B1 8.337% (SOFR 30A + 3.00%), due 8/25/33 | 1,385,000 | 1,402,353 |



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

| | Principal Amount | Value |
|---|---|---|
| **Mortgage-Backed Securities (continued)** | | |
| **Whole Loan (Collateralized Mortgage Obligations) (continued)** | | |
| FHLMC STACR REMIC Trust (a)(b) (continued) | | |
| Series 2021-DNA5, Class B1 8.387% (SOFR 30A + 3.05%), due 1/25/34 | $ 1,730,000 | $ 1,745,747 |
| Series 2021-HQA2, Class B1 8.487% (SOFR 30A + 3.15%), due 12/25/33 | 635,000 | 636,588 |
| Series 2021-HQA3, Class B1 8.687% (SOFR 30A + 3.35%), due 9/25/41 | 1,035,000 | 1,032,436 |
| Series 2021-DNA6, Class B1 8.737% (SOFR 30A + 3.40%), due 10/25/41 | 340,000 | 345,486 |
| Series 2022-DNA1, Class B1 8.737% (SOFR 30A + 3.40%), due 1/25/42 | 250,000 | 248,993 |
| Series 2021-DNA7, Class B1 8.987% (SOFR 30A + 3.65%), due 11/25/41 | 955,000 | 972,670 |
| Series 2021-HQA4, Class B1 9.087% (SOFR 30A + 3.75%), due 12/25/41 | 190,000 | 189,645 |
| Series 2021-DNA1, Class B2 10.087% (SOFR 30A + 4.75%), due 1/25/51 | 945,000 | 961,889 |
| Series 2020-DNA2, Class B2 10.252% (SOFR 30A + 4.914%), due 2/25/50 | 260,000 | 268,701 |
| Series 2020-HQA1, Class B2 10.552% (SOFR 30A + 5.214%), due 1/25/50 | 665,000 | 681,386 |
| Series 2022-HQA1, Class M2 10.587% (SOFR 30A + 5.25%), due 3/25/42 | 155,000 | 165,292 |
| Series 2022-HQA3, Class M2 10.687% (SOFR 30A + 5.35%), due 8/25/42 | 1,575,000 | 1,670,839 |
| Series 2021-HQA2, Class B2 10.787% (SOFR 30A + 5.45%), due 12/25/33 | 245,000 | 252,396 |
| Series 2022-DNA6, Class M2 11.087% (SOFR 30A + 5.75%), due 9/25/42 | 675,000 | 750,457 |
| Series 2021-HQA4, Class B2 12.337% (SOFR 30A + 7.00%), due 12/25/41 | 140,000 | 142,592 |

| | Principal Amount | Value |
|---|---|---|
| **Whole Loan (Collateralized Mortgage Obligations) (continued)** | | |
| FHLMC STACR REMIC Trust (a)(b) (continued) | | |
| Series 2022-HQA1, Class B1 12.337% (SOFR 30A + 7.00%), due 3/25/42 | $ 710,000 | $ 767,814 |
| Series 2021-DNA6, Class B2 12.837% (SOFR 30A + 7.50%), due 10/25/41 | 300,000 | 314,791 |
| FHLMC STACR Trust | | |
| Series 2019-HQA3, Class B2 12.952% (SOFR 30A + 7.614%), due 9/25/49 (a)(b) | 450,000 | 491,242 |
| FHLMC Structured Agency Credit Risk Debt Notes (a)(b) | | |
| Series 2020-HQA5, Class B1 9.337% (SOFR 30A + 4.00%), due 11/25/50 | 305,000 | 330,642 |
| Series 2022-HQA2, Class M2 11.337% (SOFR 30A + 6.00%), due 7/25/42 | 940,000 | 1,014,701 |
| Flagstar Mortgage Trust | | |
| Series 2021-6INV, Class A18 2.50%, due 8/25/51 (a)(i) | 403,695 | 322,010 |
| HarborView Mortgage Loan Trust | | |
| Series 2007-3, Class 2A1A 5.87% (1 Month SOFR + 0.514%), due 5/19/37 (b) | 400,289 | 372,046 |
| J.P. Morgan Mortgage Trust | | |
| Series 2021-LTV2, Class A1 2.519%, due 5/25/52 (a)(i) | 304,940 | 250,437 |
| New Residential Mortgage Loan Trust (a) | | |
| Series 2019-5A, Class B7 4.317%, due 8/25/59 (j) | 1,176,800 | 703,581 |
| Series 2019-2A, Class B6 4.825%, due 12/25/57 (i) | 462,967 | 300,684 |
| OBX Trust | | |
| Series 2022-NQM1, Class A1 2.305%, due 11/25/61 (a)(i) | 465,793 | 399,346 |
| Onslow Bay Mortgage Loan Trust | | |
| Series 2021-NQM4, Class A1 1.957%, due 10/25/61 (a)(i) | 1,264,216 | 1,031,954 |
| Sequoia Mortgage Trust | | |
| Series 2021-4, Class A1 0.166%, due 6/25/51 (a)(h)(j) | 14,639,218 | 121,533 |

| | Principal Amount | Value |
|---|---|---|
| **Mortgage-Backed Securities (continued)** | | |
| **Whole Loan (Collateralized Mortgage Obligations) (continued)** | | |
| STACR Trust | | |
| Series 2018-HRP2, Class B1 | | |
| 9.652% (SOFR 30A + 4.314%), due 2/25/47 (a)(b) | $ 925,000 | $ 1,011,176 |
| | | 26,180,922 |
| Total Mortgage-Backed Securities (Cost $82,945,032) | | 82,584,613 |
| **Municipal Bond 0.1%** | | |
| **California 0.1%** | | |
| Regents of the University of California Medical Center, Pooled, Revenue Bonds | | |
| Series N | | |
| 3.006%, due 5/15/50 | 1,065,000 | 756,365 |
| Total Municipal Bond (Cost $1,065,000) | | 756,365 |
| **U.S. Government & Federal Agencies 5.8%** | | |
| **Federal Home Loan Mortgage Corporation (Mortgage Pass-Through Securities) 1.3%** | | |
| FHLMC Gold Pools, 30 Year | | |
| 3.50%, due 1/1/48 | 505,301 | 472,215 |
| UMBS Pool, 30 Year | | |
| 3.50%, due 7/1/50 | 443,190 | 412,391 |
| 4.50%, due 10/1/52 | 194,393 | 188,495 |
| 5.50%, due 7/1/53 | 1,107,096 | 1,111,571 |
| 6.00%, due 10/1/53 | 1,048,303 | 1,069,080 |
| 6.00%, due 10/1/53 | 563,423 | 573,860 |
| 6.00%, due 11/1/53 | 49,923 | 50,990 |
| 6.50%, due 10/1/53 | 1,490,502 | 1,527,428 |
| 6.50%, due 11/1/53 | 937,188 | 960,353 |
| 6.50%, due 12/1/53 | 125,000 | 128,517 |
| | | 6,494,900 |
| **Federal National Mortgage Association (Mortgage Pass-Through Securities) 2.4%** | | |
| FNMA, Other | | |
| 6.00%, due 4/1/37 | 3,884 | 3,974 |
| UMBS, 30 Year | | |
| 2.50%, due 6/1/51 | 1,798,151 | 1,548,822 |
| 3.00%, due 6/1/51 | 325,117 | 288,008 |
| 3.00%, due 11/1/51 | 690,507 | 611,102 |
| 3.00%, due 3/1/52 | 577,284 | 510,546 |
| 3.50%, due 7/1/52 | 108,312 | 99,385 |

| | Principal Amount | Value |
|---|---|---|
| **Federal National Mortgage Association (Mortgage Pass-Through Securities) (continued)** | | |
| UMBS, 30 Year (continued) | | |
| 4.00%, due 8/1/48 | $ 625,580 | $ 601,565 |
| 4.00%, due 2/1/49 | 95,562 | 91,718 |
| 4.00%, due 6/1/52 | 326,466 | 308,809 |
| 4.00%, due 6/1/52 | 556,670 | 526,561 |
| 4.00%, due 7/1/52 | 701,894 | 664,342 |
| 5.00%, due 11/1/52 | 2,233,221 | 2,210,175 |
| 5.50%, due 2/1/53 | 189,882 | 190,715 |
| 5.50%, due 8/1/53 | 504,354 | 508,575 |
| 6.00%, due 8/1/53 | 465,710 | 473,218 |
| 6.00%, due 9/1/53 | 528,607 | 537,995 |
| 6.00%, due 9/1/53 | 2,112,169 | 2,144,620 |
| 6.00%, due 11/1/53 | 49,897 | 50,902 |
| 6.50%, due 9/1/53 | 608,071 | 623,100 |
| 6.50%, due 10/1/53 | 463,844 | 478,595 |
| 6.50%, due 12/1/53 | 70,000 | 71,970 |
| | | 12,544,697 |
| **United States Treasury Bonds 1.4%** | | |
| U.S. Treasury Bonds | | |
| 4.75%, due 11/15/43 (e) | 5,485,000 | 5,883,520 |
| 4.75%, due 11/15/53 | 1,360,000 | 1,525,112 |
| | | 7,408,632 |
| **United States Treasury Notes 0.7%** | | |
| U.S. Treasury Notes | | |
| 4.625%, due 10/15/26 | 1,900,000 | 1,928,203 |
| 4.875%, due 10/31/28 | 1,330,000 | 1,388,292 |
| 5.00%, due 10/31/25 | 275,000 | 278,137 |
| | | 3,594,632 |
| Total U.S. Government & Federal Agencies (Cost $29,586,236) | | 30,042,861 |
| Total Long-Term Bonds (Cost $219,419,801) | | 209,980,651 |

| | Shares | |
|---|---|---|
| **Common Stocks 55.2%** | | |
| **Aerospace & Defense 1.7%** | | |
| BAE Systems plc (United Kingdom) | 186,254 | 2,636,423 |
| General Dynamics Corp. | 7,055 | 1,831,972 |
| Lockheed Martin Corp. | 4,553 | 2,063,602 |
| RTX Corp. | 26,234 | 2,207,329 |
| | | 8,739,326 |



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| | Shares | Value |
|---|---|---|
| **Common Stocks (continued)** | | |
| **Air Freight & Logistics 1.3%** | | |
| Deutsche Post AG (Registered) (Germany) | 64,706 | $ 3,204,091 |
| Hyundai Glovis Co. Ltd. (Republic of Korea) (k) | 12,965 | 1,922,636 |
| United Parcel Service, Inc., Class B | 10,300 | 1,619,469 |
| | | 6,746,196 |
| **Automobile Components 0.3%** | | |
| Cie Generale des Etablissements Michelin SCA (France) | 49,834 | 1,785,762 |
| **Automobiles 0.3%** | | |
| Toyota Motor Corp. (Japan) | 88,400 | 1,624,115 |
| **Banks 3.8%** | | |
| Bank of America Corp. | 92,812 | 3,124,980 |
| BAWAG Group AG (Austria) (a) | 31,887 | 1,688,975 |
| Columbia Banking System, Inc. | 75,244 | 2,007,510 |
| JPMorgan Chase & Co. | 23,656 | 4,023,886 |
| PNC Financial Services Group, Inc. (The) | 11,992 | 1,856,961 |
| Regions Financial Corp. | 96,858 | 1,877,108 |
| Royal Bank of Canada (Canada) | 16,226 | 1,640,907 |
| Truist Financial Corp. | 47,617 | 1,758,020 |
| U.S. Bancorp | 44,881 | 1,942,450 |
| | | 19,920,797 |
| **Beverages 1.8%** | | |
| Coca-Cola Co. (The) | 35,629 | 2,099,617 |
| Coca-Cola Europacific Partners plc (United Kingdom) | 79,684 | 5,318,110 |
| PepsiCo, Inc. | 12,050 | 2,046,572 |
| | | 9,464,299 |
| **Biotechnology 0.7%** | | |
| AbbVie, Inc. | 24,048 | 3,726,719 |
| **Capital Markets 1.0%** | | |
| BlackRock, Inc. | 2,063 | 1,674,744 |
| Lazard Ltd., Class A | 53,976 | 1,878,365 |
| Schroders plc (United Kingdom) | 297,841 | 1,632,085 |
| | | 5,185,194 |
| **Chemicals 2.1%** | | |
| Air Products and Chemicals, Inc. | 7,268 | 1,989,979 |
| Dow, Inc. | 35,300 | 1,935,852 |
| Linde plc | 7,913 | 3,249,948 |
| LyondellBasell Industries NV, Class A | 21,571 | 2,050,971 |

| | Shares | Value |
|---|---|---|
| **Chemicals (continued)** | | |
| Nutrien Ltd. (Canada) (e) | 32,486 | $ 1,829,936 |
| | | 11,056,686 |
| **Commercial Services & Supplies 0.0% ‡** | | |
| Quad/Graphics, Inc. (k) | 6 | 33 |
| **Communications Equipment 0.9%** | | |
| Cisco Systems, Inc. | 97,069 | 4,903,925 |
| **Construction & Engineering 0.3%** | | |
| Vinci SA (France) | 13,862 | 1,739,946 |
| **Consumer Staples Distribution & Retail 0.7%** | | |
| Walmart, Inc. | 23,948 | 3,775,402 |
| **Diversified Telecommunication Services 2.5%** | | |
| AT&T, Inc. | 96,107 | 1,612,675 |
| BCE, Inc. (Canada) | 40,051 | 1,576,892 |
| Deutsche Telekom AG (Registered) (Germany) | 185,670 | 4,458,106 |
| Orange SA (France) | 177,261 | 2,016,362 |
| TELUS Corp. (Canada) | 85,325 | 1,518,406 |
| Verizon Communications, Inc. | 41,236 | 1,554,597 |
| | | 12,737,038 |
| **Electric Utilities 2.2%** | | |
| American Electric Power Co., Inc. | 30,758 | 2,498,165 |
| Duke Energy Corp. | 16,464 | 1,597,666 |
| Entergy Corp. | 16,558 | 1,675,504 |
| Evergy, Inc. | 29,325 | 1,530,765 |
| NextEra Energy, Inc. | 41,032 | 2,492,284 |
| Pinnacle West Capital Corp. | 22,976 | 1,650,596 |
| | | 11,444,980 |
| **Electrical Equipment 1.0%** | | |
| Eaton Corp. plc | 13,164 | 3,170,154 |
| Emerson Electric Co. | 22,606 | 2,200,242 |
| | | 5,370,396 |
| **Food Products 1.0%** | | |
| Mondelez International, Inc., Class A | 21,821 | 1,580,495 |
| Nestle SA (Registered) | 17,199 | 1,994,025 |
| Orkla ASA (Norway) | 209,051 | 1,622,219 |
| | | 5,196,739 |
| **Gas Utilities 0.5%** | | |
| Snam SpA (Italy) | 454,011 | 2,333,111 |

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

# Portfolio of Investments December 31, 2023†^ (continued)

| | Shares | Value |
|---|---|---|
| **Common Stocks (continued)** | | |
| **Health Care Equipment & Supplies 0.6%** | | |
| Medtronic plc | 36,139 | $ 2,977,131 |
| **Health Care Providers & Services 1.1%** | | |
| CVS Health Corp. | 21,846 | 1,724,960 |
| UnitedHealth Group, Inc. | 7,077 | 3,725,828 |
| | | 5,450,788 |
| **Hotels, Restaurants & Leisure 1.8%** | | |
| McDonald's Corp. | 7,612 | 2,257,034 |
| Restaurant Brands International, Inc. (Canada) | 59,740 | 4,667,486 |
| Vail Resorts, Inc. | 11,503 | 2,455,546 |
| | | 9,380,066 |
| **Household Durables 0.3%** | | |
| Garmin Ltd. | 13,666 | 1,756,628 |
| **Industrial Conglomerates 0.9%** | | |
| Honeywell International, Inc. | 7,411 | 1,554,161 |
| Siemens AG (Registered) (Germany) | 16,498 | 3,094,747 |
| | | 4,648,908 |
| **Insurance 2.7%** | | |
| Allianz SE (Registered) (Germany) | 6,870 | 1,834,982 |
| AXA SA (France) | 66,808 | 2,174,967 |
| Manulife Financial Corp. (Canada) | 142,399 | 3,146,630 |
| MetLife, Inc. | 49,120 | 3,248,306 |
| Muenchener Rueckversicherungs-Gesellschaft AG (Registered) (Germany) | 4,712 | 1,951,200 |
| Travelers Cos., Inc. (The) | 8,080 | 1,539,159 |
| | | 13,895,244 |
| **IT Services 1.1%** | | |
| International Business Machines Corp. | 35,747 | 5,846,422 |
| **Leisure Products 0.3%** | | |
| Hasbro, Inc. | 32,708 | 1,670,070 |
| **Machinery 0.7%** | | |
| Cummins, Inc. | 14,060 | 3,368,354 |
| **Media 0.8%** | | |
| Comcast Corp., Class A | 51,714 | 2,267,659 |
| Omnicom Group, Inc. | 23,405 | 2,024,766 |
| | | 4,292,425 |

| | Shares | Value |
|---|---|---|
| **Multi-Utilities 0.6%** | | |
| NiSource, Inc. | 66,488 | $ 1,765,256 |
| WEC Energy Group, Inc. | 17,259 | 1,452,690 |
| | | 3,217,946 |
| **Oil, Gas & Consumable Fuels 2.0%** | | |
| Chevron Corp. | 10,928 | 1,630,021 |
| Enterprise Products Partners LP | 52,920 | 1,394,442 |
| MPLX LP | 39,178 | 1,438,616 |
| TotalEnergies SE (France) | 67,268 | 4,574,447 |
| Williams Cos., Inc. (The) | 43,854 | 1,527,435 |
| | | 10,564,961 |
| **Personal Care Products 0.3%** | | |
| Unilever plc (United Kingdom) | 29,714 | 1,439,248 |
| **Pharmaceuticals 5.5%** | | |
| Astellas Pharma, Inc. (Japan) | 160,300 | 1,916,779 |
| AstraZeneca plc, Sponsored ADR (United Kingdom) | 63,463 | 4,274,233 |
| Bristol-Myers Squibb Co. | 29,196 | 1,498,047 |
| Eli Lilly & Co. | 5,886 | 3,431,067 |
| GSK plc | 82,077 | 1,517,191 |
| Johnson & Johnson | 12,458 | 1,952,667 |
| Merck & Co., Inc. | 26,145 | 2,850,328 |
| Novartis AG (Registered) (Switzerland) | 40,807 | 4,117,817 |
| Pfizer, Inc. | 49,026 | 1,411,458 |
| Roche Holding AG | 5,342 | 1,552,962 |
| Sanofi SA | 39,201 | 3,884,449 |
| | | 28,406,998 |
| **Professional Services 0.4%** | | |
| Paychex, Inc. | 15,449 | 1,840,130 |
| **Retail REITs 0.4%** | | |
| Realty Income Corp. | 31,987 | 1,836,694 |
| **Semiconductors & Semiconductor Equipment 4.6%** | | |
| Analog Devices, Inc. | 27,983 | 5,556,305 |
| Broadcom, Inc. | 6,213 | 6,935,261 |
| KLA Corp. | 8,039 | 4,673,071 |
| Taiwan Semiconductor Manufacturing Co. Ltd., Sponsored ADR (Taiwan) | 36,003 | 3,744,312 |
| Texas Instruments, Inc. | 18,768 | 3,199,193 |
| | | 24,108,142 |
| **Software 1.3%** | | |
| Microsoft Corp. | 18,093 | 6,803,692 |



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| | Shares | Value |
|---|---|---|
| **Common Stocks (continued)** | | |
| **Specialized REITs 1.2%** | | |
| Iron Mountain, Inc. | 60,129 | $ 4,207,827 |
| VICI Properties, Inc. | 64,245 | 2,048,131 |
| | | 6,255,958 |
| **Specialty Retail 0.8%** | | |
| Best Buy Co., Inc. | 21,032 | 1,646,385 |
| Home Depot, Inc. (The) | 6,587 | 2,282,725 |
| | | 3,929,110 |
| **Technology Hardware, Storage & Peripherals 2.8%** | | |
| Apple, Inc. | 24,328 | 4,683,870 |
| Dell Technologies, Inc., Class C | 31,006 | 2,371,959 |
| Hewlett Packard Enterprise Co. | 97,387 | 1,653,631 |
| NetApp, Inc. | 27,614 | 2,434,450 |
| Samsung Electronics Co. Ltd., GDR (Republic of Korea) | 2,155 | 3,228,190 |
| | | 14,372,100 |
| **Tobacco 1.5%** | | |
| British American Tobacco plc (United Kingdom) | 69,803 | 2,042,407 |
| Imperial Brands plc (United Kingdom) | 90,791 | 2,090,604 |
| Philip Morris International, Inc. | 36,317 | 3,416,703 |
| | | 7,549,714 |
| **Trading Companies & Distributors 0.7%** | | |
| MSC Industrial Direct Co., Inc., Class A | 36,796 | 3,725,963 |
| **Wireless Telecommunication Services 0.7%** | | |
| Rogers Communications, Inc., Class B (Canada) | 38,179 | 1,787,286 |
| SK Telecom Co. Ltd. (Republic of Korea) | 46,547 | 1,808,485 |
| | | 3,595,771 |
| Total Common Stocks (Cost $253,110,842) | | 286,683,127 |
| **Short-Term Investments 2.8%** | | |
| **Affiliated Investment Company 2.3%** | | |
| MainStay U.S. Government Liquidity Fund, 5.235% (l) | 12,142,456 | 12,142,456 |
| **Unaffiliated Investment Company 0.4%** | | |
| Invesco Government & Agency Portfolio, 5.361% (l)(m) | 2,298,070 | 2,298,070 |

| | Principal Amount | Value |
|---|---|---|
| **U.S. Treasury Debt 0.1%** | | |
| U.S. Treasury Bills 5.29%, due 3/14/24 (n) | $ 260,000 | $ 257,302 |
| Total Short-Term Investments (Cost $14,697,774) | | 14,697,828 |
| Total Investments (Cost $487,228,417) | 98.4% | 511,361,606 |
| Other Assets, Less Liabilities | 1.6 | 8,340,876 |
| Net Assets | 100.0% | $ 519,702,482 |

† Percentages indicated are based on Portfolio net assets.

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

‡ Less than one-tenth of a percent.

(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) Floating rate—Rate shown was the rate in effect as of December 31, 2023.

(c) Fixed to floating rate—Rate shown was the rate in effect as of December 31, 2023.

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

(e) All or a portion of this security was held on loan. As of December 31, 2023, the aggregate market value of securities on loan was $8,121,558; the total market value of collateral held by the Portfolio was $8,383,514. The market value of the collateral held included non-cash collateral in the form of U.S. Treasury securities with a value of $6,085,444. The Portfolio received cash collateral with a value of $2,298,070. (See Note 2(L))

(f) Step coupon—Rate shown was the rate in effect as of December 31, 2023.

(g) Illiquid security—As of December 31, 2023, the total market value deemed illiquid under procedures approved by the Board of Trustees was $251,875, which represented less than one-tenth of a percent of the Portfolio's net assets. (Unaudited)

(h) Collateralized Mortgage Obligation Interest Only Strip—Pays a fixed or variable rate of interest based on mortgage loans or mortgage pass-through securities. The principal amount of the underlying pool represents the notional amount on which the current interest was calculated. The value of these stripped securities may be particularly sensitive to changes in prevailing interest rates and are typically more sensitive to changes in prepayment rates than traditional mortgage-backed securities.

(i) Coupon rate may change based on changes of the underlying collateral or prepayments of principal. Rate shown was the rate in effect as of December 31, 2023.

(j) Collateral strip rate—A bond whose interest was based on the weighted net interest rate of the collateral. The coupon rate adjusts periodically based on a predetermined schedule. Rate shown was the rate in effect as of December 31, 2023.

(k) Non-income producing security.

(l) Current yield as of December 31, 2023.

(m) Represents a security purchased with cash collateral received for securities on loan.

(n) Interest rate shown represents yield to maturity.

## Investments in Affiliates (in 000's)

Investments in issuers considered to be affiliate(s) of the Portfolio during the year ended December 31, 2023 for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliated Investment Companies | Value, Beginning of Year | Purchases at Cost | Proceeds from Sales | Net Realized Gain/(Loss) on Sales | Change in Unrealized Appreciation/ (Depreciation) | Value, End of Year | Dividend Income | Other Distributions | Shares End of Year |
|---|---|---|---|---|---|---|---|---|---|
| MainStay U.S. Government Liquidity Fund | $ 6,070 | $ 146,387 | $ (140,315) | $ — | $ — | $ 12,142 | $ 292 | $ — | 12,142 |

## Foreign Currency Forward Contracts

As of December 31, 2023, the Portfolio held the following foreign currency forward contracts[1]:

| Currency Purchased | | Currency Sold | | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|
| AUD | 9,875,000 | USD | 6,283,711 | JPMorgan Chase Bank N.A. | 2/1/24 | $ 452,503 |
| GBP | 133,000 | USD | 161,614 | JPMorgan Chase Bank N.A. | 2/1/24 | 7,944 |
| JPY | 3,368,551,000 | USD | 22,624,324 | JPMorgan Chase Bank N.A. | 2/1/24 | 1,378,684 |
| Total Unrealized Appreciation | | | | | | 1,839,131 |
| USD | 2,859,798 | EUR | 2,684,147 | JPMorgan Chase Bank N.A. | 2/1/24 | (107,065) |
| Total Unrealized Depreciation | | | | | | (107,065) |
| Net Unrealized Appreciation | | | | | | $ 1,732,066 |

1. Foreign Currency Forward Contracts are subject to limitations such that they cannot be "sold or repurchased," although the Portfolio would be able to exit the transaction through other means, such as through the execution of an offsetting transaction.

## Futures Contracts

As of December 31, 2023, the Portfolio held the following futures contracts[1]:

| Type | Number of Contracts | Expiration Date | Value at Trade Date | Current Notional Amount | Unrealized Appreciation (Depreciation)[2] |
|---|---|---|---|---|---|
| **Long Contracts** | | | | | |
| E-Mini Energy Select Sector Index | 49 | March 2024 | $ 4,187,875 | $ 4,342,870 | $ 154,995 |
| E-Mini Health Care Select Sector Index | 47 | March 2024 | 6,319,244 | 6,543,810 | 224,566 |
| E-Mini Utilities Select Sector Index | 81 | March 2024 | 5,207,991 | 5,224,500 | 16,509 |
| S&P 500 E-Mini Index | 118 | March 2024 | 27,380,071 | 28,438,000 | 1,057,929 |
| S&P Midcap 400 E-Mini Index | 10 | March 2024 | 2,649,420 | 2,809,500 | 160,080 |
| U.S. Treasury 5 Year Notes | 66 | March 2024 | 7,085,591 | 7,179,047 | 93,456 |
| U.S. Treasury 10 Year Notes | 147 | March 2024 | 16,308,763 | 16,594,922 | 286,159 |
| U.S. Treasury 10 Year Ultra Bonds | 31 | March 2024 | 3,504,281 | 3,658,484 | 154,203 |
| U.S. Treasury Long Bonds | 61 | March 2024 | 7,055,699 | 7,621,187 | 565,488 |



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

| Type | Number of Contracts | Expiration Date | Value at Trade Date | Current Notional Amount | Unrealized Appreciation (Depreciation)[2] |
|---|---|---|---|---|---|
| U.S. Treasury Ultra Bonds | 81 | March 2024 | $ 9,955,266 | $ 10,821,094 | $ 865,828 |
| Yen Denominated Nikkei 225 Index | 298 | March 2024 | 35,286,988 | 35,152,376 | (134,612) |
| Total Long Contracts | | | | | 3,444,601 |
| **Short Contracts** | | | | | |
| Euro STOXX 50 Index | (333) | March 2024 | (16,761,658) | (16,700,765) | 60,893 |
| FTSE 100 Index | (71) | March 2024 | (6,856,591) | (7,019,644) | (163,053) |
| S&P E-Mini Commercial Service Equity Index | (76) | March 2024 | (7,050,748) | (7,305,500) | (254,752) |
| U.S. Treasury 2 Year Notes | (7) | March 2024 | (1,431,289) | (1,441,399) | (10,110) |
| Total Short Contracts | | | | | (367,022) |
| Net Unrealized Appreciation | | | | | $ 3,077,579 |

1. As of December 31, 2023, cash in the amount of $7,209,731 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 December 31, 2023.

Abbreviation(s):

ADR—American Depositary Receipt

AUD—Australia Dollar

EUR—Euro

FHLMC—Federal Home Loan Mortgage Corp.

FNMA—Federal National Mortgage Association

FTSE—Financial Times Stock Exchange

GBP—British Pound Sterling

GDR—Global Depositary Receipt

GNMA—Government National Mortgage Association

JPY—Japanese Yen

REIT—Real Estate Investment Trust

REMIC—Real Estate Mortgage Investment Conduit

SOFR—Secured Overnight Financing Rate

STACR—Structured Agency Credit Risk

UMBS—Uniform Mortgage Backed Securities

USD—United States Dollar

The following is a summary of the fair valuations according to the inputs used as of December 31, 2023, for valuing the Portfolio'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 |
|---|---|---|---|---|
| **Asset Valuation Inputs** | | | | |
| Investments in Securities (a) | | | | |
| Long-Term Bonds | | | | |
| Asset-Backed Securities | $ — | $ 16,124,279 | $ — | $ 16,124,279 |
| Corporate Bonds | — | 78,356,296 | — | 78,356,296 |
| Foreign Government Bonds | — | 1,630,042 | — | 1,630,042 |
| Loan Assignments | — | 486,195 | — | 486,195 |
| Mortgage-Backed Securities | — | 82,584,613 | — | 82,584,613 |
| Municipal Bond | — | 756,365 | — | 756,365 |
| U.S. Government & Federal Agencies | — | 30,042,861 | — | 30,042,861 |
| Total Long-Term Bonds | — | 209,980,651 | — | 209,980,651 |
| Common Stocks | | | | |
| Air Freight & Logistics | 4,823,560 | 1,922,636 | — | 6,746,196 |
| Wireless Telecommunication Services | 1,787,286 | 1,808,485 | — | 3,595,771 |
| All Other Industries | 276,341,160 | — | — | 276,341,160 |
| Total Common Stocks | 282,952,006 | 3,731,121 | — | 286,683,127 |
| Short-Term Investments | | | | |
| Affiliated Investment Company | 12,142,456 | — | — | 12,142,456 |
| Unaffiliated Investment Company | 2,298,070 | — | — | 2,298,070 |
| U.S. Treasury Debt | — | 257,302 | — | 257,302 |
| Total Short-Term Investments | 14,440,526 | 257,302 | — | 14,697,828 |
| Total Investments in Securities | 297,392,532 | 213,969,074 | — | 511,361,606 |
| Other Financial Instruments (b) | | | | |
| Foreign Currency Forward Contracts | — | 1,839,131 | — | 1,839,131 |
| Futures Contracts | 3,640,106 | — | — | 3,640,106 |
| Total Other Financial Instruments | 3,640,106 | 1,839,131 | — | 5,479,237 |
| Total Investments in Securities and Other Financial Instruments | $ 301,032,638 | $ 215,808,205 | $ — | $ 516,840,843 |
| **Liability Valuation Inputs** | | | | |
| Other Financial Instruments (b) | | | | |
| Foreign Currency Forward Contracts | $ — | $ (107,065) | $ — | $ (107,065) |
| Futures Contracts | (562,527) | — | — | (562,527) |
| Total Other Financial Instruments | $ (562,527) | $ (107,065) | $ — | $ (669,592) |

(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 December 31, 2023

## Assets

| | |
|---|---|
| Investment in unaffiliated securities, at value (identified cost $475,085,961) including securities on loan of $8,121,558 | $499,219,150 |
| Investment in affiliated investment companies, at value (identified cost $12,142,456) | 12,142,456 |
| Cash | 31,091 |
| Cash denominated in foreign currencies (identified cost $53,010) | 53,023 |
| Cash collateral on deposit at broker for futures contracts | 7,209,731 |
| Receivables: | |
| Investment securities sold | 3,140,160 |
| Dividends and interest | 2,431,769 |
| Portfolio shares sold | 520,508 |
| Securities lending | 17,141 |
| Unrealized appreciation on foreign currency forward contracts | 1,839,131 |
| Other assets | 29,119 |
| Total assets | 526,633,279 |

## Liabilities

| | |
|---|---|
| Cash collateral received for securities on loan | 2,298,070 |
| Payables: | |
| Investment securities purchased | 3,542,237 |
| Variation margin on futures contracts | 289,820 |
| Portfolio shares redeemed | 284,770 |
| Manager (See Note 3) | 247,696 |
| NYLIFE Distributors (See Note 3) | 78,543 |
| Professional fees | 41,225 |
| Custodian | 35,813 |
| Shareholder communication | 2,704 |
| Accrued expenses | 2,854 |
| Unrealized depreciation on foreign currency forward contracts | 107,065 |
| Total liabilities | 6,930,797 |
| Net assets | $519,702,482 |

## Composition of Net Assets

| | |
|---|---|
| Shares of beneficial interest outstanding (par value of $.001 per share) unlimited number of shares authorized | $ 35,952 |
| Additional paid-in-capital | 536,592,461 |
| | 536,628,413 |
| Total distributable earnings (loss) | (16,925,931) |
| Net assets | $519,702,482 |

**Initial Class**

| | |
|---|---|
| Net assets applicable to outstanding shares | $144,150,431 |
| Shares of beneficial interest outstanding | 9,893,623 |
| Net asset value per share outstanding | $ 14.57 |

**Service Class**

| | |
|---|---|
| Net assets applicable to outstanding shares | $375,552,051 |
| Shares of beneficial interest outstanding | 26,058,565 |
| Net asset value per share outstanding | $ 14.41 |

# Statement of Operations for the year ended December 31, 2023

## Investment Income (Loss)

| | |
|---|---|
| **Income** | |
| Interest | $ 10,581,358 |
| Dividends-unaffiliated (net of foreign tax withholding of $444,602) | 9,410,734 |
| Dividends-affiliated | 292,367 |
| Securities lending, net | 77,669 |
| Total income | 20,362,128 |
| **Expenses** | |
| Manager (See Note 3) | 2,947,854 |
| Distribution/Service—Service Class (See Note 3) | 932,646 |
| Professional fees | 119,549 |
| Custodian | 80,120 |
| Trustees | 13,554 |
| Shareholder communication | 5,577 |
| Miscellaneous | 25,685 |
| Total expenses | 4,124,985 |
| Net investment income (loss) | 16,237,143 |

## Realized and Unrealized Gain (Loss)

| | |
|---|---|
| Net realized gain (loss) on: | |
| Unaffiliated investment transactions | (6,460,256) |
| Futures transactions | (1,408,449) |
| Foreign currency transactions | (125,253) |
| Foreign currency forward transactions | (3,414,386) |
| Net realized gain (loss) | (11,408,344) |
| Net change in unrealized appreciation (depreciation) on: | |
| Unaffiliated investments | 39,833,219 |
| Futures contracts | 3,402,965 |
| Foreign currency forward contracts | 1,055,996 |
| Translation of other assets and liabilities in foreign currencies | (329,858) |
| Net change in unrealized appreciation (depreciation) | 43,962,322 |
| Net realized and unrealized gain (loss) | 32,553,978 |
| Net increase (decrease) in net assets resulting from operations | $ 48,791,121 |



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

# Statements of Changes in Net Assets

for the years ended December 31, 2023 and December 31, 2022

| | 2023 | 2022 |
|---|---|---|
| **Increase (Decrease) in Net Assets** | | |
| Operations: | | |
| Net investment income (loss) | $ 16,237,143 | $ 14,927,789 |
| Net realized gain (loss) | (11,408,344) | (36,987,033) |
| Net change in unrealized appreciation (depreciation) | 43,962,322 | (72,100,871) |
| Net increase (decrease) in net assets resulting from operations | 48,791,121 | (94,160,115) |
| Distributions to shareholders: | | |
| Initial Class | (3,886,538) | (18,520,336) |
| Service Class | (9,476,787) | (44,926,426) |
| | (13,363,325) | (63,446,762) |
| Distributions to shareholders from return of capital: | | |
| Initial Class | (826,081) | (1,897,990) |
| Service Class | (2,014,286) | (4,604,122) |
| | (2,840,367) | (6,502,112) |
| Total distributions to shareholders | (16,203,692) | (69,948,874) |
| Capital share transactions: | | |
| Net proceeds from sales of shares | 31,660,834 | 44,815,527 |
| Net asset value of shares issued to shareholders in reinvestment of distributions | 16,203,692 | 69,948,874 |
| Cost of shares redeemed | (104,798,961) | (105,661,713) |
| Increase (decrease) in net assets derived from capital share transactions | (56,934,435) | 9,102,688 |
| Net increase (decrease) in net assets | (24,347,006) | (155,006,301) |
| **Net Assets** | | |
| Beginning of year | 544,049,488 | 699,055,789 |
| End of year | $ 519,702,482 | $ 544,049,488 |

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

| Initial Class | Year Ended December 31, 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| Net asset value at beginning of year | $ 13.69 | $ 18.23 | $ 17.37 | $ 17.14 | $ 15.23 |
| Net investment income (loss) (a) | 0.46 | 0.42 | 0.42 | 0.41 | 0.49 |
| Net realized and unrealized gain (loss) | 0.88 | (3.02) | 1.37 | 0.87 | 2.22 |
| Total from investment operations | 1.34 | (2.60) | 1.79 | 1.28 | 2.71 |
| **Less distributions:** | | | | | |
| From net investment income | (0.38) | (0.26) | (0.39) | (0.42) | (0.68) |
| From net realized gain on investments | — | (1.51) | (0.54) | (0.63) | (0.12) |
| Return of capital | (0.08) | (0.17) | — | — | — |
| Total distributions | (0.46) | (1.94) | (0.93) | (1.05) | (0.80) |
| Net asset value at end of year | $ 14.57 | $ 13.69 | $ 18.23 | $ 17.37 | $ 17.14 |
| Total investment return (b) | 10.05% | (13.52)% | 10.52% | 7.98% | 18.07% |
| **Ratios (to average net assets)/Supplemental Data:** | | | | | |
| Net investment income (loss) | 3.32% | 2.70% | 2.31% | 2.50% | 3.00% |
| Net expenses (c) | 0.62% | 0.62% | 0.61% | 0.62% | 0.63% |
| Portfolio turnover rate | 56% | 58% | 67%(d) | 68%(d) | 59%(d) |
| Net assets at end of year (in 000's) | $ 144,150 | $ 158,020 | $ 198,243 | $ 192,022 | $ 193,252 |

(a) Per share data based on average shares outstanding during the year.
(b) Total return does not reflect any deduction of sales charges, mortality and expense charges, contract charges or administrative charges. For periods of less than one year, total return is not annualized.
(c) In addition to the fees and expenses which the Portfolio 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 rates not including mortgage dollar rolls were 67%, 67%, and 52% for the years ended December 31, 2021, 2020, and 2019, respectively.

| Service Class | Year Ended December 31, 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| Net asset value at beginning of year | $ 13.54 | $ 18.06 | $ 17.22 | $ 16.99 | $ 15.11 |
| Net investment income (loss) (a) | 0.42 | 0.38 | 0.37 | 0.37 | 0.45 |
| Net realized and unrealized gain (loss) | 0.88 | (3.00) | 1.36 | 0.86 | 2.19 |
| Total from investment operations | 1.30 | (2.62) | 1.73 | 1.23 | 2.64 |
| **Less distributions:** | | | | | |
| From net investment income | (0.36) | (0.22) | (0.35) | (0.37) | (0.64) |
| From net realized gain on investments | — | (1.51) | (0.54) | (0.63) | (0.12) |
| Return of capital | (0.07) | (0.17) | — | — | — |
| Total distributions | (0.43) | (1.90) | (0.89) | (1.00) | (0.76) |
| Net asset value at end of year | $ 14.41 | $ 13.54 | $ 18.06 | $ 17.22 | $ 16.99 |
| Total investment return (b) | 9.78% | (13.73)% | 10.24% | 7.71% | 17.78% |
| **Ratios (to average net assets)/Supplemental Data:** | | | | | |
| Net investment income (loss) | 3.07% | 2.45% | 2.06% | 2.25% | 2.74% |
| Net expenses (c) | 0.87% | 0.87% | 0.86% | 0.87% | 0.88% |
| Portfolio turnover rate | 56% | 58% | 67%(d) | 68%(d) | 59%(d) |
| Net assets at end of year (in 000's) | $ 375,552 | $ 386,030 | $ 500,812 | $ 473,118 | $ 433,515 |

(a) Per share data based on average shares outstanding during the year.
(b) Total return does not reflect any deduction of sales charges, mortality and expense charges, contract charges or administrative charges. For periods of less than one year, total return is not annualized.
(c) In addition to the fees and expenses which the Portfolio 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 rates not including mortgage dollar rolls were 67%, 67%, and 52% for the years ended December 31, 2021, 2020, and 2019, respectively.



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

# Notes to Financial Statements

## Note 1–Organization and Business

MainStay VP Funds Trust (the "Fund") was organized as a Delaware statutory trust on February 1, 2011. The Fund is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company. The Fund is comprised of thirty-one separate series (collectively referred to as the "Portfolios"). These financial statements and notes relate to the MainStay VP Income Builder Portfolio (the "Portfolio"), a "diversified" portfolio, as that term is defined in the 1940 Act, as interpreted or modified by regulatory authorities having jurisdiction, from time to time.

Shares of the Portfolio are currently offered to certain separate accounts to fund variable annuity policies and variable universal life insurance policies issued by New York Life Insurance and Annuity Corporation ("NYLIAC"), a wholly-owned subsidiary of New York Life Insurance Company ("New York Life") and may also be offered to fund variable annuity policies and variable universal life insurance policies issued by other insurance companies. NYLIAC allocates shares of the Portfolio to, among others, certain NYLIAC separate accounts. Shares of the Portfolio are also offered to the MainStay VP Conservative Allocation Portfolio, MainStay VP Moderate Allocation Portfolio, MainStay VP Growth Allocation Portfolio and MainStay VP Equity Allocation Portfolio, which operate as "funds-of-funds," and other variable insurance funds.

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

| Class | Commenced Operations |
|---|---|
| Initial Class | January 29, 1993 |
| Service Class | June 4, 2003 |

Shares of the Portfolio are offered and are redeemed at a price equal to their respective net asset value ("NAV") per share. No sales or redemption charge is applicable to the purchase or redemption of the Portfolio's shares. Under the terms of the Fund's multiple class plan, adopted pursuant to Rule 18f-3 under the 1940 Act, the classes differ in that, among other things, Service Class shares of the Portfolio pay a combined distribution and service fee of 0.25% of average daily net assets attributable to Service Class shares of the Portfolio to the Distributor (as defined in Note 3(B)) pursuant to a plan adopted in accordance with Rule 12b-1 under the 1940 Act. Contract owners of variable annuity contracts purchased after June 2, 2003, are permitted to invest only in the Service Class shares.

The Portfolio's investment objective is to seek current income consistent with reasonable opportunity for future growth of capital and income.

## Note 2–Significant Accounting Policies

The Portfolio 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 Portfolio 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 Portfolio is open for business ("valuation date").

Pursuant to Rule 2a-5 under the 1940 Act, the Board of Trustees of the Fund (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 Portfolio'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 Portfolio'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 Portfolio investments. The Valuation Designee may value the Portfolio's portfolio securities for which market quotations are not readily available and other Portfolio 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 to preview reports to the Board.

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

Investments for which market quotations are not readily available are valued at fair value as determined in good faith pursuant to the Valuation Procedures. A market quotation is readily available only when that quotation is a quoted price (unadjusted) in active markets for identical investments that the Portfolio 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 Portfolio 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 Portfolio. Unobservable inputs reflect the Portfolio'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 Portfolio'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 Portfolio's assets and liabilities as of December 31, 2023, is included at the end of the Portfolio of Investments.

The Portfolio 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 Portfolio 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 Portfolio 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 year ended December 31, 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.

Certain securities held by the Portfolio may principally trade in foreign markets. Events may occur between the time the foreign markets close and the time at which the Portfolio's NAVs are calculated. These events may include, but are not limited to, situations relating to a single issuer in a market sector, significant fluctuations in U.S. or foreign markets, natural disasters, armed conflicts, governmental actions or other developments not tied directly to the securities markets. Should the Valuation Designee conclude that such events may have affected the accuracy of the last price of such securities reported on the local foreign market, the Valuation Designee may, pursuant to the Valuation Procedures, adjust the value of the local price to reflect the estimated impact on the price of such securities as a result of such events. In this instance, securities are generally categorized as Level 3 in the hierarchy. Additionally, certain foreign equity securities are also fair valued whenever the movement of a particular index exceeds certain thresholds. In such cases, the securities are fair valued by applying factors provided by a third-party vendor in accordance with the Valuation Procedures and are generally categorized as Level 2 in the hierarchy.

If the principal market of certain foreign equity securities is closed in observance of a local foreign holiday, these securities are valued using the last closing price of regular trading on the relevant exchange and fair valued by applying factors provided by a third-party vendor in accordance with the Valuation Procedures. These securities are generally categorized as Level 2 in the hierarchy.

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

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.

Debt securities (other than convertible and municipal bonds) are valued at the evaluated bid prices (evaluated mean prices in the case of convertible and municipal bonds) supplied by a pricing agent or broker selected by the Valuation Designee, in consultation with the Subadvisors. 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 Subadvisors, to be representative of market values at the regular close of trading of the Exchange on each valuation date. Debt securities purchased on a delayed delivery basis are marked to market daily until settlement at the forward settlement date. Debt securities, including corporate bonds, U.S. government and federal agency bonds, municipal bonds, foreign bonds, convertible bonds, asset-backed securities and mortgage-backed securities are generally categorized as Level 2 in the hierarchy.

Foreign currency forward contracts are valued at their fair market values measured on the basis of the mean between the last current bid and ask prices based on dealer or exchange quotations and are generally categorized as Level 2 in the hierarchy.

Loan assignments, participations and commitments are valued at the average of bid quotations obtained from the engaged independent pricing service and are generally categorized as Level 2 in the hierarchy. Certain loan assignments, participations and commitments may be valued by utilizing significant unobservable inputs obtained from the pricing service and are generally categorized as Level 3 in the hierarchy.

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.

A portfolio investment may be classified as an illiquid investment under the Portfolio's written liquidity risk management program and related procedures ("Liquidity Program"). Illiquidity of an investment might prevent the sale of such investment at a time when the Manager or the Subadvisors might wish to sell, and these investments could have the effect of decreasing the overall level of the Portfolio's liquidity. Further, the lack of an established secondary market may make it more difficult to value illiquid investments, requiring the Portfolio to rely on judgments that may be somewhat subjective in measuring value, which could vary materially from the amount that the Portfolio could realize upon disposition. Difficulty in selling illiquid investments may result in a loss or may be costly to the Portfolio. An illiquid investment is any investment that the Manager or Subadvisors reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. The liquidity classification of each investment will be made using information obtained after reasonable inquiry and taking into account, among other things, relevant market, trading and investment-specific considerations in accordance with the Liquidity Program. Illiquid investments are often fair valued in accordance with the Portfolio's procedures described above. The liquidity of the Portfolio's investments was determined as of December 31, 2023, and can change at any time.

**(B) Income Taxes.** The Portfolio'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 Portfolio within the allowable time limits.

The Manager evaluates the Portfolio'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 Portfolio'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 Portfolio's financial statements. The Portfolio'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) Foreign Taxes.** The Portfolio may be subject to foreign taxes on income and other transaction-based taxes imposed by certain countries in which it invests. A portion of the taxes on gains on investments or currency purchases/repatriation may be reclaimable. The Portfolio will accrue such taxes and reclaims as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

The Portfolio may be subject to taxation on realized capital gains, repatriation proceeds and other transaction-based taxes imposed by certain countries in which it invests. The Portfolio will accrue such taxes as applicable based upon its current interpretation of tax rules and regulations that exist in the market in which it invests. Capital gains taxes relating to positions still held are reflected as a liability in the Statement of Assets and Liabilities, as well as an adjustment to the Portfolio's net unrealized appreciation (depreciation). Taxes related to capital gains realized, if any, are reflected as part of net realized gain (loss) in the Statement of Operations. Changes in tax liabilities related to capital gains taxes on unrealized investment gains, if any, are reflected as part of the change in net unrealized appreciation (depreciation) on investments in the Statement of Operations. Transaction-based charges are generally assessed as a percentage of the transaction amount.

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

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

Investment income and realized and unrealized gains and losses on investments of the Portfolio 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 Portfolio 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.

**(F) Expenses.** Expenses of the Fund are allocated to the individual Portfolios in proportion to the net assets of the respective Portfolios when the expenses are incurred, except where direct allocations of expenses can be made. Expenses (other than fees incurred under the distribution and service plans, further discussed in Note 3(B), which are charged directly to the Service Class shares) 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 Portfolio, including those of related parties to the Portfolio, are shown in the Statement of Operations.

Additionally, the Portfolio 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 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.

**(G) 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.

**(H) 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 Portfolio 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 Portfolio 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 Portfolio 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 Portfolio records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Portfolio'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 Portfolio'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 Portfolio seeks to close out a futures contract. If no liquid market exists, the Portfolio 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 Portfolio 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 Portfolio'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 Portfolio, the Portfolio may not be entitled to the return of the entire margin owed to the Portfolio, potentially resulting in a loss. The Portfolio may invest in futures contracts to seek enhanced returns or to reduce the risk of loss by hedging certain of its holdings. The Portfolio's investment in futures contracts and other derivatives may increase the volatility of the Portfolio's NAVs and may result in a loss to the Portfolio.

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

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

Unfunded commitments represent the remaining obligation of the Portfolio to the borrower. At any point in time, up to the maturity date of the issue, the borrower may demand the unfunded portion. Unfunded amounts, if any, are marked to market and any unrealized gains or losses are recorded in the Statement of Assets and Liabilities.

**(J) Foreign Currency Forward Contracts.** The Portfolio may enter into foreign currency forward contracts, which are agreements to buy or sell foreign currencies on a specified future date at a specified rate. The Portfolio is subject to foreign currency exchange rate risk in the normal course of investing in these transactions. During the period the forward 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. Cash movement occurs on the settlement date. When the forward contract is closed, the Portfolio records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Portfolio's basis in the contract. The Portfolio may purchase and sell foreign currency forward contracts for purposes of seeking to enhance portfolio returns and manage portfolio risk more efficiently. Foreign currency forward contracts may also be used to gain exposure to a particular currency or to hedge against the risk of loss due to changing currency exchange rates. Foreign currency forward contracts to purchase or sell a foreign currency may also be used in anticipation of future purchases or sales of securities denominated in foreign currency, even if the specific investments have not yet been selected.

The use of foreign currency forward contracts involves, to varying degrees, elements of risk in excess of the amount recognized in the Statement of Assets and Liabilities, including counterparty risk, market risk, leverage risk, operational risk, legal risk and liquidity risk. Counterparty risk is heightened for these instruments because foreign currency forward contracts are not exchange-traded and therefore no clearinghouse or exchange stands ready to meet the obligations under such contracts. Thus, the Portfolio faces the risk that its counterparties under such contracts may not perform their obligations. Market risk is the risk that the value of a foreign currency forward contract will depreciate due to unfavorable changes in exchange rates. Liquidity risk arises because the secondary market for foreign currency forward contracts may have less liquidity relative to markets for other securities and financial instruments. Liquidity risk also can arise when forward currency contracts create margin or settlement payment obligations for the Portfolio. Leverage risk is the risk that a foreign currency forward contract can magnify the Portfolio's gains and losses. Operational risk refers to risk related to potential operational issues (including documentation issues, settlement issues, systems failures, inadequate controls and human error), and legal risk refers to insufficient documentation, insufficient capacity or authority of the counterparty, or legality or enforceability of a foreign currency forward contract. Risks also arise from the possible movements in the foreign exchange rates underlying these instruments. While the Portfolio may enter into forward contracts to reduce currency exchange risks, changes in currency exchange rates may result in poorer overall performance for the Portfolio than if it had not engaged in such transactions. Exchange rate movements can be large, depending on the currency, and can last for extended periods of time, affecting the value of the Portfolio's assets. Moreover, there may be an imperfect correlation between the Portfolio's holdings of securities denominated in a particular currency and forward contracts entered into by the Portfolio. Such imperfect correlation may prevent the Portfolio from achieving the intended hedge or expose the Portfolio to the risk of currency exchange loss. The unrealized appreciation (depreciation) on forward contracts also reflects the Portfolio's exposure at the valuation date to credit loss in the event of a counterparty's failure to perform its obligations.

**(K) Foreign Currency Transactions.** The Portfolio's books and records are maintained in U.S. dollars. Prices of securities denominated in foreign currency amounts are translated into U.S. dollars at the mean between the buying and selling rates last quoted by any major U.S. bank at the following dates:

(i) market value of investment securities, other assets and liabilities— at the valuation date; and

(ii) purchases and sales of investment securities, income and expenses—at the date of such transactions.

The assets and liabilities that are denominated in foreign currency amounts are presented at the exchange rates and market values at the close of the period. The realized and unrealized changes in net assets arising from fluctuations in exchange rates and market prices of securities are not separately presented.

Net realized gain (loss) on foreign currency transactions represents net currency gains or losses realized as a result of differences between the amounts of securities sale proceeds or purchase cost, dividends, interest and withholding taxes as recorded on the Portfolio's books, and the U.S. dollar equivalent amount actually received or paid. Net currency gains or losses from valuing such foreign currency denominated assets and liabilities, other than investments at valuation date exchange rates, are reflected in unrealized foreign exchange gains or losses.

**(L) Securities Lending.** In order to realize additional income, the Portfolio may engage in securities lending, subject to the limitations set forth in the 1940 Act and relevant guidance by the staff of the Securities and Exchange Commission ("SEC"). If the Portfolio engages in securities lending, the Portfolio will lend through its custodian, JPMorgan Chase Bank, N.A., ("JPMorgan"), acting as securities lending agent on behalf of the Portfolio. Under the current arrangement, JPMorgan will manage the Portfolio's collateral in accordance with the securities lending agency agreement between the Portfolio and JPMorgan, and indemnify the Portfolio against counterparty risk. The loans will be collateralized by cash (which may be invested in a money market fund) and/or non-cash collateral (which may include U.S. Treasury securities and/or U.S. government agency securities issued or guaranteed by the United States government or its agencies or instrumentalities) at least equal at all times to the market value of the securities loaned. Non-cash collateral held at year end is segregated and cannot be transferred by the Portfolio. The Portfolio bears the risk of delay in recovery of, or loss of rights in, the securities loaned. The Portfolio may also record a realized gain or loss on securities deemed sold due to a borrower's inability to return securities on loan. The Portfolio bears the risk of any loss on investment of cash collateral. The Portfolio will receive compensation for lending its securities in the form of fees or it will retain a portion of interest earned on the investment of any cash collateral. The Portfolio will also continue to receive interest and dividends on the securities loaned and any gain or loss in the market price of the securities loaned that may occur during the term of the loan will be for the account of the Portfolio. Income earned from securities lending activities, if any, is reflected in the Statement of Operations.

**(M) Debt Securities Risk.** The ability of issuers of debt securities held by the Portfolio to meet their obligations may be affected by, among other things, economic or political developments in a specific country, industry or region. Debt securities are also subject to the risks associated with changes in interest rates.

The Portfolio may invest in high-yield debt securities (sometimes called "junk bonds"), which are generally considered speculative because they present a greater risk of loss, including default, than higher quality debt securities. These securities pay investors a premium—a higher interest rate or yield than investment grade debt securities—because of the increased risk of loss. These securities can also be subject to greater price volatility. In times of unusual or adverse market, economic or political conditions, these securities may experience higher than normal default rates.

The Portfolio may invest in foreign securities, which carry certain risks that are in addition to the usual risks inherent in domestic securities. Foreign regulatory regimes and securities markets can have less stringent investor protections and disclosure standards and less liquid trading markets than U.S. regulatory regimes and securities markets, and can experience political, social and economic developments that may affect the value of investments in foreign securities. These risks include those resulting from currency fluctuations, future adverse political or economic developments and possible imposition of currency exchange blockages or other foreign governmental laws or restrictions. Economic sanctions and other similar governmental actions or developments could, among other things, effectively restrict or eliminate the Portfolio's ability to purchase or sell certain foreign securities or groups of foreign securities, and thus may make the Portfolio's investments in such securities less liquid or more difficult to value. These risks are likely to be greater in emerging markets than in developed markets. The ability of issuers of securities held by the Portfolio to meet their obligations may be affected by, among other things, economic or political developments in a specific country, industry or region.

The Portfolio may invest in loans which are usually rated below investment grade and are generally considered speculative because they present a greater risk of loss, including default, than higher rated debt securities. These investments pay investors a higher interest rate than investment grade debt securities because of the increased risk of loss. Although certain loans are collateralized, there is no guarantee that the value of the collateral will be sufficient to repay the loan. In a recession or serious credit event, the value of these investments could decline significantly. As a result, the Portfolio's NAVs could go down and you could lose money.

In addition, loans generally are subject to extended settlement periods that may be longer than seven days. As a result, the Portfolio may be adversely affected by selling other investments at an unfavorable time and/or under unfavorable conditions or engaging in borrowing transactions, such as borrowing against its credit facility, to raise cash to meet redemption obligations or pursue other investment opportunities.

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

**(N) Counterparty Credit Risk.** In order to better define its contractual rights and to secure rights that will help the Portfolio mitigate its counterparty risk, the Portfolio may enter into an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement with its counterparties. An ISDA Master Agreement is a bilateral agreement between the Portfolio and a counterparty that governs certain OTC derivatives and typically contains collateral posting terms and netting provisions. Under an ISDA Master Agreement, the Portfolio may, under certain circumstances, offset with the counterparty certain derivative financial instruments' payables and/ or receivables with collateral held and/or posted and create one single net payment. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of default including the bankruptcy or insolvency of the counterparty. Bankruptcy or insolvency laws of a particular jurisdiction may restrict or prohibit the right of offset in bankruptcy, insolvency or other events. In addition, certain ISDA Master Agreements may contain provisions for early termination of OTC derivative transactions in the event the net assets of the Portfolio decline below specific levels or if the Portfolio fails to meet the terms of its ISDA Master Agreements. The result would cause the Portfolio to accelerate payment of any net liability owed to the counterparty.

For financial reporting purposes, the Portfolio does not offset derivative assets and derivative liabilities that are subject to netting arrangements, if any, in the Statement of Assets and Liabilities.

**(O) Indemnifications.** Under the Fund's organizational documents, its officers and trustees are indemnified against certain liabilities that may arise out of performance of their duties to the Fund. Additionally, in the normal course of business, the Portfolio enters into contracts with third-party service providers that contain a variety of representations and warranties and that may provide general indemnifications. The Portfolio's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Portfolio 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 Portfolio.

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

The Portfolio entered into Treasury futures contracts in order to hedge against anticipated changes in interest rates that might otherwise have an adverse effect upon the value of the Portfolio's securities. The Portfolio also entered into domestic and foreign equity index futures contracts to increase the equity sensitivity to the Portfolio.

The Portfolio entered into foreign currency forward contracts to gain exposure to a particular currency or to hedge against the risk of loss due to changing currency exchange rates. These derivatives are not accounted for as hedging instruments.

Fair value of derivative instruments as of December 31, 2023:

| Asset Derivatives | Foreign Exchange Contracts Risk | Equity Contracts Risk | Interest Rate Contracts Risk | Total |
|---|---|---|---|---|
| Futures Contracts - Net Assets—Net unrealized appreciation on futures contracts (a) | $ — | $1,674,972 | $1,965,134 | $3,640,106 |
| Forward Contracts - Unrealized appreciation on foreign currency forward contracts | 1,839,131 | — | — | 1,839,131 |
| Total Fair Value | $1,839,131 | $1,674,972 | $1,965,134 | $5,479,237 |

(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.

| Liability Derivatives | Foreign Exchange Contracts Risk | Equity Contracts Risk | Interest Rate Contracts Risk | Total |
|---|---|---|---|---|
| Futures Contracts - Net Assets—Net unrealized depreciation on futures contracts (a) | $ — | $(552,417) | $(10,110) | $(562,527) |
| Forward Contracts - Unrealized depreciation on foreign currency forward contracts | (107,065) | — | — | (107,065) |
| Total Fair Value | $(107,065) | $(552,417) | $(10,110) | $(669,592) |

(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 year ended December 31, 2023:

| Net Realized Gain (Loss) from: | Foreign Exchange Contracts Risk | Equity Contracts Risk | Interest Rate Contracts Risk | Total |
|---|---|---|---|---|
| Futures Transactions | $ — | $1,132,159 | $(2,540,608) | $(1,408,449) |
| Forward Transactions | (3,414,386) | — | — | (3,414,386) |
| Total Net Realized Gain (Loss) | $(3,414,386) | $1,132,159 | $(2,540,608) | $(4,822,835) |

| Net Change in Unrealized Appreciation (Depreciation) | Foreign Exchange Contracts Risk | Equity Contracts Risk | Interest Rate Contracts Risk | Total |
|---|---|---|---|---|
| Futures Contracts | $ — | $1,234,793 | $2,168,172 | $3,402,965 |
| Forward Contracts | 1,055,996 | — | — | 1,055,996 |
| Total Net Change in Unrealized Appreciation (Depreciation) | $1,055,996 | $1,234,793 | $2,168,172 | $4,458,961 |

| Average Notional Amount | Total |
|---|---|
| Futures Contracts Long | $139,484,017 |
| Futures Contracts Short | $(31,535,608) |
| Forward Contracts Long | $ 31,061,188 |
| Forward Contracts Short | $ (9,510,540) |

## Note 3–Fees and Related Party Transactions

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

Pursuant to the Management Agreement, the Fund pays the Manager, on behalf of the Portfolio, a monthly fee for the services performed and the facilities furnished at an annual rate of the Portfolio's average daily net assets as follows: 0.57% up to $1 billion; and 0.55% in excess of $1 billion. During the year ended December 31, 2023, the effective management fee rate was 0.57% of the Portfolio's average daily net assets.

During the year ended December 31, 2023, New York Life Investments earned fees from the Portfolio in the amount of $2,947,854 and paid MacKay Shields and Epoch fees in the amount of $659,074 and $814,803, respectively.

JPMorgan provides sub-administration and sub-accounting services to the Portfolio pursuant to an agreement with New York Life Investments. These services include calculating the daily NAVs of the Portfolio, maintaining the general ledger and sub-ledger accounts for the calculation of the Portfolio's NAVs, and assisting New York Life

Investments in conducting various aspects of the Portfolio's administrative operations. For providing these services to the Portfolio, JPMorgan is compensated by New York Life Investments.

Pursuant to an agreement between the Fund and New York Life Investments, New York Life Investments is responsible for providing or procuring certain regulatory reporting services for the Portfolio. The Portfolio 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 Portfolio.

**(B) Distribution and Service Fees.** The Fund, on behalf of the Portfolio, has entered into a distribution agreement with NYLIFE Distributors LLC (the "Distributor"), an affiliate of New York Life Investments. The Portfolio has adopted a distribution plan (the "Plan") in accordance with the provisions of Rule 12b-1 under the 1940 Act. Under the Plan, the Distributor has agreed to provide, through its affiliates or independent third parties, various distribution-related, shareholder and administrative support services to the Service Class shareholders. For its services, the Distributor is entitled to a combined distribution and service fee accrued daily and paid monthly at an annual rate of 0.25% of the average daily net assets attributable to the Service Class shares of the Portfolio.

## Note 4-Federal Income Tax

As of December 31, 2023, the cost and unrealized appreciation (depreciation) of the Portfolio'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 | $489,557,629 | $44,613,917 | $(22,846,284) | $21,767,633 |

As of December 31, 2023, the components of accumulated gain (loss) on a tax basis were as follows:

| Ordinary Income | Accumulated Capital and Other Gain (Loss) | Other Temporary Differences | Unrealized Appreciation (Depreciation) | Total Accumulated Gain (Loss) |
|---|---|---|---|---|
| $— | $(37,541,956) | $59,406 | $20,556,619 | $(16,925,931) |

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is primarily due to wash sales, mark to market of forwards and partnership adjustments.

| Total Distributable Earnings (Loss) | Additional Paid-In Capital |
|---|---|
| $(469,268) | $469,268 |

The reclassifications for the Portfolio are primarily due to return of capital.

As of December 31, 2023, for federal income tax purposes, capital loss carryforwards of $37,505,611, as shown in the table below, were available to the extent provided by the regulations to offset future realized gains of the Portfolio. 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 | $21,194 | $16,312 |

During the years ended December 31, 2023 and December 31, 2022, the tax character of distributions paid as reflected in the Statements of Changes in Net Assets was as follows:

| | 2023 | 2022 |
|---|---|---|
| Distributions paid from: | | |
| Ordinary Income | $13,363,325 | $16,814,864 |
| Long-Term Capital Gains | — | 46,631,898 |
| Return of Capital | 2,840,367 | 6,502,112 |
| Total | $16,203,692 | $69,948,874 |

## Note 5–Custodian

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

## Note 6–Line of Credit

The Portfolio 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 25, 2023, 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 Portfolio 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 SOFR + 0.10%, or the Overnight Bank Funding Rate, whichever is higher. The Credit Agreement expires on July 23, 2024, although the Portfolio, 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 25, 2023, the aggregate commitment amount and the commitment fee were the same as those under the current Credit Agreement. During the year ended December

31, 2023, there were no borrowings made or outstanding with respect to the Portfolio under the Credit Agreement.

## Note 7–Interfund Lending Program

Pursuant to an exemptive order issued by the SEC, the Portfolio, 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 Portfolio 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 year ended December 31, 2023, there were no interfund loans made or outstanding with respect to the Portfolio.

## Note 8–Purchases and Sales of Securities (in 000's)

During the year ended December 31, 2023, purchases and sales of U.S. government securities were $84,131 and $97,504, respectively. Purchases and sales of securities, other than U.S. government securities and short-term securities, were $197,248 and $243,780, respectively.

## Note 9–Capital Share Transactions

Transactions in capital shares for the years ended December 31, 2023 and December 31, 2022, were as follows:

| Initial Class | Shares | Amount |
|---|---|---|
| Year ended December 31, 2023: | | |
| Shares sold | 161,726 | $ 2,247,369 |
| Shares issued to shareholders in reinvestment of distributions | 337,238 | 4,712,619 |
| Shares redeemed | (2,151,511) | (30,087,211) |
| Net increase (decrease) | (1,652,547) | $(23,127,223) |
| Year ended December 31, 2022: | | |
| Shares sold | 219,018 | $ 3,428,090 |
| Shares issued to shareholders in reinvestment of distributions | 1,559,961 | 20,418,326 |
| Shares redeemed | (1,110,037) | (17,170,397) |
| Net increase (decrease) | 668,942 | $ 6,676,019 |

| Service Class | Shares | Amount |
|---|---|---|
| Year ended December 31, 2023: | | |
| Shares sold | 2,133,800 | $ 29,413,465 |
| Shares issued to shareholders in reinvestment of distributions | 831,184 | 11,491,073 |
| Shares redeemed | (5,418,948) | (74,711,750) |
| Net increase (decrease) | (2,453,964) | $(33,807,212) |
| Year ended December 31, 2022: | | |
| Shares sold | 2,643,387 | $ 41,387,437 |
| Shares issued to shareholders in reinvestment of distributions | 3,830,832 | 49,530,548 |
| Shares redeemed | (5,696,211) | (88,491,316) |
| Net increase (decrease) | 778,008 | $ 2,426,669 |

## Note 10–Other Matters

As of the date of this report, the Portfolio faces a heightened level of risk associated with current uncertainty, volatility and state of economies, financial markets, rising interest rates, and labor and health conditions around the world. Events such as war, acts of terrorism, recessions, rapid inflation, the imposition of international sanctions, earthquakes, hurricanes, epidemics and pandemics and other unforeseen natural or human disasters may have broad adverse social, political and economic effects on the global economy, which could negatively impact the value of the Portfolio's investments. Developments that disrupt global economies and financial markets may magnify factors that affect the Portfolio's performance.

## Note 11–Subsequent Events

In connection with the preparation of the financial statements of the Portfolio as of and for the year ended December 31, 2023, events and transactions subsequent to December 31, 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.

# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of MainStay VP Funds Trust and Shareholders of MainStay VP Income Builder Portfolio

### *Opinion on the Financial Statements*

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of MainStay VP Income Builder Portfolio (one of the portfolios constituting MainStay VP Funds Trust, referred to hereafter as the “Portfolio”) as of December 31, 2023, the related statement of operations for the year ended December 31, 2023, the statements of changes in net assets for each of the two years in the period ended December 31, 2023, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2023 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2023, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2023 and the financial highlights for each of the five years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

These financial statements are the responsibility of the Portfolio’s management. Our responsibility is to express an opinion on the Portfolio’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Portfolio in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2023 by correspondence with the custodian, transfer agents, agent banks and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP
New York, New York
February 26, 2024

We have served as the auditor of one or more investment companies in the MainStay group of funds since 1984.

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

The continuation of the Management Agreement with respect to the MainStay VP Income Builder Portfolio ("Portfolio") and New York Life Investment Management LLC ("New York Life Investments") and the Subadvisory Agreements between New York Life Investments and each of MacKay Shields LLC ("MacKay") and Epoch Investment Partners, Inc. ("Epoch") with respect to the Portfolio (together, "Advisory Agreements") is subject to annual review and approval by the Board of Trustees of MainStay VP 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, 2023 meeting, the Board, including the Trustees who are not an "interested person" (as such term is defined in the 1940 Act) of the Trust ("Independent Trustees") voting separately, 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, MacKay and Epoch in connection with an annual contract review process undertaken by the Board that took place at meetings of the Board and its Contracts Committee from September 2023 through December 2023, including information and materials furnished by New York Life Investments, MacKay and Epoch in response to requests prepared on behalf of the Board, and in consultation with the Independent Trustees, 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 Portfolio 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 Portfolio'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, MacKay and/or Epoch that follow investment strategies similar to those of the Portfolio, if any, and, when applicable, the rationale for differences in the Portfolio'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 Portfolio and investment-related matters for the Portfolio as well as presentations from New York Life Investments and, generally annually, MacKay and Epoch 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 Portfolio 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 2023 meeting provided specifically in response to requests prepared on behalf of the Board, and in consultation with the Independent Trustees, by independent legal counsel to the Independent Trustees regarding the Portfolio's distribution arrangements. In addition, the Board received information regarding the Portfolio's asset levels, share purchase and redemption activity and the payment of Rule 12b-1 and/or certain other fees by applicable share classes of the Portfolio, 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 Portfolio by New York Life Investments, MacKay and Epoch; (ii) the qualifications of the portfolio managers of the Portfolio and the historical investment performance of the Portfolio, New York Life Investments, MacKay and Epoch; (iii) the costs of the services provided, and profits realized, by New York Life Investments, MacKay and Epoch with respect to their relationships with the Portfolio; (iv) the extent to which economies of scale have been realized or may be realized if the Portfolio grows and the extent to which any economies of scale have been shared, have benefited or may benefit the Portfolio's shareholders; and (v) the reasonableness of the Portfolio's management and subadvisory fees and total ordinary operating expenses. Although the Board recognized that comparisons between the Portfolio'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 Portfolio'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 Portfolio. With respect to the Subadvisory Agreements, the Board took into account New York Life Investments' recommendation to approve the continuation of the Subadvisory Agreements.

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, MacKay and Epoch. 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, MacKay and Epoch, 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, notably under variable life insurance policies and variable annuity contracts for which the Portfolio serves as an investment option, there are a range of investment options available to investors and that the Portfolio's shareholders, having had the opportunity to consider other investment options, have invested in the Portfolio.

The factors that figured prominently in the Board's decision to approve the continuation of each of the Advisory Agreements during the Board's December 6–7, 2023 meeting are summarized in more detail below.

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

The Board examined the nature, extent and quality of the services that New York Life Investments provides to the Portfolio. The Board evaluated New York Life Investments' experience and capabilities in serving as manager of the Portfolio and considered that the Portfolio 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 and Epoch, evaluating the performance of MacKay and Epoch, making recommendations to the Board as to whether the Subadvisory Agreements 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 Portfolio. 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 Portfolio, including New York Life Investments' oversight and due diligence reviews of MacKay and Epoch and ongoing analysis of, and interactions with, MacKay and Epoch with respect to, among other things, the Portfolio's investment performance and risks as well as MacKay's and Epoch's investment capabilities and subadvisory services with respect to the Portfolio.

The Board also considered the range of services that New York Life Investments provides to the Portfolio 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 Portfolio'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, that may benefit the Portfolio 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 Portfolio and has over time provided an increasingly broad array of non-advisory services to the MainStay Group of Funds as a result of regulatory and other developments.

The Board also examined the range, and the nature, extent and quality, of the investment advisory services that MacKay and Epoch provide to the Portfolio and considered the terms of each of the Advisory Agreements. The Board evaluated MacKay's and Epoch's experience and performance in serving as subadvisors to the Portfolio and advising other portfolios and MacKay's and Epoch'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 and Epoch. The Board considered New York Life Investments', MacKay's and Epoch'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, MacKay and Epoch and acknowledged their commitment to further developing and strengthening compliance programs that may relate to the Portfolio. The Board also considered MacKay's and Epoch's ability to recruit and retain qualified investment professionals and willingness to invest in personnel and other resources that may benefit the Portfolio. In this regard, the Board considered the qualifications and experience of the Portfolio'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, MacKay and Epoch regarding their respective business continuity and disaster recovery plans.

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

### *Investment Performance*

In evaluating the Portfolio's investment performance, the Board considered investment performance results over various periods in light of the Portfolio's investment objective, strategies and risks. The Board considered investment reports on, and analysis of, the Portfolio's performance provided to the Board throughout the year. These reports include, among other items, information on the Portfolio's gross and net returns, the Portfolio's investment performance compared to a relevant investment category and the Portfolio's benchmarks, the Portfolio's risk-adjusted investment performance and the Portfolio'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 Portfolio 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 Portfolio's investment performance over various periods as well as discussions between representatives of MacKay and Epoch and the members of the Board's Investment Committee, which generally occur on an annual basis.

Based on these considerations, among others, the Board concluded that its review of the Portfolio'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, MacKay and Epoch*

The Board considered the costs of the services provided under each of the Advisory Agreements. The Board also considered the profitability of New York Life Investments and its affiliates, including MacKay, and Epoch due to their relationships with the Portfolio as well as by New York Life Investments and its affiliates, including MacKay, due to their relationships with 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 Portfolio, the Board considered cost and profitability information for New York Life Investments and MacKay in the aggregate. With respect to the profitability of Epoch's relationship with the Portfolio, the Board considered information from New York Life Investments that Epoch's subadvisory fee reflected an arm's-length negotiation and that this fee is paid by New York Life Investments, not the Portfolio, and the relevance of Epoch's profitability was considered by the Trustees in that context. On this basis, the Board primarily considered the costs and profitability for New York Life Investments and its affiliates with respect to the Portfolio.

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, MacKay and Epoch and profitability of New York Life Investments and its affiliates, including MacKay, and Epoch due to their relationships with the Portfolio, the Board considered, among other factors, New York Life Investments' and its affiliates', including MacKay's, and Epoch's continuing investments in, or willingness to invest in, personnel and other resources that may support and further enhance the management of the Portfolio, and that New York Life Investments is responsible for paying the subadvisory fees for the Portfolio. The Board also considered the financial resources of New York Life Investments, MacKay and Epoch and acknowledged that New York Life Investments, MacKay and Epoch must be in a position to recruit and retain experienced professional personnel and to maintain a strong financial position for New York Life Investments, MacKay and Epoch to continue to provide high-quality services to the Portfolio. The Board recognized that the Portfolio 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 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 were reasonable. The Board recognized the difficulty in calculating and evaluating a manager's profitability with respect to the Portfolio 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, and Epoch and its affiliates due to their relationships with the Portfolio, including reputational and other indirect benefits. The Board recognized, for example, the benefits to MacKay and Epoch from legally permitted "soft-dollar" arrangements by which brokers provide research and other services to MacKay and Epoch in exchange for commissions paid by the Portfolio with respect to trades in the Portfolio's portfolio securities. In this regard, the Board also requested and considered information from New York Life Investments concerning other material business relationships between Epoch and its affiliates and New York Life Investments and its affiliates and considered the existence of a strategic partnership between New York Life Investments and Epoch that relates to certain current and future products and represents a potential conflict of interest associated with New York Life Investments' recommendation to approve the Subadvisory Agreement. 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 Portfolio, including the potential rationale for and costs associated with investments in this money market fund by the Portfolio, 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 Portfolio. In addition, the Board considered the potential dividend received tax deduction for insurance company affiliates of New York Life Investments from the Portfolio's securities lending activity.

The Board noted that the Portfolio serves as an investment option primarily under variable contracts issued by affiliates of New York Life Investments that would receive fees under those contracts. The Board observed that, in addition to fees earned by New York Life Investments under the Management Agreement for managing the Portfolio, New York Life Investments' affiliates also earn revenues from serving the Portfolio in various other capacities, including as the Portfolio's distributor, and insurance companies affiliated with New York Life Investments would be entitled to receive fees from the Portfolio under a distribution and service plan adopted pursuant to Rule 12b-1 under the 1940 Act. The Board considered information about these other revenues and their impact on the profitability of the relationship with the Portfolio to New York Life Investments and its affiliates. The Board noted that, although it assessed the overall profitability of the relationship with the Portfolio 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 Portfolio 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 Portfolio were not excessive, and other expected benefits that may accrue to New York Life Investments and its affiliates, including MacKay, are reasonable, and other expected benefits that may accrue to New York Life Investments and its affiliates are reasonable and other expected benefits that may accrue to Epoch and its affiliates are consistent with those expected for a subadvisor to a mutual fund. With respect to Epoch, the Board considered that any profits realized by Epoch due to its relationship with the Portfolio are the result of arm's-length negotiations between New York Life Investments and Epoch, acknowledging that any such profits are based on the subadvisory fee paid to Epoch by New York Life Investments, not the Portfolio.

### *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 Portfolio's total ordinary operating expenses. With respect to the management fee and subadvisory fees, the Board primarily considered the reasonableness of the management fee paid by the Portfolio to New York Life Investments because the subadvisory fees paid to MacKay and Epoch are paid by New York Life Investments, not the Portfolio. The Board also considered the reasonableness of the subadvisory fees 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 Portfolio's fees and expenses, the Board primarily considered comparative data provided by ISS on the fees and expenses of 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, MacKay and Epoch 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 Portfolio, if any. The Board considered the contractual management fee schedule for the Portfolio as compared to those for such other investment advisory clients, taking into account the rationale for 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 Portfolio, as compared with other investment advisory clients. Additionally, the Board considered the impact of contractual breakpoints and voluntary waivers on the Portfolio's net management fee and expenses. The Board also considered that in proposing fees for the Portfolio, New York Life Investments considers the competitive marketplace for mutual funds.

Based on the factors outlined above, among other considerations, the Board concluded that the Portfolio'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 with respect to the Portfolio and whether the Portfolio's management fee and expense structure permits any economies of scale to be appropriately shared with the Portfolio'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 Portfolio 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 Portfolio. The Board reviewed information from New York Life Investments showing how the Portfolio'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 Portfolio's management fee schedule compared with fees paid for similar services by peer funds at varying asset levels.

Based on this information, the Board concluded that economies of scale are appropriately shared for the benefit of the Portfolio's shareholders through the Portfolio's management fee and 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, including the Independent Trustees voting separately, unanimously voted to approve the continuation of each of the Advisory Agreements.

## Proxy Voting Policies and Procedures and Proxy Voting Record

The Portfolio 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 Portfolio is available free of charge upon request by calling 800-598-2019 or visiting the SEC's website at *www.sec.gov*. The most recent Form N-PX or proxy voting record is available free of charge upon request by calling 800-598-2019; visiting *https://www.newyorklifeinvestments.com/investment-products/vp;* or visiting the SEC's website at *www.sec.gov*.

## Shareholder Reports and Quarterly Portfolio Disclosure

The Portfolio 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 Portfolio's holdings report is available free of charge upon request by calling 800-598-2019 or by visiting the SEC's website at *www.sec.gov*.

# Board of Trustees and Officers (Unaudited)

The Trustees and officers of the Portfolio are listed below. The Board oversees the MainStay Group of Funds (which consists of MainStay Funds and MainStay Funds Trust), MainStay VP Funds Trust, MainStay MacKay DefinedTerm Municipal Opportunities Fund, MainStay CBRE Global Infrastructure Megatrends Term Fund, the Manager and the Subadvisors, and elects the officers of the Portfolios who are responsible for the day-to-day operations of the Portfolio. Information pertaining to the Trustees and officers is set forth below. Each Trustee serves until his or her successor is elected and qualified or until his or her resignation, death or removal. Under the Board's retirement policy, unless an exception is made, a Trustee must tender his or her resignation by the end of the calendar year during which he or she reaches the age of 75. Officers are elected annually by the Board. The business address of each Trustee and officer listed below is 51 Madison Avenue, New York, New York 10010. A majority of the Trustees are not "interested persons" (as defined by the 1940 Act and rules adopted by the SEC thereunder) of the Portfolio ("Independent Trustees").

| | Name and Year of Birth | Term of Office, Position(s) Held and Length of Service | Principal Occupation(s) During Past Five Years | Number of Portfolios in Fund Complex Overseen by Trustee | Other Directorships Held by Trustee |
|---|---|---|---|---|---|
| **Interested Trustee** | **Naïm Abou-Jaoudé*** 1966 | ***MainStay VP Funds Trust:*** Trustee since 2023 | Chief Executive Officer of New York Life Investment Management LLC (since 2023). Chief Executive Officer of Candriam (an affiliate of New York Life Investment Management LLC) (2007 to 2023). | 81 | *MainStay Funds:* Trustee since 2023 (11 Funds)<br>*MainStay Funds Trust:* Trustee since 2023 (37 Funds);<br>*MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2023;<br>*MainStay CBRE Global Infrastructure Megatrends Term Fund:* Trustee since 2023; and<br>*New York Life Investment Management International* (Chair) since 2015 |

* This Trustee is considered to be an "interested person" of the MainStay Group of Funds, MainStay VP Funds Trust, MainStay CBRE Global Infrastructure Megatrends Term Fund and MainStay MacKay DefinedTerm Municipal Opportunities Fund, within the meaning of the 1940 Act because of his affiliation with New York Life Investment Management LLC and Candriam, as described in detail above in the column entitled "Principal Occupation(s) During Past Five Years."

| Name and Year of Birth | Term of Office, Position(s) Held and Length of Service | Principal Occupation(s) During Past Five Years | Number of Portfolios in Fund Complex Overseen by Trustee | Other Directorships Held by Trustee |
|---|---|---|---|---|
| **David H. Chow** 1957 | ***MainStay VP Funds Trust:*** Trustee since January 2016, Advisory Board Member (June 2015 to December 2015) | Founder and CEO, DanCourt Management, LLC since 1999 | 81 | *MainStay Funds:* Trustee since January 2016, Advisory Board Member (June 2015 to December 2015) (11 Funds); *MainStay Funds Trust:* Trustee since January 2016, Advisory Board Member (June 2015 to December 2015) (37 Funds); *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since January 2016, Advisory Board Member (June 2015 to December 2015); *MainStay CBRE Global Infrastructure Megatrends Term Fund:* Trustee since 2021; *VanEck Vectors Group of Exchange-Traded Funds:* Trustee since 2006 and Independent Chairman of the Board of Trustees from 2008 to 2022 (57 portfolios); and *Berea College of Kentucky:* Trustee since 2009, Chair of the Investment Committee since 2018 |
| **Karen Hammond** 1956 | ***MainStay VP Funds Trust:*** Trustee since December 2021, Advisory Board Member (June 2021 to December 2021) | Retired, Managing Director, Devonshire Investors (2007 to 2013); Senior Vice President, Fidelity Management & Research Co. (2005 to 2007); Senior Vice President and Corporate Treasurer, FMR Corp. (2003 to 2005); Chief Operating Officer, Fidelity Investments Japan (2001 to 2003) | 81 | *MainStay Funds:* Trustee since December 2021, Advisory Board Member (June 2021 to December 2021) (11 Funds); *MainStay Funds Trust:* Trustee since December 2021, Advisory Board Member (June 2021 to December 2021) (37 Funds); *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since December 2021, Advisory Board Member (June 2021 to December 2021); *MainStay CBRE Global Infrastructure Megatrends Term Fund:* Trustee since December 2021, Advisory Board Member (June 2021 to December 2021); *Two Harbors Investment Corp.:* Director since 2018; *Rhode Island State Investment Commission:* Member since 2017; and *Blue Cross Blue Shield of Rhode Island:* Director since 2019 |
| **Susan B. Kerley** 1951 | ***MainStay VP Funds Trust:*** Chair since 2017 and Trustee since 2007** | President, Strategic Management Advisors LLC since 1990 | 81 | *MainStay Funds:* Chair since January 2017 and Trustee since 2007 (11 Funds); *MainStay Funds Trust:* Chair since January 2017 and Trustee since 1990 (37 Funds)***; *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Chair since January 2017 and Trustee since 2011; *MainStay CBRE Global Infrastructure Megatrends Term Fund:* Trustee since June 2021; and *Legg Mason Partners Funds:* Trustee since 1991 (45 portfolios) |

Independent Trustees

# Board of Trustees and Officers (Unaudited) (continued)

**Independent Trustees**

| Name and Year of Birth | Term of Office, Position(s) Held and Length of Service | Principal Occupation(s) During Past Five Years | Number of Portfolios in Fund Complex Overseen by Trustee | Other Directorships Held by Trustee |
|---|---|---|---|---|
| **Alan R. Latshaw**<br>1951 | ***MainStay VP Funds Trust:*** Trustee since 2007** | Retired; Partner, Ernst & Young LLP (2002 to 2003); Partner, Arthur Andersen LLP (1989 to 2002); Consultant to the MainStay Funds Audit and Compliance Committee (2004 to 2006) | 81 | *MainStay Funds:* Trustee since 2006 (11 Funds);<br>*MainStay Funds Trust:* Trustee since 2007 (37 Funds)***;<br>*MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2011; and<br>*MainStay CBRE Global Infrastructure Megatrends Term Fund:* Trustee since June 2021 |
| **Jacques P. Perold**<br>1958 | ***MainStay VP Funds Trust:*** Trustee since January 2016, Advisory Board Member (June 2015 to December 2015) | Founder and Chief Executive Officer, CapShift Advisors LLC (since 2018); President, Fidelity Management & Research Company (2009 to 2014); President and Chief Investment Officer, Geode Capital Management, LLC (2001 to 2009) | 81 | *MainStay Funds:* Trustee since January 2016, Advisory Board Member (June 2015 to December 2015) (11 Funds);<br>*MainStay Funds Trust:* Trustee since January 2016, Advisory Board Member (June 2015 to December 2015) (37 Funds);<br>*MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since January 2016, Advisory Board Member (June 2015 to December 2015);<br>*MainStay CBRE Global Infrastructure Megatrends Term Fund:* Trustee since June 2021;<br>*Allstate Corporation:* Director since 2015;<br>*Partners in Health:* Trustee since 2019; and<br>*MSCI Inc.:* Director since 2017 |
| **Richard S. Trutanic**<br>1952 | ***MainStay VP Funds Trust:*** Trustee since 2007** | Chairman and Chief Executive Officer, Somerset & Company (financial advisory firm) since 2004; Managing Director, The Carlyle Group (private investment firm) (2002 to 2004); Senior Managing Director, Partner and Board Member, Groupe Arnault S.A. (private investment firm) (1999 to 2002) | 81 | *MainStay Funds:* Trustee since 1994 (11 Funds);<br>*MainStay Funds Trust:* Trustee since 2007 (37 Funds)***;<br>*MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2011; and<br>*MainStay CBRE Global Infrastructure Megatrends Term Fund:* Trustee since June 2021 |

** Includes prior service as a Director of MainStay VP Series Fund, Inc., the predecessor to MainStay VP Funds Trust.

*** Includes prior service as a Director/Trustee of certain predecessor entities to MainStay Funds Trust.

**Officers of the Trust (Who are not Trustees)***

| Name and Year of Birth | Position(s) Held and Length of Service | Principal Occupation(s) During Past Five Years |
|---|---|---|
| **Kirk C. Lehneis** 1974 | President, MainStay VP Funds Trust (since 2017) | Chief Operating Officer and Senior Managing Director (since 2016), New York Life Investment Management LLC and New York Life Investment Management Holdings LLC; Member of the Board of Managers (since 2017) and Senior Managing Director (since 2018), NYLIFE Distributors LLC; Chairman of the Board and Senior Managing Director, NYLIM Service Company LLC (since 2017); Trustee, President and Principal Executive Officer of IndexIQ Trust, IndexIQ ETF Trust and IndexIQ Active ETF Trust (since 2018); President, MainStay CBRE Global Infrastructure Megatrends Term Fund (since 2021), MainStay MacKay DefinedTerm Municipal Opportunities Fund, MainStay Funds and MainStay Funds Trust (since 2017); Senior Managing Director, Global Product Development (from 2015 to 2016); Managing Director, Product Development (from 2010 to 2015), New York Life Investment Management LLC |
| **Jack R. Benintende** 1964 | Treasurer and Principal Financial and Accounting Officer, MainStay VP Funds Trust (since 2007)** | Managing Director, New York Life Investment Management LLC (since 2007); Treasurer and Principal Financial and Accounting Officer, MainStay CBRE Global Infrastructure Megatrends Term Fund (since 2021), MainStay MacKay DefinedTerm Municipal Opportunities Fund (since 2011), MainStay Funds Trust (since 2009) and MainStay Funds (since 2007); and Assistant Treasurer, New York Life Investment Management Holdings LLC (2008 to 2012) |
| **J. Kevin Gao** 1967 | Secretary and Chief Legal Officer, MainStay VP Funds Trust (since 2010)** | Managing Director and Associate General Counsel, New York Life Investment Management LLC (since 2010); Secretary and Chief Legal Officer, MainStay CBRE Global Infrastructure Megatrends Term Fund (since 2021), MainStay MacKay DefinedTerm Municipal Opportunities Fund (since 2011), MainStay Funds and MainStay Funds Trust (since 2010) |
| **Kevin M. Gleason** 1967 | Vice President and Chief Compliance Officer, MainStay VP Funds Trust (since June 2022) | Vice President and Chief Compliance Officer, IndexIQ Trust, IndexIQ ETF Trust and IndexIQ Active ETF Trust (since June 2022); Vice President and Chief Compliance Officer, MainStay CBRE Global Infrastructure Megatrends Term Fund, MainStay MacKay DefinedTerm Municipal Opportunities Fund (since June 2022); MainStay Funds Trust and MainStay Funds (since June 2022); Senior Vice President, Voya Investment Management and Chief Compliance Officer, Voya Family of Funds (2012 to 2022) |
| **Scott T. Harrington** 1959 | Vice President—Administration, MainStay VP Funds Trust (since 2005)** | Managing Director, New York Life Investment Management LLC (including predecessor advisory organizations) (since 2000); Member of the Board of Directors, New York Life Trust Company (since 2009); Vice President—Administration, MainStay CBRE Global Infrastructure Megatrends Term Fund (since 2021), MainStay MacKay DefinedTerm Municipal Opportunities Fund (since 2011), MainStay Funds Trust and MainStay Funds (since 2009) |

* The officers listed above are considered to be “interested persons” of the MainStay Group of Funds, MainStay VP Funds Trust, MainStay CBRE Global Infrastructure Megatrends Term Fund and MainStay MacKay DefinedTerm Municipal Opportunities Fund within the meaning of the 1940 Act because of their affiliation with the MainStay Group of Funds, New York Life Insurance Company and/or its affiliates, including New York Life Investment Management LLC, New York Life Insurance Company, NYLIM Service Company LLC, NYLIFE Securities LLC and/or NYLIFE Distributors LLC, as described in detail in the column captioned “Principal Occupation(s) During Past Five Years.” Officers are elected annually by the Board.

** Includes prior service as an Officer of MainStay VP Series Fund, Inc., the predecessor to MainStay VP Funds Trust.

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# MainStay VP Portfolios

MainStay VP offers a wide range of Portfolios. The full array of MainStay VP offerings is listed here, with information about the manager, subadvisors, legal counsel, and independent registered public accounting firm.

## Equity
MainStay VP American Century Sustainable Equity Portfolio
MainStay VP Candriam Emerging Markets Equity Portfolio
MainStay VP Epoch U.S. Equity Yield Portfolio
MainStay VP Fidelity Institutional AM® Utilities Portfolio†
MainStay VP Natural Resources Portfolio
MainStay VP PineStone International Equity Portfolio[1]
MainStay VP S&P 500 Index Portfolio
MainStay VP Small Cap Growth Portfolio
MainStay VP Wellington Growth Portfolio
MainStay VP Wellington Mid Cap Portfolio
MainStay VP Wellington Small Cap Portfolio
MainStay VP Wellington U.S. Equity Portfolio
MainStay VP Winslow Large Cap Growth Portfolio

## Mixed Asset
MainStay VP Balanced Portfolio
MainStay VP Income Builder Portfolio
MainStay VP Janus Henderson Balanced Portfolio
MainStay VP MacKay Convertible Portfolio

## Income
MainStay VP Bond Portfolio
MainStay VP Floating Rate Portfolio
MainStay VP Indexed Bond Portfolio
MainStay VP MacKay Government Portfolio[2]
MainStay VP MacKay High Yield Corporate Bond Portfolio
MainStay VP MacKay Strategic Bond Portfolio
MainStay VP PIMCO Real Return Portfolio

## Money Market
MainStay VP U.S. Government Money Market Portfolio

## Alternative
MainStay VP CBRE Global Infrastructure Portfolio
MainStay VP IQ Hedge Multi-Strategy Portfolio

## Asset Allocation
MainStay VP Conservative Allocation Portfolio
MainStay VP Equity Allocation Portfolio
MainStay VP Growth Allocation Portfolio
MainStay VP Moderate Allocation Portfolio

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## Manager
**New York Life Investment Management LLC**
New York, New York

## Subadvisors
**American Century Investment Management, Inc.**
Kansas City, Missouri

**Brown Advisory LLC**
Baltimore, Maryland

**Candriam***
Strassen, Luxembourg

**CBRE Investment Management Listed Real Assets LLC**
Radnor, Pennsylvania

**Epoch Investment Partners, Inc.**
New York, New York

**FIAM LLC**
Smithfield, Rhode Island

**IndexIQ Advisors LLC***
New York, New York

**Janus Henderson Investors US LLC**
Denver, Colorado

**MacKay Shields LLC***
New York, New York

**Newton Investment Management North America, LLC**
Boston, Massachusetts

**NYL Investors LLC***
New York, New York

**Pacific Investment Management Company LLC**
Newport Beach, California

**PineStone Asset Management Inc.**
Montreal, Québec

**Segall Bryant & Hamill, LLC**
Chicago, Illinois

**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
**PricewaterhouseCoopers LLP**
New York, New York

## Distributor
**NYLIFE Distributors LLC***
Jersey City, New Jersey

## Custodian
**JPMorgan Chase Bank, N.A.**
New York, New York

Some Portfolios may not be available in all products.
† Fidelity Institutional AM is a registered trade mark of FMR LLC. Used with permission.
* An affiliate of New York Life Investment Management LLC.
1. Prior to August 28, 2023, the Portfolio's name was MainStay VP MacKay International Equity Portfolio.
2. Effective on or about May 1, 2024, the MainStay VP MacKay Government Portfolio will be renamed the MainStay VP U.S. Infrastructure Bond Portfolio.

# 2023 Annual Report

This report is for the general information of New York Life Variable Annuities and NYLIAC Variable Universal Life Insurance Products policyowners. It must be preceded or accompanied by the appropriate product(s) and funds prospectuses if it is given to anyone who is not an owner of a New York Life variable annuity policy or a NYLIAC Variable Universal Life Insurance Product. This report does not offer for sale or solicit orders to purchase securities.

The performance data quoted in this report represents past performance. Past performance is no guarantee of future results. Due to market volatility and other factors, current performance may be lower or higher than the figures shown. The most recent month-end performance summary for your variable annuity or variable life policy is available by calling 800-598-2019 and is updated periodically on newyorklife.com.

The New York Life Variable Annuities and NYLIAC Variable Universal Life Insurance Products are issued by New York Life Insurance and Annuity Corporation (a Delaware Corporation) and distributed by NYLIFE Distributors LLC (Member FINRA/SIPC).

**New York Life Insurance Company**

New York Life Insurance and Annuity
Corporation (NYLIAC) (A Delaware Corporation)

51 Madison Avenue, Room 551
New York, NY 10010

newyorklife.com

**newyorklifeinvestments.com**

NYLIFE Distributors LLC, 30 Hudson Street, Jersey City, NJ 07302

New York Life Investment Management LLC is the investment manager to the MainStay VP Funds Trust

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You may obtain copies of the Prospectus and the Statement of Additional Information free of charge, upon request, by calling toll-free 800-598-2019 or writing to New York Life Insurance and Annuity Corporation, 51 Madison Avenue, New York, NY 10010.

| Not FDIC Insured | No Bank Guarantee | May Lose Value |
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