

# MainStay MacKay Strategic Municipal Allocation Fund

★★★★★ Class I Shares

Overall Morningstar Rating™ based on the risk-adjusted returns from among 255 Muni National Intermediate funds, as of 9/30/23.

A: MTFDX | I: MTFGX

PRODUCT SNAPSHOT • 3Q23

## Why invest in municipals today?

Investors seeking the potential benefits of low default risk and income potential of investment grade municipals and potential returns of high yield municipals can consider the **MainStay MacKay Strategic Municipal Allocation Fund (MTFGX)**, a Morningstar 5-star rated fund that offers an investment grade strategy with the opportunity to invest up to 35% in high yield securities.

### 1 Dynamic approach to managing municipal credit returns

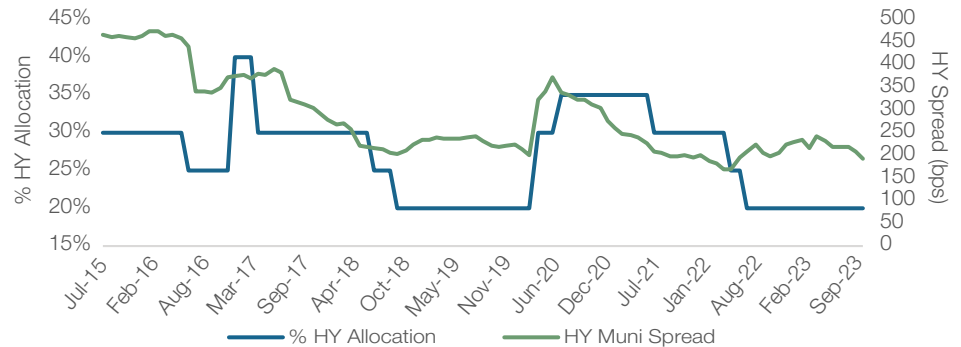
MTFGX seeks to enhance current income potential by adjusting exposure to investment grade and high yield, as municipal bonds rated BBB and high yield have experienced more downside volatility compared to higher-rated bonds over longer market periods.

Jan 2007 - Sep 2023	Return	Std Dev	Sharpe Ratio	Avg Drawdown	Max Drawdown
Bloomberg Municipal AAA	2.60%	4.27%	0.36	-2.84%	-12.47%
Bloomberg Municipal AA	3.01%	4.68%	0.41	-3.11%	-12.52%
Bloomberg Municipal A	3.48%	5.30%	0.46	-3.66%	-13.97%
Barclays Municipal BBB	2.88%	7.15%	0.28	-5.66%	-24.74%
Bloomberg HY Muni	3.76%	8.21%	0.35	-6.16%	-30.24%

### 2 Opportunistic weightings across investment grade and high yield

MTFGX strategically adjusts its exposure to high-yield credits during tightening credit spreads to seek market opportunities and manage drawdown risks associated with lower-rated bonds.

Objective: Income Preservation (Moderate) - High Yield % Allocation



### 3 More of the good, less of the bad

MTFGX has ranked in the top decile of its peer group<sup>1</sup>, while maintaining a more conservative risk profile with lower average and maximum drawdowns compared to the Morningstar Muni National Intermediate Category Avg.

July 2019 - Sep 2023	Return	Std Dev	Sharpe Ratio	Avg Drawdown	Max Drawdown
MainStay MacKay Strategic Municipal Allocation I (MTFGX)	0.73%	5.55%	-0.15	-5.52%	-10.91%
MTFGX Morningstar Category %-tile	2	-	-	-	-
Morningstar Muni National Intermediate Category Avg.	-0.36%	5.64%	-0.34	-5.93%	-12.33%
Bloomberg Muni 1-15Y Blend (1-17)	0.05%	4.92%	-0.32%	-4.92%	-9.95%

1. As of 9/30/2023 from the period 7/2019-9/2023.

**Chart 1:** Source: Morningstar as of Sep 2023. Highlighted cells indicates that BBB and high yield municipal bonds have experienced greater average and max drawdowns relative to other credit rating tranches of municipal credits. Please see definitions on Page 2.

**Chart 2:** Source: MacKay Municipal Managers, as of September 2023. Chart shows change in HY allocation with change in HY Muni Spread. Please see definitions on Page 2.

**Chart 3:** Source: Morningstar as of Sep 2023. The Morningstar Category Rank is 5/248 as of 9/30/23 for the Since Inception period 7/2019 - 9/2023. Rankings are based on total returns among Muni National Intermediate Funds category. Please refer to Page 2 for ranking information. Past performance is no guarantee of future results, which will vary. It is not possible to invest directly in an index.



INVESTMENTS

Average annual total returns (%) as of 9/30/23

Share Class	QTR	YTD	1 year	3 years	Since Inception
Class A (NAV)	-2.31%	0.21%	4.22%	-0.71%	0.51%
Class A (max. 3.0% load)*	-5.24%	-2.80%	1.09%	-2.23%	-0.57%
Class I (no load)	-2.15%	0.51%	4.60%	-0.51%	0.73%

\* Effective August 10, 2022, the Maximum Sales Charge imposed on purchases was reduced to 3.00% for Class A shares.

Fund inception: 6/28/1999

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 A and I shares in effect through 8/31/23, 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. Contractual fee waiver and/or expense limitation agreement for Class C and R6 shares is in effect through 8/31/23. No initial sales charge applies on investments of \$250,000 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.

Total annual operating expenses are: Class A: 0.97% and Class I: 0.71%. Net Expenses are: Class A: 0.77% and Class I: 0.51%

About risk

Mutual funds are subject to market risk and fluctuate in value. Municipal bond risks include the ability of the issuer to repay the obligation, the relative lack of information about certain issuers, and the possibility of future tax and legislative changes, which could affect the market for and value of municipal securities.

**MainStay MacKay Strategic Municipal Allocation Fund:** Municipal bond risks include the ability of the issuer to repay the obligation, the relative lack of information about certain issuers, and the possibility of future tax and legislative changes, which could affect the market for and value of municipal securities. A portion of the Fund's income may be subject to state and local taxes or the alternative minimum tax. Income from municipal bonds held by the Fund could be declared taxable because of unfavorable changes in tax law, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliant conduct of a bond issuer. High-yield municipal bonds may be subject to increased liquidity risk as compared to other high-yield debt securities. The Fund may invest in derivatives, which may increase the volatility of the Fund's NAV. 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.

Definitions

**Bloomberg Municipal Bond 1-15 Year Index** – The Bloomberg 1-15 Year Municipal Bond Index Blend is the 1-15 year component of the Municipal Bond index, a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. The index is a broad measure of the municipal bond market with maturities of at least one year.

**Bloomberg Municipal Bond Index** – The Bloomberg Municipal Bond Index is considered representative of the broad market for investment-grade tax-exempt bonds with a maturity of at least one year. Bonds subject to the alternative minimum tax or with floating or zero coupons are excluded.

**Bloomberg HY Muni** is represented by the Bloomberg Barclays US Municipal High Yield Index that tracks the performance of non-investment grade municipal bonds, commonly referred to as "high yield" or "junk" bonds.

**Bloomberg Municipal AAA** is represented by the Bloomberg Barclays index that tracks the performance of investment-grade municipal bonds with a credit rating of AAA.

**Bloomberg Municipal AA** is represented by the Bloomberg Barclays index that tracks the performance of investment-grade municipal bonds with a credit rating of AA.

**Bloomberg Municipal A** is represented by the Bloomberg Barclays index that tracks the performance of investment-grade municipal bonds with a credit rating of A.

**Barclays Municipal BBB** is represented by the Barclays BAA Municipal Bond Index, a market-value-weighted index designed to track the performance of investment-grade municipal bonds rated BAA.

**% HY Allocation** – Percentage allocation of a portfolio towards high-yield bonds.

**HY Muni Spread** – Difference in yield between high-yield municipal bonds and comparable US Treasury securities. It is a measure of the credit risk premium for investing in high-yield municipal bonds.

**Standard Deviation** – A measure of the volatility of an investment's returns. A higher standard deviation indicates greater volatility and risk.

**Sharpe Ratio** – A measure of risk-adjusted returns, calculated by dividing an investment's excess returns by its standard deviation.

**Average Drawdown** – Average percentage decline from the peak value of an investment to the subsequent trough.

**Max Drawdown** – The largest percentage decline from the peak value of an investment to the subsequent trough.

Morningstar Rating: 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. As of 9/30/23, MainStay MacKay Strategic Municipal Allocation Fund's Class I shares rated five (five A) stars overall and five (five A) stars for the three-year periods from among 255 Muni National Intermediate funds. Morningstar Rankings: one year: #6 out of 279; three-year: #7 out of 255, as of 9/30/23.

**For more information about MainStay Funds® call 888-474-7725 for a prospectus or summary prospectus. Investors are asked to consider the investment objectives, risks, and charges and expenses of the investment carefully before investing. The prospectus or summary prospectus contains this and other information about the investment company. Please read the prospectus or summary prospectus carefully before investing.**

New York Life Investment Management LLC engages the services of federally registered advisors. MacKay Shields LLC is an affiliate of New York Life Investment Management LLC.

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