

# MainStay MacKay Convertible Fund

A: MCOAX | C: MCCVX | I: MCNVX

All data as of 03/31/24

## Upside potential with less downside risk

Seeks: Capital appreciation together with current income.

Morningstar Category: Convertibles

Benchmark: ICE BofA U.S. Convertible Index<sup>5</sup>

### Targeted "sweet spot" approach

The team invests in balanced convertibles with strong risk/return profiles to capture capital appreciation potential while seeking to limit downside participation.

### A balanced, total return strategy

The Fund's research driven, total return investment strategy relies on a proven, disciplined valuation process with an emphasis on risk management.

### Tenured team

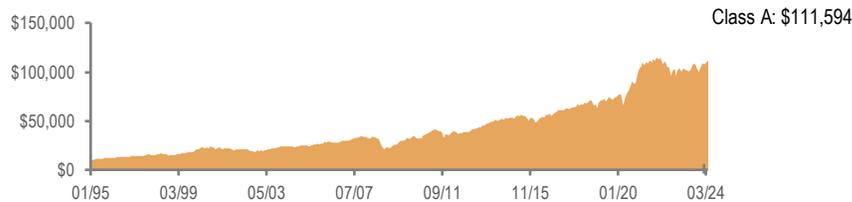
The lead manager has over 20 years investment experience, has been with MacKay Shields for most of his career and has been managing the fund for over 10 years.

### Average Annual Total Returns<sup>1,2</sup> (%)

|                                 |                 | SI = Since Inception |       |       |       |       |        | SI    |
|---------------------------------|-----------------|----------------------|-------|-------|-------|-------|--------|-------|
|                                 |                 | QTR                  | YTD   | 1 Yr  | 3 Yrs | 5 Yrs | 10 Yrs | SI    |
| Class A                         | (NAV)           | 1.98                 | 1.98  | 8.83  | 1.28  | 9.47  | 8.19   | 8.60  |
|                                 | (max.5.5% load) | -3.63                | -3.63 | 2.84  | -0.61 | 8.24  | 7.58   | 8.39  |
| Class I                         | (no load)       | 2.06                 | 2.06  | 9.16  | 1.60  | 9.84  | 8.53   | 11.68 |
| ICE BofA U.S. Convertible Index |                 | 2.34                 | 2.34  | 11.34 | -0.98 | 10.28 | 8.69   | —     |
| Morningstar Category Average    |                 | 2.71                 | 2.71  | 8.94  | -1.66 | 8.35  | 7.19   | —     |

Inception Date: Class A: 01/03/1995; Class I: 11/28/2008

### Growth of Hypothetical \$10,000 Investment at NAV



### Calendar Year Returns (%)

|                                 |  | (Fund performance at NAV) |        |       |       |       |       |       |       |       |      |
|---------------------------------|--|---------------------------|--------|-------|-------|-------|-------|-------|-------|-------|------|
|                                 |  | 2023                      | 2022   | 2021  | 2020  | 2019  | 2018  | 2017  | 2016  | 2015  | 2014 |
| Class A                         |  | 8.88                      | -12.27 | 9.88  | 34.99 | 22.14 | -2.64 | 10.80 | 11.43 | -1.25 | 7.39 |
| Class I                         |  | 9.20                      | -11.94 | 10.18 | 35.44 | 22.61 | -2.29 | 11.24 | 11.69 | -1.00 | 7.65 |
| ICE BofA U.S. Convertible Index |  | 12.87                     | -18.71 | 6.34  | 46.22 | 23.15 | 0.15  | 13.70 | 10.43 | -2.99 | 9.44 |
| Morningstar Category Average    |  | 8.97                      | -17.50 | 4.40  | 39.91 | 21.48 | -2.11 | 12.18 | 7.68  | -3.67 | 6.37 |

### Fund Expenses (%)

|                                      | A    | C    | I    |
|--------------------------------------|------|------|------|
| Total Annual Fund Operating Expenses | 0.95 | 1.94 | 0.70 |
| Net (After Waivers/Reimbursements)   | 0.95 | 1.94 | 0.62 |

Returns represent past performance which is no guarantee of future results. Current performance may be lower or higher. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Performance reflects a contractual fee waiver and/or expense limitation agreement for Class I shares in effect through 2/28/25, without which total returns may have been lower. This agreement renews automatically for one-year terms unless written notice is provided before the start of the next term or upon approval of the Board. No initial sales charge applies on investments of \$1 million or more (and certain other qualified purchases). However, a contingent deferred sales charge of 1.00% may be imposed on certain redemptions made within 18 months of the date of purchase on shares that were purchased without an initial sales charge. Visit [www.newyorklifeinvestments.com](http://www.newyorklifeinvestments.com) for the most recent month-end performance. Expenses stated are as of the fund's most recent prospectus.

The Morningstar Medalist Rating<sup>TM</sup> is the summary expression of Morningstar's forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. The Medalist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Investment products are evaluated on three key pillars (People, Parent, and Process) which, when coupled with a fee assessment, forms the basis for Morningstar's conviction in those products' investment merits and determines the Medalist Rating they're assigned. Pillar ratings take the form of Low, Below Average, Average, Above Average, and High. Pillars may be evaluated via an analyst's qualitative assessment (either directly to a vehicle the analyst covers or indirectly when the pillar ratings of a covered vehicle are mapped to a related uncovered vehicle) or using algorithmic techniques. Vehicles are sorted by their expected performance into rating groups defined by their Morningstar Category and their active or passive status. When analysts directly cover a vehicle, they assign the three pillar ratings based on their qualitative assessment, subject to the oversight of the Analyst Rating Committee, and monitor and reevaluate them at least every 14 months. When the vehicles are covered either indirectly by analysts or by algorithm, the ratings are assigned monthly. For more detailed information about these ratings, including their methodology, please go to [global.morningstar.com/managerdisclosures/](http://global.morningstar.com/managerdisclosures/).

Not FDIC/NCUA Insured | Not a Deposit | May Lose Value | No Bank Guarantee | Not Insured by Any Government Agency

### Morningstar Ratings<sup>4</sup>

as of 03/31/24



Overall Morningstar Rating<sup>TM</sup> based on the risk-adjusted returns from among 78 Convertibles funds.

|         |       | Stars | # of Funds |
|---------|-------|-------|------------|
| Class A | 3 Yr  | 5     | 78         |
|         | 5 Yr  | 4     | 73         |
|         | 10 Yr | 4     | 58         |
| Class I | 3 Yr  | 5     | 78         |
|         | 5 Yr  | 4     | 73         |
|         | 10 Yr | 4     | 58         |

### Fund Statistics<sup>3</sup>

|                                |                 |
|--------------------------------|-----------------|
| Fund Inception                 | 5/1/86          |
| Total Net Assets (all classes) | \$1.6 B         |
| Distribution Frequency         | Quarterly       |
| Number of Holdings             | 110             |
| Annual Turnover Rate (%)       | 33              |
|                                | Fund Benchmark  |
| Effective Duration             | 2.6 Yrs 1.9 Yrs |

|                              | Class A |       |
|------------------------------|---------|-------|
| Standard Deviation (3yr) (%) | 11.59   | 12.43 |
| Alpha (3yr)                  | 1.85    | n/a   |
| Beta (3yr)                   | 0.89    | n/a   |
| R-Squared (3yr)              | 0.90    | n/a   |
| Sharpe Ratio (3yr)           | -0.11   | -0.29 |

|                                  | Class A | Class I |
|----------------------------------|---------|---------|
| Yields and Distributions         |         |         |
| SEC 30-Day Yield                 | 0.75    | 1.12    |
| Unsubsidized 30-Day Yield        | 0.75    | 1.04    |
| Last Distribution: Mar 2024 (\$) | 0.0278  | 0.0431  |

SEC 30-Day Yield is based on net investment income for the 30-day period ended 03/31/24 divided by the offering price per share on that date. Yields for other share classes will vary.

Unsubsidized 30-Day Yield reflects what the yield would have been without the effect of waivers and/or reimbursements.

Please note that there was no reimbursement for this time period.

# MainStay MacKay Convertible Fund

## Top Sectors (%)

|                        |      |
|------------------------|------|
| Information Technology | 24.9 |
| Health Care            | 23.8 |
| Consumer Discretionary | 11.8 |
| Industrials            | 6.9  |
| Financials             | 6.7  |
| Energy                 | 6.3  |
| Communication Services | 5.8  |
| Utilities              | 4.7  |
| Consumer Staples       | 3.2  |
| Real Estate            | 1.8  |

## Asset Mix (%)

|  |      |
|--|------|
| Convertible Bonds                        | 89.5 |
| Convertible Preferred Stocks             | 4.7  |
| Common Stocks                            | 1.4  |
| Cash and Other Assets (less liabilities) | 4.4  |

## Top Convertible Holdings (%)

|   |     |
|---|-----|
| Nice Ltd. 0.0% , due 09/15/2025                           | 3.0 |
| Pioneer Natural Resources Company 0.25% , due 05/15/2025  | 2.6 |
| Nrg Energy, Inc. 2.75% , due 06/01/2048                   | 2.4 |
| Microchip Technology Incorporated 0.125% , due 11/15/2024 | 2.2 |
| Biomarin Pharmaceutical Inc. 1.25% , due 05/15/2027       | 2.1 |
| Exact Sciences Corporation 0.375% , due 03/01/2028        | 1.8 |
| Ford Motor Company 0.0% , due 03/15/2026                  | 1.8 |
| Southwest Airlines Co. 1.25% , due 05/01/2025             | 1.7 |
| Palo Alto Networks, Inc. 0.375% , due 06/01/2025          | 1.7 |
| Lantheus Holdings, Inc. 2.625% , due 12/15/2027           | 1.6 |

Portfolio data as of 03/31/24 Percentages based on total net assets and may change daily.

## Subadvisor



Income and equity investment experts offering a broad range of related strategies.

|  |   |
|--|---|
| <b>Edward Silverstein, CFA</b><br>Fund Manager since 2001<br>Industry experience: 30 years | <b>Thomas Wynn, CFA</b><br>Fund Manager since Feb 2024<br>Industry experience: 41 years |
|--|---|

## Before You Invest

Before considering an investment in the Fund, you should understand that you could lose money.

Issuers of convertible securities may not be as financially strong as those issuing securities with higher credit ratings and may be more vulnerable to changes in the economy. Investing in below investment grade securities may carry a greater risk of nonpayment of interest or principal than higher-rated bonds. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. These risks may be greater for emerging markets. Funds that invest in bonds are subject to interest-rate risk and can lose principal value when interest rates rise. Bonds are also subject to credit risk, in which the bond issuer may fail to pay interest and principal in a timely manner.

1. Average annual total returns include the change in share price and reinvestment of dividends and capital gain distributions. Class I shares are generally only available to corporate and institutional investors. 2. The ICE BofA U.S. Convertible Index is a market capitalization-weighted index of domestic corporate convertible securities. In order to be included in the Index, bonds and preferred stocks must be convertible only to common stock. Index results assume the reinvestment of all capital gain and dividend distributions. An investment cannot be made directly into an index. 3. **Standard deviation** measures how widely dispersed a fund's returns have been over a specified period of time. A high standard deviation indicates that the range is wide, implying greater potential for volatility. **Alpha** measures a fund's risk-adjusted performance and is expressed as an annualized percentage. **Beta** is a measure of historical volatility relative to an appropriate index (benchmark) based on its investment objective. A beta greater than 1.00 indicates volatility greater than the benchmark's. **R Squared** measures the percentage of a fund's movements that result from movements in the index. The **Sharpe Ratio** shown is calculated for the past 36-month period by dividing annualized excess returns by annualized standard deviation.

**Effective Duration** provides a measure of a fund's interest-rate sensitivity. The longer a fund's duration, the more sensitive the fund is to shifts in interest rates. The **Annual Turnover Rate** measures how quickly securities in the Fund are either bought or sold during the 12 months as of the most recent annual shareholder report. 4. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance (this does not include the effects of sales charges, loads, and redemption fees). The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. 5. The ICE BofA U.S. Convertible Index is generally representative of the market sectors or types of investments in which the Fund invests.

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