

# MainStay Income Builder Fund

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## Message from the President and Annual Report

October 31, 2020

Beginning on January 1, 2021, paper copies of each MainStay Fund's annual and semiannual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from MainStay Funds or from your financial intermediary. Instead, the reports will be made available on the MainStay Funds' website. You will be notified by mail and provided with a website address to access the report each time a new report is posted to the website.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. At any time, you may elect to receive reports and other communications from MainStay Funds electronically by calling toll-free 800-624-6782, by sending an e-mail to [MainStayShareholderServices@nylim.com](mailto:MainStayShareholderServices@nylim.com), or by contacting your financial intermediary.

You may elect to receive all future shareholder reports in paper form free of charge. If you hold shares of a MainStay Fund directly, you can inform MainStay Funds that you wish to receive paper copies of reports by calling toll-free 800-624-6782 or by sending an e-mail to [MainStayShareholderServices@nylim.com](mailto:MainStayShareholderServices@nylim.com). If you hold shares of a MainStay Fund through a financial intermediary, please contact the financial intermediary to make this election. Your election to receive reports in paper form will apply to all MainStay Funds in which you are invested and may apply to all funds held with your financial intermediary.

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INVESTMENTS

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# Message from the President

Despite historically high levels of volatility generated by the global coronavirus pandemic and a host of other geopolitical and economic uncertainties, most broad U.S. stock and bond markets gained ground during the 12-month reporting period ended October 31, 2020.

The reporting period began on an upswing, with markets rising on generally positive underlying economic trends and the announcement of a U.S.-China trade deal. However, in mid-February 2020, stock and bond indices began to dip as growing numbers of COVID-19 cases appeared in hotspots around the world. By early March, the disease reached pandemic proportions. As governments struggled to support overburdened health care systems by issuing “stay-at-home” orders and other restrictions on nonessential activity, global economic activity slowed, driving most stocks and bonds sharply lower.

The United States was hit particularly hard by the pandemic, with more reported COVID-19 cases and deaths than any other country in the world throughout the second half of the reporting period. As the pandemic deepened, the U.S. Federal Reserve (“Fed”) twice cut interest rates and announced unlimited quantitative easing. The federal government declared a national emergency, and Congress passed and the President signed a \$2 trillion stimulus package. Markets responded positively to these measures, as well as to a gradual lessening of restrictions on nonessential businesses, hopes for additional stimulus and apparent progress in the development of a vaccine. By late August, the S&P 500® Index, a widely regarded benchmark of market performance, had not only regained all the ground it lost earlier in the reporting period, the Index had reached new record levels. However, a resurgence of coronavirus cases in many parts of the country and uncertainties related to the November 3, 2020, U.S. presidential election caused markets to falter as the reporting period drew to a close.

Nevertheless, for the reporting period as a whole, U.S. equity indices generally produced moderate gains. Returns proved strongest among large-cap, growth-oriented stocks, while small- and mid-cap issues lagged. Within the S&P 500® Index, the information technology and consumer discretionary sectors produced exceptionally strong gains, buoyed by strong corporate and consumer spending, while the health care sector outperformed by a smaller margin. Materials and consumer staples sectors generated positive returns, but lagged the S&P 500® Index. The industrials, utilities, communication services, financials, real estate and energy sectors ended the reporting period in negative territory, with the energy sector

suffering the steepest losses due to weak global demand. International equities declined sharply in February and March 2020 before recovering somewhat, but tended to lag their U.S. counterparts due to weaker underlying economic growth and somewhat less aggressive monetary and fiscal stimulus. Emerging-market equities tracked the performance of U.S. equity markets more closely, led by relatively strong returns in Asian markets, such as China and South Korea.

Fixed-income markets experienced an environment that tended to favor higher credit quality and longer duration securities. Corporate bonds followed the pattern of equities, with prices declining in March 2020 before subsequently recovering. Relatively speculative high-yield credit was hardest hit during the market sell-off in early 2020 and continued to underperform during the remainder of the reporting period. Similarly, among municipal bond issues, high-grade bonds outperformed, dipping briefly in mid-March before regaining the lost ground. Recognized safe havens, such as U.S. government bonds, attracted increased investment during the height of the market sell-off, driving yields lower and prices higher. As a result, long-term Treasury bonds delivered particularly strong gains for the reporting period as a whole. Emerging-market debt, on the other hand, underperformed most other bond types as investors sought to minimize currency and sovereign risks.

Although the ongoing pandemic continues to change the way that many of us work and live our lives, at New York Life Investments, we remain dedicated to providing you, as a Main-Stay investor, with products, information and services to help you to navigate today’s rapidly changing investment environment. By taking appropriate steps to minimize community spread of COVID-19 within our organization and despite the challenges posed by the coronavirus pandemic, we continue to innovate with you in mind, introducing new suites of Funds and providing continuous insights into ever-evolving markets and investment strategies. Our goal is to give you the tools you need to build a resilient portfolio in the face of uncertain times.

Sincerely,



Kirk C. Lehneis  
President

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

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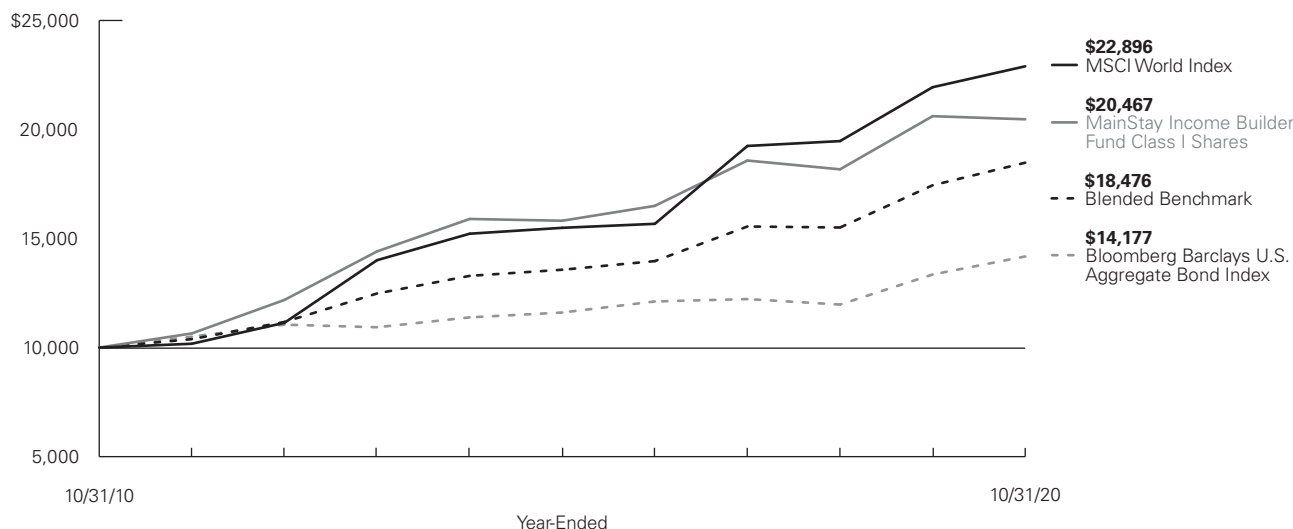
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**Investors should refer to the Fund's Summary Prospectus and/or Prospectus and consider the Fund's investment objectives, strategies, risks, charges and expenses carefully before investing. The Summary Prospectus and/or Prospectus contain this and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

# Investment and Performance Comparison<sup>1</sup> (Unaudited)

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



## Average Annual Total Returns for the Year-Ended October 31, 2020

Class	Sales Charge		Inception Date	One Year or Since Inception	Five Years or Since Inception	Ten Years or Since Inception	Gross Expense Ratio <sup>2</sup>
Class A Shares <sup>3</sup>	Maximum 3% Initial Sales Charge	With sales charges	1/3/1995	-6.35%	3.86%	6.55%	1.02%
		Excluding sales charges		-0.90	5.04	7.15	1.02
Investor Class Shares <sup>4</sup>	Maximum 2.5% Initial Sales Charge	With sales charges	2/28/2008	-6.55	3.71	6.34	1.17
		Excluding sales charges		-1.11	4.89	6.94	1.17
Class B Shares <sup>5</sup>	Maximum 5% CDSC if Redeemed Within the First Six Years of Purchase	With sales charges	12/29/1987	-6.51	3.76	6.14	1.92
		Excluding sales charges		-1.84	4.10	6.14	1.92
Class C Shares	Maximum 1% CDSC if Redeemed Within One Year of Purchase	With sales charges	9/1/1998	-2.78	4.10	6.14	1.92
		Excluding sales charges		-1.85	4.10	6.14	1.92
Class I Shares	No Sales Charge		1/2/2004	-0.69	5.29	7.43	0.77
Class R2 Shares	No Sales Charge		2/27/2015	-1.00	4.94	6.93	1.12
Class R3 Shares	No Sales Charge		2/29/2016	-1.24	6.21	N/A	1.37
Class R6 Shares	No Sales Charge		2/28/2018	-0.60	4.38	N/A	0.67
SIMPLE Class Shares	No Sales Charge		8/31/2020	-3.39	N/A	N/A	1.42

\* Previously, the chart presented the Fund's annual returns for Class B shares. Class I shares are presented for consistency across the MainStay Fund complex.

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

and/or expense limitations (if any), please refer to the Notes to Financial Statements.

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

3. Prior to November 4, 2019, the maximum initial sales charge applicable was 5.5%, which is reflected in the average annual total return figures shown.

4. Prior to June 30, 2020, the maximum initial sales charge for Investor Class shares was 3%, which is reflected in the average annual total return figures shown.

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

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

<b>Benchmark Performance</b>	<b>One Year</b>	<b>Five Years</b>	<b>Ten Years</b>
MSCI World Index <sup>6</sup>	4.36%	8.13%	8.64%
Bloomberg Barclays U.S. Aggregate Bond Index <sup>7</sup>	6.19	4.08	3.55
Blended Benchmark Index <sup>8</sup>	5.93	6.37	6.33
Morningstar World Allocation Category Average <sup>9</sup>	-2.08	3.97	4.61

6. The MSCI World Index is the Fund's primary broad-based securities market index for comparison purposes. The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly in an index.
7. The Fund has selected the Bloomberg Barclays U.S. Aggregate Bond Index as a secondary benchmark. The Bloomberg Barclays 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. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly in an index.

8. The Fund has selected the Blended Benchmark Index as an additional benchmark. The Blended Benchmark Index consists of the MSCI World Index and the Bloomberg Barclays U.S. Aggregate Bond Index weighted 50%/50%, respectively. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly in an index.
9. 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 portfolios 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 portfolios to invest more than 10% of their assets in emerging markets. These portfolios 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.

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

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

The example below is intended to describe the fees and expenses borne by shareholders during the six-month period from May 1, 2020, to October 31, 2020, and the impact of those costs on your investment.

### Example

As a shareholder of the Fund you incur two types of costs: (1) transaction costs, including exchange fees and sales charges (loads) on purchases (as applicable), and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees, and other Fund expenses (as applicable). This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 made at the beginning of the six-month period and held for the entire period from May 1, 2020, to October 31, 2020.

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

### Actual Expenses

The second and third data columns in the table below provide information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid during the six months ended October 31, 2020. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then

multiply the result by the number under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

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

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as exchange fees or sales charges (loads). Therefore, the fourth and fifth data columns of the table are useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Share Class	Beginning Account Value 5/1/20	Ending Account Value (Based on Actual Returns and Expenses) 10/31/20	Expenses Paid During Period <sup>1</sup>	Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 10/31/20	Expenses Paid During Period <sup>1</sup>	Net Expense Ratio During Period <sup>2</sup>
Class A Shares	\$1,000.00	\$1,061.60	\$5.23	\$1,020.06	\$5.13	1.01%
Investor Class Shares	\$1,000.00	\$1,060.70	\$6.11	\$1,019.20	\$5.99	1.18%
Class B Shares	\$1,000.00	\$1,056.20	\$9.98	\$1,015.43	\$9.78	1.93%
Class C Shares	\$1,000.00	\$1,056.40	\$9.98	\$1,015.43	\$9.78	1.93%
Class I Shares	\$1,000.00	\$1,062.90	\$3.94	\$1,021.32	\$3.86	0.76%
Class R2 Shares	\$1,000.00	\$1,060.50	\$5.75	\$1,019.56	\$5.63	1.11%
Class R3 Shares	\$1,000.00	\$1,059.70	\$7.04	\$1,018.30	\$6.90	1.36%
Class R6 Shares	\$1,000.00	\$1,063.40	\$3.48	\$1,021.77	\$3.40	0.67%
SIMPLE Class Shares <sup>3,4</sup>	\$1,000.00	\$ 966.10	\$2.34	\$1,005.95	\$2.39	1.43%

- Expenses are equal to the Fund's annualized expense ratio of each class multiplied by the average account value over the period, divided by 366 and multiplied by 184 (to reflect the six-month period) and 61 days for SIMPLE Class share (to reflect the since-inception period). The table above represents the actual expenses incurred during the six-month period. In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above-reported expense figures.
- Expenses are equal to the Fund's annualized expense ratio to reflect the six-month period.
- The inception date was August 31, 2020.
- Expenses paid during the period reflect ongoing costs for the period from inception through October 31, 2020. Had these shares been offered for the full six-month period ended October 31, 2020, and had the Fund provided a hypothetical 5% annualized return, expenses paid during the period would have been \$7.10 for SIMPLE Class shares and the ending account value would have been \$1,018.10 for SIMPLE Class shares.

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## Portfolio Composition as of October 31, 2020 (Unaudited)



See Portfolio of Investments beginning on page 13 for specific holdings within these categories. The Fund's holdings are subject to change.

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## Top Ten Holdings or Issuers Held as of October 31, 2020 (excluding short-term investment) (Unaudited)

1. Federal National Mortgage Association (Mortgage Pass-Through Securities), 2.00%–5.00%, due 9/1/33–10/1/50
  2. Federal Home Loan Mortgage Corporation (Mortgage Pass-Through Securities), 2.00%–5.00%, due 1/1/40–9/1/50
  3. Bank of America Corp., 2.496%–8.57%, due 1/23/22–6/19/41
  4. JPMorgan Chase & Co.
  5. Federal Home Loan Mortgage Corporation, 3.00%–4.00%, due 9/15/48–1/25/50
  6. United States Treasury Bonds, 1.375%–4.50%, due 5/15/38–8/15/50
  7. United States Treasury Notes, 0.125%, due 10/31/22–10/15/23
  8. AbbVie, Inc.
  9. Verizon Communications, Inc.
  10. Microsoft Corp.
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# Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by portfolio managers Jae S. Yoon and Jonathan Swaney of New York Life Investment Management LLC, the Fund's Manager; Dan Roberts, PhD,<sup>1</sup> Stephen R. Cianci, CFA, and Neil Moriarty III, of MacKay Shields LLC, the Subadvisor for the fixed-income portion of the Fund; and William W. Priest, CFA, Michael A. Welhoelter, CFA, John Tobin, PhD, CFA, and Kera Van Valen, CFA, of Epoch Investment Partners, Inc., the Subadvisor for the equity portion of the Fund.

## How did MainStay Income Builder Fund perform relative to its benchmarks and peer group during the 12 months ended October 31, 2020?

For the 12 months ended October 31, 2020, Class I shares of MainStay Income Builder Fund returned -0.69%, underperforming the 4.36% return of the Fund's primary benchmark, the MSCI World Index. Over the same period, Class I shares underperformed the 6.19% return of the Bloomberg Barclays U.S. Aggregate Bond Index, which is the Fund's secondary benchmark, and the 5.93% return of the Blended Benchmark Index, which is an additional benchmark of the Fund. For 12 months ended October 31, 2020, Class I shares of the Fund outperformed the -2.08% return of the Morningstar World Allocation Category Average.<sup>2</sup>

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

During the reporting period, the use of U.S. Treasury futures by the fixed-income portion of the Fund had minimal impact on returns.

## What factors affected the relative performance of the equity portion of the Fund during the reporting period?

The equity portion of the Fund participated in the market rally during the end of 2019. However, performance was challenged during the pandemic-related sell-off in February and March 2020. Fund performance encountered additional headwinds throughout the remainder of the reporting period when the market rally was led by a handful of U.S. mega-cap stocks in the information technology, consumer discretionary and communication services sectors.

Compared to the MSCI World Index, the equity portion of the Fund held underweight exposure to the information technology sector, a stance that significantly detracted from relative returns. Disappointing stock selection in information technology further detracted as the high-flying technology hardware and software stocks that drove the market's rise did not tend to exhibit the Fund's targeted shareholder-yield characteristics. Stock selection in communication services was undermined by telecommunications holdings, and by holdings in a movie theater chain operator that the Fund sold in March 2020 near the lowest point of the market's sell-off. Relatively overweight exposure to pharmaceuticals in the health care sector detracted as the market contemplated the potential regulatory implications of the U.S. presidential election outcome and progress on a

COVID-19 vaccine. By country, holdings in the United States detracted most, followed by holdings in France.

Strong stock selection along with underweight exposure in industrials enhanced the benchmark-relative performance of the equity portion of the Fund.

## During the reporting period, which sectors and countries were the strongest positive contributors to the relative performance of the equity portion of the Fund and which sectors and countries were particularly weak?

During the reporting period, the strongest positive sector contributions to the performance of the equity portion of the Fund relative to the MSCI World Index came from industrials, with over half the effect derived from holdings in the aerospace & defense and air freight & logistics industries. (Contributions take weightings and total returns into account.) Relatively underweight exposure to the industrials sector also contributed positively. Within financials, underweight exposure to the banking industry enhanced relative returns, though the effect was offset by disappointing results from insurance industry holdings.

During the same period, underweight exposure to the information technology sector—the strongest performing sector by far in the benchmark—proved the most significant detractor from the relative performance of the equity portion of the Fund. Stock selection within the sector also detracted. Stock selection in communication services was challenged by telecommunications holdings, and by a position in a movie theater chain operator that the Fund exited in the midst of the market sell-off. Stock selection and underweight exposure in the consumer discretionary sector further detracted from relative returns, along with stock selection in health care as pharmaceutical holdings were pressured. Overweight exposure to the energy sector further dampened relative results as an oil price war disrupted supply and global oil demand remained subdued due to the pandemic-related economic slowdown.

On a country basis, the strongest positive contribution to the relative performance of the equity portion of the Fund came from investments in Japan, while U.S. holdings detracted.

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

Top positive contributors to the absolute performance of the equity portion of the Fund during the reporting period included

1. Dan Roberts served as a portfolio manager of the Fund until January 1, 2020.

2. See page 5 for other share class returns, which may be higher or lower than Class I share returns. See page 6 for more information on benchmark and peer group returns.

semiconductor manufacturer Taiwan Semiconductor and consumer electronics and services company Apple.

Shares in Taiwan Semiconductor, one of the largest semiconductor manufacturers in the world, benefited from production stumbles by competitor Intel and from increased demand for foundry services. With Intel delaying the launch of their next product, expectations grew that Taiwan Semiconductor would see additional foundry demand, making the company one of the two top suppliers of leading-edge semiconductor production in the world, along with Samsung. As of October 31, 2020, the company pays a well-covered dividend.

Apple shares outperformed on strong underlying demand both on its service and accessories side, as well as a return of iPhone sales growth. Customer demand for the company's iPhone 11 handset lineup proved strong despite the anticipation of a 5G variant which was announced in October 2020. Additionally, service adoption expanded to provide a strong driver of revenue growth regardless of iPhone demand. As of October 31, 2020, Apple returned cash to shareholders through dividends and share repurchases.

Paris-based global real estate company Unibail-Rodamco-Westfield and U.S. regulated utility CenterPoint Energy were the largest detractors from the absolute performance of the equity portion of the Fund during the reporting period. Other significant detractors during the reporting period included Paris-based global insurance company AXA and U.K.-based financial services provider Lloyds Banking Group.

AXA shares traded lower with those of the company's insurance and financial company peers in the March 2020 market sell-off, then partially recovered as lockdowns were eased and equity markets recovered. Concerns about the impact of low interest rates on investment income, higher mortality experience and disputes over claims for coverage under business interruption contracts remained challenges for the insurance industry. Facing pressure from regulators, AXA's board decided to pay the annual dividend for 2019 in two installments. While the first was paid, a subsequent regulatory notice in late July 2020 led AXA to cancel the second installment, which pressured shares downward. A further headwind emerged in September 2020 with an adverse ruling in a U.K. court case regarding coverage for business interruption claims. While AXA was not directly involved, the case increased uncertainty as to the ultimate resolution of certain business interruption claims. In our opinion, as of October 31, 2020, AXA's business franchise remains strong and the company enjoys robust capital strength and liquidity. The company continues to have a transparent capital allocation policy with the ability to pay an attractive, growing dividend supported by earnings and maintain a strong regulatory

capital position. Debt reduction also remains a focus for management.

Lloyds is one of the largest banks operating in the U.K. Following the Global Financial Crisis of 2007-2008, the company repositioned itself as a straightforward, low-risk bank focused on consumer lending (mortgages, autos, and credit cards), business lending to small and medium enterprises, insurance and wealth management. Shares traded lower with those of the company's financial-sector peers in the March 2020 market sell-off and remained depressed as the U.K. economy continued to struggle with the effects of the pandemic. The equity portion of the Fund sold its position at the end of March 2020 on concerns that regulators would either request or require banks to discontinue shareholder distributions in light of pandemic-related economic uncertainty. Following the decision to sell, under pressure from the Bank of England, Lloyds and the other major U.K. banks canceled dividends that they had announced on 2019 earnings.

#### **What were some of the largest purchases and sales in the equity portion of the Fund during the reporting period?**

A few positions were initiated in the equity portion of the Fund during the reporting period, including holdings in industrial equipment distributor MSC Industrial ("MSC") and medical device maker Medtronic.

Addressing a highly fragmented market, MSC focuses on product availability and customer service. Cash flows are sustained by strong customer relationships and by providing superior logistics and in-stock products to support customer needs. Growth is driven by market share gains and by moving its sales force from fulfillment to a partnership with its customers. This partnership allows MSC to provide customers with unique insights that drive down their bill of materials and improve their products and manufacturing processes, pushing MSC's cash margins higher. By leveraging its infrastructure and implementing a strong cost-reduction program, we believe the company is positioned to experience margin expansion and lower working capital requirements through better inventory management, leading to better cash generation. As of October 31, 2020, MSC returns cash through a growing dividend and regular share repurchases.

Medtronic develops and sells therapeutic and diagnostic medical devices to treat a variety of conditions, including cardiac rhythm diseases, vascular and heart disease, spinal conditions and diabetes. The company has also developed a line of advanced surgical devices and systems. Cash flows are sustained by Medtronic's diversification across business segments, customer type and geography. Cash flow growth drivers include

sales growth through penetration of existing markets and the creation of new markets with innovative new therapies, margin expansion from cost reduction and improved sourcing, and higher cash conversion from better working capital management. As of October 31, 2020, Medtronic returned capital to shareholders through regular share repurchases and a consistently growing dividend with a 40% earnings payout target.

Positions closed during the reporting period included global integrated energy company Royal Dutch Shell (another top detractor from the Fund's total performance) and U.S. health care plan provider UnitedHealth Group.

Royal Dutch Shell shares declined along with those of other integrated oil companies as the energy sector suffered from supply dislocations caused by conflicts between major oil-producing countries along with the pandemic-related slump in energy demand. Given Royal Dutch Shell's weakened balance sheet, measured by net debt leverage or gearing, we became concerned about the company's ability to maintain its dividend in a prolonged down cycle. The Fund sold the position to invest the proceeds in other more attractive opportunities.

In our opinion, UnitedHealth faced possible near-term slowing of earning and cash flow growth driven by a confluence of factors. These factors included continued customer assistance measures, normalization in medical utilization, rising acuity as a result of missed and deferred treatment, COVID-19 vaccine and treatment costs, and a shift from higher-margin commercial membership to lower-margin Medicaid membership. In light of these challenges, the Fund exited the position in favor of other opportunities.

#### **How did sector and country weightings change in the equity portion of the Fund during the reporting period?**

During the reporting period, the most significant sector allocation changes in the equity portion of the Fund were decreases in exposure to energy and utilities. During the same period, the equity portion of the Fund significantly increased its information technology weighting and made smaller increases in its exposure to the communication services and health care sectors. From a country perspective, the most significant allocation changes included increased exposure to the United States, South Korea and Taiwan, and reduced exposure to the U.K. and France. The sector and country allocations of the equity portion of the Fund 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 yield.

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.

4. 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.

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

As of October 31, 2020, the largest sector allocations on an absolute basis in the equity portion of the Fund were to information technology and health care, and the smallest total sector allocations were to real estate and energy. As of the same date, relative to the MSCI World Index, the equity portion of the Fund held its most overweight exposure to utilities, a defensive sector that is typically more heavily represented in the Fund, and its most significantly underweight exposures to the information technology and consumer discretionary sectors.

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

During the reporting period, the fixed-income portion of the Fund outperformed the Bloomberg Barclays U.S. Aggregate Bond Index due to advantageous positioning among asset-backed securities ("ABS"), investment-grade corporate bonds and longer-duration<sup>3</sup> Treasury bonds, as well as positive asset allocation decisions. Holdings among high-yield bonds and collateralized mortgage obligations underperformed the return of the Bloomberg Barclays U.S. Aggregate Bond Index during the same period.

#### **During the reporting period, were there any market events that materially impacted the performance or liquidity of the fixed-income portion of the Fund?**

During the first quarter of 2020, it became increasingly evident that the COVID-19 virus was not merely a medical concern, but an economic one—with perhaps larger fiscal implications than those related to personal health. Other than the U.S. Treasury sector, steep losses were seen among all asset classes, including gold, which is usually a haven during times of uncertainty. Although liquidity was challenged in this environment, the fixed-income portion of the Fund did not encounter any problems selling securities where and when needed.

The liquidity program implemented by the U.S. Federal Reserve ("Fed") stimulated a recovery in the credit markets during the second quarter of 2020. The Fed provided a supportive hand for investment-grade bond spreads<sup>4</sup> (and eventually select high-yield bonds) with the purchase of individual corporate bonds under the Secondary Market Corporate Credit Facility. The stock and credit market rally carried over into the third quarter and the Fed stayed active in the markets and low interest rates created a supportive environment for bond refinancings.

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

The strategy of the fixed-income portion of the Fund was to remain duration neutral relative to the Bloomberg Barclays U.S. Aggregate Bond Index throughout the reporting period

**During the reporting period, which sectors were the strongest positive contributors to the relative performance of the fixed-income portion of the Fund and which sectors were particularly weak?**

As mentioned above, the strongest contributions to the performance of the fixed-income portion of the Fund relative to the Bloomberg Barclays U.S. Aggregate Bond Index came from holdings of ABS, investment-grade corporate bonds and longer-duration Treasury bonds. Select asset allocation decisions made near the height of the pandemic market sell-off further bolstered relative returns. Conversely, holdings of high-yield bonds and collateralized mortgage obligations underperformed the return of the Bloomberg Barclays U.S. Aggregate Bond Index during the reporting period.

**What were some of the largest purchases and sales in the fixed-income portion of the Fund during the reporting period?**

During the reporting period, the fixed-income portion of the Fund purchased a seasoned credit risk transfer deal from Freddie Mac (the Federal Home Loan Mortgage Corporation) backed by four-year-old prime mortgage loans. At the time of purchase, the liquidity premium was high as there were forced sellers of this type of paper. Given the underlying fundamentals of the borrower's credit and the bond structure, we believed the market would eventually price those in. The fixed-income portion of the Fund also purchased corporate bonds issued by graphics processor and software maker NVIDIA, a high-quality, low-levered name in a rapidly growing industry. The issue came

to market during the height of the market's volatility; as a result, it priced with a very attractive new-issue premium.

To pay for increased exposure to credit after the market correction, we sold down the Fund's position in agency mortgages, noting that the Fed was an active buyer in that paper. Additionally, we sold the Fund's position in an ABS deal backed by equipment loans from DLL Finance at a time in early February 2020 when ABS spreads were historically tight, and liquidity was readily available.

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

Early in the reporting period, we focused on diversifying the holdings within the fixed-income portion of the Fund while dialing down risk as credit spreads had been narrowing. This led to an increase in securitized<sup>5</sup> assets while decreasing the Fund's credit positions, specifically high yield. After the March 2020 correction, we reversed course and increased the fixed-income portion of the Fund's exposure to high yield and other spread product at discounted prices. Based on these moves we increased exposure in the fixed-income portion of the Fund to high-yield bonds, commercial mortgage-back securities and emerging-market bonds, while decreasing exposure to agency mortgages.

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

As of October 31, 2020, the fixed-income portion of the Fund held overweight exposure relative to the Bloomberg Barclays U.S. Aggregate Bond Index in high-yield securities, investment-grade corporate bonds and securitized assets. As of the same date, the fixed-income portion of the Fund held relatively underweight exposure to U.S. Treasury securities and agency mortgages.

5. A securitization is a financial instrument created by an issuer by combining a pool of financial assets (such as mortgages). The financial instrument is then marketed to investors, sometimes in tiers.

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

# Portfolio of Investments October 31, 2020

	Principal Amount	Value
<b>Long-Term Bonds 56.8%†</b>		
<b>Asset-Backed Securities 2.7%</b>		
<b>Auto Floor Plan Asset-Backed Securities 0.7%</b>		
Ford Credit Floorplan Master Owner Trust		
Series 2019-4, Class A		
2.44%, due 9/15/26	\$ 2,015,000	\$ 2,137,451
Series 2017-3, Class A		
2.48%, due 9/15/24	1,270,000	1,315,907
Series 2018-4, Class A		
4.06%, due 11/15/30	3,055,000	3,476,894
General Motors Floorplan Owner Revolving Trust		
Series 2019-2, Class A		
2.90%, due 4/15/26 (a)	2,815,000	3,017,925
		<u>9,948,177</u>
<b>Automobile Asset-Backed Securities 0.5%</b>		
Avis Budget Rental Car Funding		
AESOP LLC		
Series 2020-1A, Class A		
2.33%, due 8/20/26 (a)	1,270,000	1,299,516
Chase Auto Credit Linked Notes		
Series 2020-1, Class B		
0.991%, due 1/25/28 (a)	920,000	921,871
Ford Credit Auto Owner Trust (a)		
Series 2020-2, Class A		
1.06%, due 4/15/33	2,250,000	2,253,259
Series 2020-1, Class A		
2.04%, due 8/15/31	1,610,000	1,683,765
Santander Revolving Auto Loan Trust		
Series 2019-A, Class A		
2.51%, due 1/26/32 (a)	975,000	1,033,694
		<u>7,192,105</u>
<b>Credit Cards 0.1%</b>		
Capital One Multi-Asset Execution Trust		
Series 2019-A3, Class A3		
2.06%, due 8/15/28	1,740,000	1,851,603
<b>Home Equity Asset-Backed Securities 0.0%†</b>		
MASTR Asset-Backed Securities Trust		
Series 2006-HE4, Class A1		
0.199% (1 Month LIBOR + 0.05%), due 11/25/36 (b)	557,923	255,924
<b>Other Asset-Backed Securities 1.3%</b>		
Carrington Mortgage Loan Trust		
Series 2007-HE1, Class A3		
0.339% (1 Month LIBOR + 0.19%), due 6/25/37 (b)	3,972,216	3,809,892
CF Hippolyta LLC (a)		
Series 2020-1, Class A1		
1.69%, due 7/15/60	1,836,096	1,855,502

	Principal Amount	Value
<b>Other Asset-Backed Securities (continued)</b>		
CF Hippolyta LLC (a) (continued)		
Series 2020-1, Class A2		
1.99%, due 7/15/60	\$ 1,127,449	\$ 1,136,502
Chase Funding Trust		
Series 2002-2, Class 1A5		
6.333%, due 4/25/32 (c)	39,954	40,812
Equity One Mortgage Pass-Through Trust		
Series 2003-3, Class AF4		
5.495%, due 12/25/33 (c)	93,193	94,767
JPMorgan Mortgage Acquisition Trust		
Series 2007-HE1, Class AF1		
0.249% (1 Month LIBOR + 0.10%), due 3/25/47 (b)	359,662	224,970
MMAF Equipment Finance LLC		
Series 2020-BA, Class A4		
0.66%, due 11/15/27 (a)	3,750,000	3,735,910
MWV LLC		
Series 2019-2A, Class A		
2.22%, due 10/20/38 (a)	2,009,972	2,062,158
PFS Financing Corp. (a)		
Series 2020-B, Class B		
1.71%, due 6/15/24	830,000	836,720
Series 2020-A, Class B		
1.77%, due 6/15/25	1,780,000	1,802,986
Sierra Timeshare Receivables Funding LLC (a)		
Series 2020-2A, Class A		
1.33%, due 7/20/37	1,370,797	1,376,537
Series 2020-2A, Class C		
3.51%, due 7/20/37	2,138,443	2,175,855
		<u>19,152,611</u>
<b>Student Loans 0.1%</b>		
KeyCorp Student Loan Trust		
Series 2000-A, Class A2		
0.57% (3 Month LIBOR + 0.32%), due 5/25/29 (b)	19,083	19,070
Navient Private Education Refi Loan Trust		
Series 2020-DA, Class A		
1.69%, due 5/15/69 (a)	840,151	852,938
		<u>872,008</u>
Total Asset-Backed Securities (Cost \$38,111,083)		
		<u>39,272,428</u>

## Convertible Bonds 0.7%

### Machinery—Diversified 0.4%

Chart Industries, Inc.		
1.00%, due 11/15/24 (a)	3,651,000	5,805,090

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

# Portfolio of Investments October 31, 2020 (continued)

	Principal Amount	Value
<b>Convertible Bonds (continued)</b>		
<b>Semiconductors 0.3%</b>		
ON Semiconductor Corp. 1.625%, due 10/15/23	\$ 3,080,000	\$ 4,396,454
Total Convertible Bonds (Cost \$6,035,910)		<u>10,201,544</u>

## Corporate Bonds 37.3%

<b>Aerospace &amp; Defense 0.4%</b>		
BAE Systems PLC 3.00%, due 9/15/50 (a)	2,650,000	2,670,437
L3Harris Technologies, Inc. 4.40%, due 6/15/28	2,215,000	<u>2,615,854</u>
		<u>5,286,291</u>
<b>Agriculture 0.5%</b>		
Altria Group, Inc. 3.80%, due 2/14/24	3,260,000	3,547,458
BAT Capital Corp. 3.734%, due 9/25/40	2,105,000	2,070,925
JBS Investments II GmbH 7.00%, due 1/15/26 (Austria) (a)	1,170,000	<u>1,250,028</u>
		<u>6,868,411</u>

## Airlines 1.2%

American Airlines Pass-Through Trust Series 2013-2, Class A 4.95%, due 1/15/23	4,005,293	3,471,440
American Airlines, Inc. Pass Through Trust Series 2016-2, Class AA 3.20%, due 6/15/28	565,760	521,470
Series 2016-2, Class AA 3.65%, due 6/15/28	199,680	148,469
Delta Air Lines Pass-Through Trust Series 2019-1, Class AA 3.204%, due 4/25/24	2,355,000	2,345,330
Delta Air Lines, Inc. 7.00%, due 5/1/25 (a)	2,310,000	2,520,945
Delta Air Lines, Inc. / SkyMiles I.P. Ltd. (a) 4.50%, due 10/20/25	1,080,000	1,096,142
4.75%, due 10/20/28	755,000	771,770
Mileage Plus Holdings LLC / Mileage Plus Intellectual Property Assets, Ltd. 6.50%, due 6/20/27 (a)	1,860,000	1,936,725
U.S. Airways Pass-Through Trust Series 2012-1, Class A, Pass-Through Trust 5.90%, due 1/10/24	1,272,925	1,239,573
Series 2010-1, Class A, Pass-Through Trust 6.25%, due 4/22/23	580,032	531,917

	Principal Amount	Value
<b>Airlines (continued)</b>		
United Airlines Pass-Through Trust Series 2020-1, Class A 5.875%, due 10/15/27	\$ 1,340,000	\$ 1,343,017
Series 2007-1, Pass-Through Trust 6.636%, due 7/2/22	1,066,308	<u>1,000,952</u>
		<u>16,927,750</u>

## Apparel 0.1%

Hanesbrands, Inc. 5.375%, due 5/15/25 (a)	1,340,000	<u>1,410,350</u>
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## Auto Manufacturers 1.2%

Daimler Finance North America LLC 0.799% (3 Month LIBOR + 0.55%), due 5/4/21 (Germany) (a)(b)	2,400,000	2,403,420
Ford Motor Co. 8.50%, due 4/21/23	2,100,000	2,317,875
9.00%, due 4/22/25	2,200,000	2,592,469
Ford Motor Credit Co. LLC 3.35%, due 11/1/22	820,000	816,925
4.063%, due 11/1/24	1,935,000	1,940,418
4.25%, due 9/20/22	655,000	664,273
5.875%, due 8/2/21	350,000	357,420
General Motors Co. 6.125%, due 10/1/25	670,000	784,124
General Motors Financial Co., Inc. 3.15%, due 6/30/22	900,000	925,782
3.45%, due 4/10/22	3,800,000	3,910,930
5.20%, due 3/20/23	810,000	<u>878,947</u>
		<u>17,592,583</u>

## Banks 8.4%

Bank of America Corp. 2.496%, due 2/13/31 (d)	1,600,000	1,656,004
2.676%, due 6/19/41 (d)	2,795,000	2,821,943
2.738%, due 1/23/22 (d)	3,260,000	3,276,969
3.004%, due 12/20/23 (d)	1,794,000	1,880,702
3.194%, due 7/23/30 (d)	1,425,000	1,565,035
3.458%, due 3/15/25 (d)	1,700,000	1,839,038
3.499%, due 5/17/22 (d)	4,490,000	4,564,006
4.20%, due 8/26/24	2,615,000	2,914,061
4.30%, due 1/28/25 (d)(e)	3,519,000	3,433,242
6.30%, due 3/10/26 (d)(e)	2,085,000	2,366,475
8.57%, due 11/15/24	485,000	619,992
BNP Paribas S.A. 3.052%, due 1/13/31 (France) (a)(d)	3,630,000	3,847,342
Citibank N.A. 3.40%, due 7/23/21	3,585,000	3,656,987
Citigroup, Inc. 3.352%, due 4/24/25 (d)	2,565,000	2,770,713
3.668%, due 7/24/28 (d)	1,180,000	1,321,807
3.98%, due 3/20/30 (d)	2,370,000	2,718,688

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

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Banks (continued)</b>		
Citigroup, Inc. (continued)		
4.05%, due 7/30/22	\$ 105,000	\$ 111,263
5.30%, due 5/6/44	1,200,000	1,589,987
6.625%, due 6/15/32	770,000	1,069,607
6.875%, due 6/1/25	1,715,000	2,125,126
Citizens Financial Group, Inc.		
2.638%, due 9/30/32 (a)	3,405,000	3,421,274
Credit Suisse Group A.G.		
2.593%, due 9/11/25 (Switzerland) (a)(d)	3,000,000	3,144,527
First Horizon National Corp.		
4.00%, due 5/26/25	2,100,000	2,301,587
Goldman Sachs Group, Inc.		
1.45% (3 Month LIBOR + 1.17%), due 5/15/26 (b)	2,245,000	2,267,937
2.905%, due 7/24/23 (d)	880,000	913,917
2.908%, due 6/5/23 (d)	800,000	828,889
3.50%, due 11/16/26	1,085,000	1,201,250
5.25%, due 7/27/21	805,000	833,902
6.75%, due 10/1/37	829,000	1,207,826
HSBC Holdings PLC		
3.973%, due 5/22/30 (United Kingdom) (d)	2,365,000	2,652,498
Huntington Bancshares, Inc.		
3.15%, due 3/14/21	3,535,000	3,563,648
JPMorgan Chase & Co. (d)		
2.182%, due 6/1/28	2,700,000	2,815,641
2.956%, due 5/13/31	1,115,000	1,187,417
3.207%, due 4/1/23	3,915,000	4,067,694
3.54%, due 5/1/28	2,970,000	3,334,904
4.60%, due 2/1/25 (e)	3,427,000	3,379,022
Lloyds Banking Group PLC (United Kingdom)		
4.582%, due 12/10/25	1,633,000	1,808,191
4.65%, due 3/24/26	3,090,000	3,462,997
Morgan Stanley		
3.125%, due 1/23/23	4,435,000	4,688,077
3.847% (3 Month LIBOR + 3.61%), due 1/15/21 (b)(e)	1,890,000	1,819,054
3.875%, due 1/27/26	465,000	528,532
5.00%, due 11/24/25	2,855,000	3,365,128
7.25%, due 4/1/32	490,000	740,922
Natwest Group PLC (United Kingdom)		
3.073% (CMT + 2.55%), due 5/22/28 (b)	3,705,000	3,913,493
6.00%, due 12/19/23	190,000	213,217
PNC Bank N.A.		
2.55%, due 12/9/21	2,185,000	2,235,605
PNC Financial Services Group, Inc.		
2.55%, due 1/22/30	1,980,000	2,130,891

	Principal Amount	Value
<b>Banks (continued)</b>		
Truist Bank		
2.636% (5 Year Treasury Constant Maturity Rate + 1.15%), due 9/17/29 (b)	\$ 1,900,000	\$ 1,969,550
Truist Financial Corp.		
4.95% (5 Year Treasury Constant Maturity Rate + 4.605%), due 9/1/25 (b)(e)	2,205,000	2,337,300
Wachovia Corp.		
5.50%, due 8/1/35	315,000	408,305
Wells Fargo & Co.		
2.406%, due 10/30/25 (d)	1,795,000	1,893,396
4.90%, due 11/17/45	55,000	69,194
Wells Fargo Bank N.A.		
2.60%, due 1/15/21	2,595,000	2,607,300
3.55%, due 8/14/23	1,815,000	1,963,370
5.85%, due 2/1/37	140,000	187,690
		<u>119,613,132</u>
<b>Beverages 0.3%</b>		
Anheuser-Busch InBev Worldwide, Inc. (Belgium)		
4.15%, due 1/23/25	635,000	720,254
4.75%, due 1/23/29	3,075,000	3,723,902
		<u>4,444,156</u>
<b>Biotechnology 0.3%</b>		
Biogen, Inc.		
3.625%, due 9/15/22	3,480,000	3,681,634
<b>Building Materials 0.8%</b>		
Builders FirstSource, Inc. (a)		
5.00%, due 3/1/30	2,455,000	2,590,025
6.75%, due 6/1/27	1,170,000	1,254,825
Carrier Global Corp.		
2.493%, due 2/15/27 (a)	2,650,000	2,784,113
Cemex S.A.B. de C.V.		
3.125%, due 3/19/26 (Mexico) (a)	EUR 4,255,000	4,980,314
		<u>11,609,277</u>
<b>Chemicals 0.7%</b>		
Air Liquide Finance S.A.		
1.75%, due 9/27/21 (France) (a)	\$ 1,725,000	1,745,927
Braskem Netherlands Finance B.V.		
4.50%, due 1/10/28 (Netherlands) (a)	2,135,000	2,050,710
Huntsman International LLC		
4.50%, due 5/1/29	1,862,000	2,077,219
Nutrition & Biosciences, Inc.		
1.832%, due 10/15/27 (a)	2,300,000	2,305,736
Orbia Advance Corp. S.A.B. de C.V.		
4.00%, due 10/4/27 (Mexico) (a)	1,800,000	1,945,800
		<u>10,125,392</u>

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

# Portfolio of Investments October 31, 2020 (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Commercial Services 0.7%</b>		
Allied Universal Holdco LLC / Allied Universal Finance Corp. 6.625%, due 7/15/26 (a)	\$ 1,650,000	\$ 1,728,433
Ashtead Capital, Inc. 4.00%, due 5/1/28 (United Kingdom) (a)	935,000	974,738
California Institute of Technology 3.65%, due 9/1/19	1,913,000	1,942,624
Cintas Corp. No 2 3.70%, due 4/1/27	2,740,000	3,128,621
Herc Holdings, Inc. 5.50%, due 7/15/27 (a)	1,805,000	1,854,863
		<u>9,629,279</u>
<b>Computers 0.8%</b>		
Apple, Inc. 2.75%, due 1/13/25	1,990,000	2,151,539
Dell International LLC / EMC Corp. (a) 4.90%, due 10/1/26	1,749,000	1,991,678
5.30%, due 10/1/29	810,000	938,477
8.10%, due 7/15/36	1,120,000	1,512,836
International Business Machines Corp. 7.00%, due 10/30/25	2,050,000	2,645,829
NCR Corp. 5.00%, due 10/1/28 (a)	2,376,000	2,352,240
		<u>11,592,599</u>
<b>Cosmetics &amp; Personal Care 0.1%</b>		
Estee Lauder Cos., Inc. 2.60%, due 4/15/30	740,000	804,559
<b>Distribution &amp; Wholesale 0.5%</b>		
Avient Corp. 5.75%, due 5/15/25 (a)	2,877,000	3,028,043
Performance Food Group, Inc. 5.50%, due 10/15/27 (a)	4,566,000	4,680,150
		<u>7,708,193</u>
<b>Diversified Financial Services 2.0%</b>		
AerCap Ireland Capital DAC / AerCap Global Aviation Trust (Ireland) 3.30%, due 1/23/23	1,275,000	1,286,009
4.625%, due 7/1/22	964,000	998,793
4.45%, due 12/16/21	1,465,000	1,495,396
Air Lease Corp. 2.30%, due 2/1/25	2,990,000	2,939,492
2.75%, due 1/15/23	1,850,000	1,873,497
3.50%, due 1/15/22	890,000	910,763
4.25%, due 9/15/24	1,185,000	1,236,937
Ally Financial, Inc. 3.875%, due 5/21/24	810,000	871,114
8.00%, due 11/1/31	3,260,000	4,499,985

	Principal Amount	Value
<b>Diversified Financial Services (continued)</b>		
Avolon Holdings Funding, Ltd. 2.875%, due 2/15/25 (Ireland) (a)	\$ 2,720,000	\$ 2,563,607
BOC Aviation, Ltd. 2.625%, due 9/17/30 (a)	2,620,000	2,550,467
Capital One Financial Corp. 4.20%, due 10/29/25	435,000	483,724
Charles Schwab Corp. 5.375% (5 Year Treasury Constant Maturity Rate + 4.971%), due 6/1/25 (b)(e)	2,350,000	2,571,605
Discover Financial Services 3.85%, due 11/21/22	1,491,000	1,591,721
Intercontinental Exchange, Inc. 3.00%, due 9/15/60	2,100,000	2,111,497
OneMain Finance Corp. 6.125%, due 3/15/24	540,000	567,649
		<u>28,552,256</u>
<b>Electric 1.0%</b>		
Connecticut Light & Power Co. 4.00%, due 4/1/48	1,145,000	1,434,822
Duquesne Light Holdings, Inc. 3.616%, due 8/1/27 (a)	2,265,000	2,436,419
Entergy Louisiana LLC 4.00%, due 3/15/33	2,200,000	2,720,566
Evergy, Inc. 5.292%, due 6/15/22 (c)	1,130,000	1,200,334
Public Service Electric & Gas Co. 3.00%, due 5/15/27	2,235,000	2,470,761
Puget Energy, Inc. 5.625%, due 7/15/22	815,000	864,797
Southern California Edison Co. 3.70%, due 8/1/25	870,000	961,427
4.00%, due 4/1/47	1,320,000	1,423,794
WEC Energy Group, Inc. 2.393% (3 Month LIBOR + 2.113%), due 5/15/67 (b)	1,095,000	890,500
		<u>14,403,420</u>
<b>Environmental Controls 0.3%</b>		
Republic Services, Inc. 4.75%, due 5/15/23	1,615,000	1,770,772
Waste Management, Inc. 2.40%, due 5/15/23	2,275,000	2,372,104
		<u>4,142,876</u>
<b>Food 1.5%</b>		
JBS USA LUX S.A. / JBS USA Food Co. / JBS USA Finance, Inc. 5.50%, due 1/15/30 (a)	1,230,000	1,337,625
Kraft Heinz Foods Co. 4.25%, due 3/1/31 (a)	2,888,000	3,133,917
5.00%, due 7/15/35	1,199,000	1,381,899



	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Food (continued)</b>		
Nestle Holdings, Inc. (a)		
1.00%, due 9/15/27	\$ 3,750,000	\$ 3,732,182
3.10%, due 9/24/21	2,975,000	3,042,309
Smithfield Foods, Inc.		
3.35%, due 2/1/22 (a)	1,575,000	1,597,653
Sysco Corp.		
3.30%, due 2/15/50	1,130,000	1,069,628
5.95%, due 4/1/30	1,161,000	1,481,431
Tyson Foods, Inc.		
3.95%, due 8/15/24	2,255,000	2,508,163
U.S. Foods, Inc.		
6.25%, due 4/15/25 (a)	1,940,000	2,027,300
		<u>21,312,107</u>
<b>Food Services 0.1%</b>		
Aramark Services, Inc.		
6.375%, due 5/1/25 (a)	1,776,000	1,862,811
<b>Gas 0.1%</b>		
Southern California Gas Co.		
4.30%, due 1/15/49	845,000	1,071,146
<b>Health Care—Services 0.6%</b>		
Cigna Holding Co.		
4.375%, due 12/15/20	270,000	270,572
Health Care Service Corp. A Mutual Legal Reserve Co.		
2.20%, due 6/1/30 (a)	3,800,000	3,883,120
Laboratory Corp. of America Holdings		
2.30%, due 12/1/24	3,040,000	3,215,463
NYU Langone Hospitals		
3.38%, due 7/1/55	1,550,000	1,512,818
		<u>8,881,973</u>
<b>Holding Company—Diversified 0.2%</b>		
CK Hutchison International (17) II, Ltd.		
3.25%, due 9/29/27 (Hong Kong) (a)	2,620,000	2,858,172
<b>Home Builders 0.1%</b>		
Lennar Corp.		
5.875%, due 11/15/24	1,345,000	1,511,444
<b>Insurance 1.8%</b>		
Equitable Holdings, Inc.		
5.00%, due 4/20/48	2,305,000	2,753,452
Jackson National Life Global Funding		
0.73% (3 Month LIBOR + 0.48%), due 6/11/21 (a)(b)	3,660,000	3,667,530
Liberty Mutual Group, Inc.		
4.25%, due 6/15/23 (a)	850,000	930,553

	Principal Amount	Value
<b>Insurance (continued)</b>		
MassMutual Global Funding II(a)		
2.50%, due 10/17/22	\$ 3,347,000	\$ 3,486,897
2.95%, due 1/11/25	1,105,000	1,199,657
Peachtree Corners Funding Trust		
3.976%, due 2/15/25 (a)	940,000	1,034,462
Principal Life Global Funding II		
2.375%, due 11/21/21 (a)	4,070,000	4,158,607
Protective Life Corp.		
8.45%, due 10/15/39	1,640,000	2,527,929
Reliance Standard Life Global Funding II		
2.50%, due 10/30/24 (a)	2,420,000	2,510,985
Voya Financial, Inc.		
3.65%, due 6/15/26	690,000	782,655
Willis North America, Inc.		
2.95%, due 9/15/29	1,735,000	1,889,206
3.875%, due 9/15/49	440,000	511,975
		<u>25,453,908</u>
<b>Internet 0.6%</b>		
Cablevision Lightpath LLC		
3.875%, due 9/15/27 (a)	960,000	952,800
Expedia Group, Inc.		
3.25%, due 2/15/30	3,165,000	3,073,900
3.60%, due 12/15/23 (a)	1,135,000	1,167,098
3.80%, due 2/15/28	440,000	442,259
5.00%, due 2/15/26	60,000	64,320
6.25%, due 5/1/25 (a)	470,000	516,844
Weibo Corp. (China)		
3.375%, due 7/8/30	1,700,000	1,705,056
3.50%, due 7/5/24	1,190,000	1,242,233
		<u>9,164,510</u>
<b>Iron &amp; Steel 0.4%</b>		
ArcelorMittal S.A.		
4.55%, due 3/11/26 (Luxembourg)	2,040,000	2,196,225
Vale Overseas, Ltd. (Brazil)		
6.25%, due 8/10/26	2,585,000	3,084,422
6.875%, due 11/21/36	864,000	1,161,009
		<u>6,441,656</u>
<b>Lodging 0.7%</b>		
Boyd Gaming Corp.		
8.625%, due 6/1/25 (a)	563,000	616,316
Hilton Domestic Operating Co., Inc.		
4.875%, due 1/15/30	1,715,000	1,764,306
5.75%, due 5/1/28 (a)	740,000	775,672
Las Vegas Sands Corp.		
3.20%, due 8/8/24	1,415,000	1,431,225
Marriott International, Inc.		
2.30%, due 1/15/22	2,450,000	2,479,365
Sands China, Ltd. (Macao)		
4.60%, due 8/8/23	810,000	862,399
5.125%, due 8/8/25	1,310,000	1,411,158
		<u>9,340,441</u>

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

# Portfolio of Investments October 31, 2020 (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Machinery—Construction &amp; Mining 0.3%</b>		
Caterpillar Financial Services Corp.		
2.90%, due 3/15/21	\$ 4,990,000	\$ 5,038,559
<b>Machinery—Diversified 0.4%</b>		
CNH Industrial Capital LLC		
4.20%, due 1/15/24	1,435,000	1,553,250
4.875%, due 4/1/21	3,945,000	4,005,838
		<u>5,559,088</u>
<b>Media 0.7%</b>		
Comcast Corp.		
3.25%, due 11/1/39	1,665,000	1,851,148
4.70%, due 10/15/48	1,410,000	1,881,458
Grupo Televisa S.A.B.		
5.25%, due 5/24/49	1,230,000	1,441,423
Sirius XM Radio, Inc.		
4.125%, due 7/1/30 (a)	2,200,000	2,261,622
Sky, Ltd.		
3.75%, due 9/16/24 (United Kingdom) (a)	950,000	1,058,526
Time Warner Entertainment Co., L.P.		
8.375%, due 3/15/23	800,000	936,466
		<u>9,430,643</u>
<b>Metal Fabricate &amp; Hardware 0.3%</b>		
Precision Castparts Corp.		
3.25%, due 6/15/25	4,040,000	4,463,569
<b>Mining 0.5%</b>		
Anglo American Capital PLC		
4.875%, due 5/14/25 (United Kingdom) (a)	1,295,000	1,472,751
Corp. Nacional del Cobre de Chile		
3.00%, due 9/30/29 (Chile) (a)	2,825,000	2,977,703
Glencore Funding LLC		
1.625%, due 9/1/25 (a)	2,805,000	2,787,942
		<u>7,238,396</u>
<b>Miscellaneous—Manufacturing 0.5%</b>		
General Electric Co.		
3.625%, due 5/1/30	1,525,000	1,610,462
4.25%, due 5/1/40	1,660,000	1,749,733
4.35%, due 5/1/50	1,300,000	1,385,007
Textron Financial Corp.		
2.015% (3 Month LIBOR + 1.735%), due 2/15/42 (a)(b)	3,540,000	2,460,300
		<u>7,205,502</u>
<b>Oil &amp; Gas 1.1%</b>		
BP Capital Markets America, Inc.		
3.00%, due 2/24/50	820,000	769,105

	Principal Amount	Value
<b>Oil &amp; Gas (continued)</b>		
BP Capital Markets PLC		
4.875% (5 Year Treasury Constant Maturity Rate + 4.398%), due 3/22/30 (b)(e)	\$ 2,620,000	\$ 2,736,695
Gazprom PJSC Via Gaz Capital S.A.		
7.288%, due 8/16/37 (Luxembourg) (a)	2,065,000	2,891,512
Marathon Petroleum Corp.		
4.50%, due 5/1/23	1,455,000	1,565,811
4.70%, due 5/1/25	1,585,000	1,753,637
5.125%, due 12/15/26	1,260,000	1,441,250
Total Capital International S.A.		
3.127%, due 5/29/50	2,285,000	2,291,235
Valero Energy Corp.		
4.00%, due 4/1/29	1,435,000	1,497,770
6.625%, due 6/15/37	1,050,000	1,234,949
		<u>16,181,964</u>
<b>Packaging &amp; Containers 0.2%</b>		
Berry Global, Inc.		
4.875%, due 7/15/26 (a)	200,000	209,191
Owens Brockway Glass Container, Inc.		
6.625%, due 5/13/27 (a)	2,640,000	2,831,400
Reynolds Group Issuer, Inc. / Reynolds Group Issuer LLC		
5.125%, due 7/15/23 (New Zealand) (a)	224,000	226,800
		<u>3,267,391</u>
<b>Pharmaceuticals 1.6%</b>		
AbbVie, Inc. (a)		
3.45%, due 3/15/22	2,715,000	2,810,757
4.05%, due 11/21/39	2,780,000	3,187,973
Bausch Health Cos., Inc. (Canada) (a)		
5.75%, due 8/15/27	1,075,000	1,152,938
6.25%, due 2/15/29	1,290,000	1,329,422
Becton Dickinson & Co.		
4.669%, due 6/6/47	1,635,000	2,023,660
Bristol-Myers Squibb Co.		
3.625%, due 5/15/24	3,600,000	3,953,714
CVS Health Corp.		
2.70%, due 8/21/40	2,930,000	2,797,278
4.78%, due 3/25/38	1,110,000	1,340,671
CVS Pass-Through Trust		
5.789%, due 1/10/26 (a)	119,505	129,763
Eli Lilly & Co.		
2.50%, due 9/15/60	1,685,000	1,578,157
Teva Pharmaceutical Finance Netherlands III B.V.		
3.15%, due 10/1/26	2,995,000	2,635,600
		<u>22,939,933</u>

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Pipelines 0.7%</b>		
Enterprise Products Operating LLC		
3.125%, due 7/31/29	\$ 1,595,000	\$ 1,719,668
3.95%, due 1/31/60	1,460,000	1,430,933
4.20%, due 1/31/50	405,000	437,914
MPLX, L.P.		
2.65%, due 8/15/30	1,705,000	1,640,822
4.875%, due 6/1/25	100,000	112,927
Spectra Energy Partners, L.P.		
4.75%, due 3/15/24	1,740,000	1,933,845
Transcontinental Gas Pipe Line Co. LLC		
4.60%, due 3/15/48	2,340,000	2,566,524
Western Midstream Operating L.P.		
6.25%, due 2/1/50	860,000	789,953
		<u>10,632,586</u>
<b>Real Estate Investment Trusts 1.5%</b>		
Alexandria Real Estate Equities, Inc.		
3.375%, due 8/15/31	1,290,000	1,447,098
American Tower Corp.		
3.375%, due 10/15/26	1,920,000	2,122,734
3.60%, due 1/15/28	1,025,000	1,144,939
Crown Castle International Corp.		
5.25%, due 1/15/23	3,510,000	3,850,696
Digital Realty Trust, L.P.		
3.60%, due 7/1/29	2,985,000	3,387,612
3.70%, due 8/15/27	500,000	562,906
Equinix, Inc.		
1.25%, due 7/15/25	1,645,000	1,655,541
2.625%, due 11/18/24	1,820,000	1,934,519
GLP Capital, L.P. / GLP Financing II, Inc.		
3.35%, due 9/1/24	1,280,000	1,299,469
Iron Mountain, Inc.		
5.25%, due 7/15/30 (a)	1,690,000	1,734,363
Kilroy Realty, L.P.		
3.45%, due 12/15/24	2,060,000	2,184,125
		<u>21,324,002</u>
<b>Retail 1.0%</b>		
AutoNation, Inc.		
4.75%, due 6/1/30	2,430,000	2,849,667
Macy's, Inc.		
8.375%, due 6/15/25 (a)	3,145,000	3,283,694
McDonald's Corp.		
3.35%, due 4/1/23	2,875,000	3,061,001
QVC, Inc.		
4.375%, due 9/1/28	2,245,000	2,246,684
Starbucks Corp.		
3.35%, due 3/12/50	925,000	963,489
4.45%, due 8/15/49	1,305,000	1,588,077
		<u>13,992,612</u>

	Principal Amount	Value
<b>Semiconductors 0.4%</b>		
Broadcom, Inc.		
3.125%, due 10/15/22	\$ 2,405,000	\$ 2,519,755
Intel Corp.		
4.75%, due 3/25/50	1,225,000	1,670,871
NXP B.V. / NXP Funding LLC / NXP USA, Inc.		
3.40%, due 5/1/30 (a)	1,255,000	1,378,350
		<u>5,568,976</u>
<b>Software 0.3%</b>		
Fiserv, Inc.		
3.20%, due 7/1/26	525,000	581,265
salesforce.com, Inc.		
3.25%, due 4/11/23	1,300,000	1,388,503
3.70%, due 4/11/28	1,915,000	2,249,136
		<u>4,218,904</u>
<b>Telecommunications 2.2%</b>		
Altice France S.A.		
7.375%, due 5/1/26 (a)	2,515,000	2,624,905
AT&T, Inc.		
2.875% (EUAM + 3.14%), due 3/2/25 (b)(e)	EUR 2,000,000	2,218,658
3.50%, due 9/15/53 (a)	\$ 2,184,000	2,087,968
4.35%, due 3/1/29	795,000	925,865
CommScope Technologies LLC		
6.00%, due 6/15/25 (a)	736,000	729,656
CommScope, Inc.		
7.125%, due 7/1/28 (a)	2,540,000	2,554,097
Crown Castle Towers LLC		
4.241%, due 7/15/28 (a)	2,680,000	3,028,144
Level 3 Financing, Inc.		
3.40%, due 3/1/27 (a)	2,545,000	2,722,565
Sprint Spectrum Co. LLC / Sprint Spectrum Co. II LLC / Sprint Spectrum Co. III LLC		
4.738%, due 3/20/25 (a)	4,170,000	4,535,792
T-Mobile USA, Inc.		
4.50%, due 4/15/50 (a)	1,015,000	1,180,277
Telefonica Emisiones S.A.		
5.462%, due 2/16/21	395,000	400,596
VEON Holdings B.V.		
4.95%, due 6/16/24 (a)	2,430,000	2,620,318
Verizon Communications, Inc.		
1.38% (3 Month LIBOR + 1.10%), due 5/15/25 (b)	2,705,000	2,771,025
Vodafone Group PLC (United Kingdom)		
4.25%, due 9/17/50	2,830,000	3,260,226
		<u>31,660,092</u>

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# Portfolio of Investments October 31, 2020 (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Toys, Games &amp; Hobbies 0.1%</b>		
Hasbro, Inc.		
2.60%, due 11/19/22	\$ 1,230,000	\$ 1,274,809
<b>Transportation 0.1%</b>		
XPO Logistics, Inc.		
6.50%, due 6/15/22 (a)	761,000	763,808
Total Corporate Bonds (Cost \$505,775,609)		533,051,160
<b>Foreign Bonds 0.1%</b>		
<b>Banks 0.1%</b>		
Barclays Bank PLC		
Series Reg S		
10.00%, due 5/21/21 (United Kingdom)	GBP 1,186,000	1,607,278
Total Foreign Bonds (Cost \$1,878,754)		1,607,278
<b>Foreign Government Bonds 0.6%</b>		
<b>Brazil 0.2%</b>		
Brazilian Government		
International Bond		
4.625%, due 1/13/28 (Brazil)	\$ 2,913,000	3,164,974
<b>Mexico 0.4%</b>		
Mexico Government International Bond		
3.25%, due 4/16/30 (Mexico)	5,435,000	5,615,877
Total Foreign Government Bonds (Cost \$8,467,435)		8,780,851
<b>Loan Assignments 1.0% (b)</b>		
<b>Buildings &amp; Real Estate 0.2%</b>		
Realogy Group LLC		
2018 Term Loan B		
3.00% (1 Month LIBOR + 2.25%), due 2/8/25	3,036,051	2,907,019
<b>Containers, Packaging &amp; Glass 0.2%</b>		
BWAY Holding Co.		
2017 Term Loan B		
3.48% (2 Month LIBOR + 3.25%), due 4/3/24	3,132,622	2,923,127
<b>Diversified/Conglomerate Service 0.1%</b>		
TruGreen, Ltd. Partnership		
2020 Term Loan TBD-%, due 10/29/27	1,345,000	1,334,913
2020 2nd Lien Term Loan TBD-%, due 10/30/28	580,000	571,300
		1,906,213

	Principal Amount	Value
<b>Finance 0.2%</b>		
Alliant Holdings Intermediate, LLC		
2018 Term Loan B		
2.898% (1 Month LIBOR + 2.75%), due 5/9/25	\$ 3,123,051	\$ 3,000,568
<b>Personal &amp; Nondurable Consumer Products 0.1%</b>		
Prestige Brands, Inc.		
Term Loan B4		
2.148% (1 Month LIBOR + 2.00%), due 1/26/24	945,317	938,227
<b>Telecommunications 0.2%</b>		
Level 3 Financing, Inc.		
2019 Term Loan B		
1.898% (1 Month LIBOR + 1.75%), due 3/1/27	2,142,032	2,061,706
Total Loan Assignments (Cost \$14,033,147)		13,736,860
<b>Mortgage-Backed Securities 6.5%</b>		
<b>Agency (Collateralized Mortgage Obligations) 2.2%</b>		
Federal Home Loan Mortgage Corporation		
REMIC, Series 4926, Class BP		
3.00%, due 10/25/49	4,860,000	5,182,556
REMIC Series 4888, Class BA		
3.50%, due 9/15/48	1,164,058	1,217,111
REMIC Series 4877, Class AT		
3.50%, due 11/15/48	2,089,376	2,207,620
REMIC Series 4877, Class BE		
3.50%, due 11/15/48	2,815,925	2,965,016
REMIC, Series 4958, Class DL		
4.00%, due 1/25/50	4,355,000	4,682,541
Federal National Mortgage Association		
REMIC, Series 2013-77, Class CY		
3.00%, due 7/25/43	1,902,000	2,062,367
REMIC, Series 2019-13, Class PE		
3.00%, due 3/25/49	1,942,212	2,064,217
REMIC Series 2019-13, Class CA		
3.50%, due 4/25/49	2,793,359	3,056,301
REMIC, Series 2020-10, Class DA		
3.50%, due 3/25/60	2,711,974	2,986,746
Government National Mortgage Association		
Series 2013-149, Class BA		
3.25%, due 8/16/41	5,133,686	5,413,511
		31,837,986

	Principal Amount	Value
<b>Mortgage-Backed Securities (continued)</b>		
<b>Commercial Mortgage Loans</b>		
<b>(Collateralized Mortgage Obligations) 4.0%</b>		
Bank		
Series 2019-BN21, Class A5 2.851%, due 10/17/52	\$ 2,970,000	\$ 3,250,571
Series 2019-BN19, Class A2 2.926%, due 8/15/61	3,050,000	3,251,438
Bayview Commercial Asset Trust		
Series 2006-4A, Class A1 0.379% (1 Month LIBOR + 0.23%), due 12/25/36 (a)(b)	67,677	62,934
Benchmark Mortgage Trust		
Series 2020-B19, Class A2 1.691%, due 9/15/53	2,175,000	2,228,856
Series 2019-B12, Class A5 3.116%, due 8/15/52	2,852,000	3,163,620
BX Commercial Mortgage Trust		
Series 2020-VIV3, Class B 3.543%, due 3/9/44 (a)	1,128,236	1,122,282
BX Trust (a)		
Series 2018-BILT, Class A 0.948% (1 Month LIBOR + 0.80%), due 5/15/30 (b)	2,490,000	2,390,632
Series 2018-GW, Class A 0.948% (1 Month LIBOR + 0.80%), due 5/15/35 (b)	1,770,000	1,696,849
Series 2019-OC11, Class A 3.202%, due 12/9/41	1,205,000	1,251,432
Series 2019-OC11, Class B 3.605%, due 12/9/41	890,000	900,353
Series 2019-OC11, Class C 3.856%, due 12/9/41	2,440,000	2,377,391
CSAIL Commercial Mortgage Trust		
Series 2015-C3, Class A4 3.718%, due 8/15/48	1,890,254	2,069,356
FREMFG Mortgage Trust (a)(f)		
Series 2015-K720, Class B 3.393%, due 7/25/22	1,080,000	1,114,065
Series 2013-K33, Class B 3.498%, due 8/25/46	2,701,000	2,869,817
Series 2014-K41, Class B 3.833%, due 11/25/47	870,000	953,443
Series 2013-K35, Class B 3.935%, due 12/25/46	965,000	1,040,156
GB Trust (a)(b)		
Series 2020-FLIX, Class C 1.748% (1 Month LIBOR + 1.60%), due 8/15/37	1,300,000	1,303,017
Series 2020-FLIX, Class D 2.498% (1 Month LIBOR + 2.35%), due 8/15/37	1,650,000	1,653,760

	Principal Amount	Value
<b>Commercial Mortgage Loans</b>		
<b>(Collateralized Mortgage Obligations) (continued)</b>		
GS Mortgage Securities Trust		
Series 2019-GC42, Class A4 3.001%, due 9/1/52	\$ 1,175,000	\$ 1,287,768
Series 2019-GC40, Class A4 3.16%, due 7/10/52	2,002,000	2,224,426
Hawaii Hotel Trust		
Series 2019-MAUI, Class A 1.298% (1 Month LIBOR + 1.15%), due 5/15/38 (a)(b)	1,200,000	1,159,424
Hudson Yards Mortgage Trust		
Series 2019-30HY, Class A 3.228%, due 7/10/39 (a)	1,460,000	1,616,438
JP Morgan Chase Commercial Mortgage Securities Trust		
Series 2013-C16, Class A4 4.166%, due 12/15/46	2,472,000	2,673,481
Manhattan West		
Series 2020-1MW, Class A 2.13%, due 9/10/39 (a)	2,610,000	2,686,069
Morgan Stanley Bank of America Merrill Lynch Trust Series-2015-C23, Class A3		
3.451%, due 7/15/50	1,162,420	1,243,860
Morgan Stanley Capital I Trust		
Series 2015-UBS8, Class A4 3.809%, due 12/15/48	1,830,000	2,031,714
One Bryant Park Trust		
Series 2019-OBP, Class A 2.516%, due 9/15/54 (a)	2,725,000	2,871,799
Wells Fargo Commercial Mortgage Trust (a)(f)		
Series 2018-1745, Class A 3.749%, due 6/15/36	2,640,000	2,877,341
Series 2018-AUS, Class A 4.058%, due 8/17/36	3,120,000	3,378,545
		<u>56,750,837</u>
<b>Whole Loan (Collateralized Mortgage Obligations) 0.3%</b>		
Chase Home Lending Mortgage Trust (a)(g)		
Series 2019-ATR2, Class A3 3.50%, due 7/25/49	358,618	368,213
Series 2019-ATR1, Class A4 4.00%, due 4/25/49	414,469	416,861
JP Morgan Mortgage Trust (a)(g)		
Series 2019-3, Class A3 4.00%, due 9/25/49	466,216	478,277
Series 2019-5, Class A4 4.00%, due 11/25/49	211,863	213,107

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# Portfolio of Investments October 31, 2020 (continued)

	Principal Amount	Value
<b>Mortgage-Backed Securities (continued)</b>		
<b>Whole Loan (Collateralized Mortgage Obligations) (continued)</b>		
Seasoned Loans Structured		
Transaction Trust		
Series 2019-1, Class A1		
3.50%, due 5/25/29	\$ 967,762	\$ 1,027,861
Wells Fargo Mortgage Backed		
Securities Trust		
Series 2020-2, Class A1		
3.00%, due 12/25/49 (a)(g)	2,245,264	2,310,792
		<u>4,815,111</u>
Total Mortgage-Backed Securities (Cost \$90,582,190)		<u>93,403,934</u>

## Municipal Bonds 0.2%

<b>California 0.2%</b>		
Regents of the University of California		
Medical Center Pooled, Revenue Bonds		
Series N		
3.006%, due 5/15/50	2,700,000	2,783,835

## New York 0.0%±

New York State Thruway Authority,		
Revenue Bonds		
Series M		
2.90%, due 1/1/35	450,000	479,169
Total Municipal Bonds (Cost \$3,150,000)		<u>3,263,004</u>

## U.S. Government & Federal Agencies 7.7%

<b>Federal Home Loan Mortgage Corporation (Mortgage Pass-Through Securities) 2.3%</b>		
2.00%, due 7/1/50	1,887,861	1,947,786
2.00%, due 8/1/50	5,963,119	6,211,958
2.00%, due 8/1/50	2,746,600	2,833,783
2.00%, due 8/1/50	3,262,654	3,366,218
2.00%, due 9/1/50	1,645,061	1,701,726
2.50%, due 1/1/40	691,754	721,311
2.50%, due 4/1/50	148,885	155,820
3.50%, due 1/1/48	2,984,064	3,202,179
3.50%, due 1/1/50	3,987,052	4,211,410
4.00%, due 2/1/49	928,613	999,937
5.00%, due 12/1/44	3,252,619	3,747,960
5.00%, due 12/1/48	3,063,346	3,362,406
		<u>32,462,494</u>

	Principal Amount	Value
<b>Federal National Mortgage Association (Mortgage Pass-Through Securities) 2.5%</b>		
2.00%, due 10/1/50	\$ 425,000	\$ 440,290
2.50%, due 8/1/35	2,003,810	2,083,941
2.50%, due 5/1/50	2,055,556	2,143,387
2.50%, due 8/1/50	269,809	282,531
2.50%, due 8/1/50	3,058,009	3,208,457
3.00%, due 3/1/50	3,312,606	3,541,892
3.00%, due 4/1/50	2,860,122	2,991,482
3.50%, due 3/1/37	4,300,133	4,777,819
3.50%, due 2/1/42	2,698,856	2,932,806
4.00%, due 5/1/48	2,580,266	2,757,411
4.00%, due 9/1/48	4,300,942	4,656,898
4.00%, due 1/1/49	1,042,732	1,136,020
4.00%, due 2/1/49	943,609	1,014,660
5.00%, due 9/1/33	3,873,189	4,450,371
		<u>36,417,965</u>

## Government National Mortgage Association (Mortgage Pass-Through Securities) 0.0%±

6.50%, due 4/15/29	10	11
6.50%, due 8/15/29	7	8
		<u>19</u>

## United States Treasury Bonds 1.1%

1.375%, due 8/15/50	620,000	581,831
4.375%, due 11/15/39	6,581,000	10,023,943
4.375%, due 5/15/40	2,140,000	3,272,277
4.50%, due 5/15/38	1,390,000	2,118,013
		<u>15,996,064</u>

## United States Treasury Notes 1.0%

0.125%, due 10/31/22	9,580,000	9,574,387
0.125%, due 10/15/23	5,010,000	4,999,823
		<u>14,574,210</u>

## United States Treasury Inflation—Indexed Note 0.8%

0.875%, due 1/15/29 (h)	9,690,483	11,167,524
Total U.S. Government & Federal Agencies (Cost \$104,548,017)		<u>110,618,276</u>
Total Long-Term Bonds (Cost \$772,582,145)		<u>813,935,335</u>

## Shares

## Common Stocks 37.9%

<b>Aerospace &amp; Defense 0.7%</b>		
BAE Systems PLC (United Kingdom)	967,451	4,975,729
Lockheed Martin Corp.	14,090	4,933,332
		<u>9,909,061</u>

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Air Freight &amp; Logistics 1.0%</b>		
Deutsche Post A.G., Registered (Germany)	149,234	\$ 6,611,557
Hyundai Glovis Co., Ltd. (Republic of Korea)	28,206	4,163,660
United Parcel Service, Inc., Class B	25,928	4,073,548
		<u>14,848,765</u>
<b>Auto Components 0.3%</b>		
Cie Generale des Etablissements Michelin SCA (France)	45,720	4,932,876
<b>Banks 1.2%</b>		
JPMorgan Chase & Co.	45,606	4,471,212
PNC Financial Services Group, Inc.	27,797	3,109,928
Royal Bank of Canada (Canada)	74,617	5,217,533
Truist Financial Corp.	98,170	4,134,921
		<u>16,933,594</u>
<b>Beverages 0.9%</b>		
Coca-Cola Co.	94,211	4,527,781
Coca-Cola European Partners PLC (United Kingdom)	79,961	2,855,407
PepsiCo., Inc.	36,417	4,854,022
		<u>12,237,210</u>
<b>Biotechnology 0.9%</b>		
AbbVie, Inc.	92,232	7,848,943
Amgen, Inc.	21,771	4,723,001
		<u>12,571,944</u>
<b>Capital Markets 1.2%</b>		
BlackRock, Inc.	7,125	4,269,371
CME Group, Inc.	15,042	2,267,130
Lazard, Ltd., Class A	105,097	3,538,616
Macquarie Group, Ltd. (Australia)	10,671	950,707
Singapore Exchange, Ltd. (Singapore)	534,300	3,387,414
T. Rowe Price Group, Inc.	23,552	2,983,097
		<u>17,396,335</u>
<b>Chemicals 1.5%</b>		
BASF S.E. (Germany)	94,409	5,175,509
Dow, Inc.	107,777	4,902,776
LyondellBasell Industries N.V., Class A	54,033	3,698,559
Nutrien, Ltd. (Canada)	203,629	8,283,627
		<u>22,060,471</u>
<b>Commercial Services &amp; Supplies 0.0%†</b>		
Quad/Graphics, Inc.	10	23
<b>Communications Equipment 0.4%</b>		
Cisco Systems, Inc.	178,294	6,400,755

	Shares	Value
<b>Diversified Telecommunication Services 2.5%</b>		
AT&T, Inc.	229,987	\$ 6,214,249
BCE, Inc. (Canada)	171,401	6,887,945
Deutsche Telekom A.G., Registered (Germany)	198,715	3,024,835
Orange S.A. (France)	297,677	3,338,620
TELUS Corp. (Canada)	329,432	5,632,711
Verizon Communications, Inc.	186,048	10,602,876
		<u>35,701,236</u>
<b>Electric Utilities 2.0%</b>		
American Electric Power Co., Inc.	61,950	5,571,164
Duke Energy Corp.	50,074	4,612,316
Entergy Corp.	60,168	6,090,205
Evergy, Inc.	58,981	3,255,751
Fortis, Inc. (Canada)	108,660	4,292,409
Terna Rete Elettrica Nazionale S.p.A. (Italy)	728,755	4,926,113
		<u>28,747,958</u>
<b>Electrical Equipment 0.9%</b>		
Eaton Corp. PLC	75,013	7,785,599
Emerson Electric Co.	71,450	4,629,246
		<u>12,414,845</u>
<b>Equity Real Estate Investment Trusts 1.0%</b>		
American Tower Corp.	15,042	3,454,395
Iron Mountain, Inc.	247,800	6,457,668
Welltower, Inc.	81,148	4,363,328
		<u>14,275,391</u>
<b>Food Products 0.9%</b>		
Danone S.A. (France)	62,939	3,474,511
Nestle S.A., Registered (Switzerland)	47,501	5,340,916
Orkla ASA (Norway)	376,648	3,553,964
		<u>12,369,391</u>
<b>Gas Utilities 0.6%</b>		
Snam S.p.A. (Italy)	1,703,332	8,312,062
<b>Health Care Equipment &amp; Supplies 0.2%</b>		
Medtronic PLC (Italy)	30,959	3,113,547
<b>Hotels, Restaurants &amp; Leisure 1.0%</b>		
Las Vegas Sands Corp.	73,429	3,528,997
McDonald's Corp.	14,250	3,035,250
Restaurant Brands International, Inc. (Canada)	67,182	3,493,464
Vail Resorts, Inc.	17,219	3,995,497
		<u>14,053,208</u>
<b>Household Durables 0.2%</b>		
Leggett & Platt, Inc.	78,575	3,278,935

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

# Portfolio of Investments October 31, 2020 (continued)

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Household Products 0.8%</b>		
Kimberly-Clark Corp.	48,887	\$ 6,481,927
Procter & Gamble Co.	33,449	4,585,858
		<u>11,067,785</u>
<b>Industrial Conglomerates 0.3%</b>		
Siemens A.G., Registered (Germany)	36,022	4,224,670
<b>Insurance 2.4%</b>		
Allianz S.E., Registered (Germany)	41,959	7,381,932
Assicurazioni Generali S.p.A. (Italy)	279,468	3,746,303
AXA S.A. (France)	227,216	3,651,854
MetLife, Inc.	163,463	6,187,075
Muenchener Rueckversicherungs-Gesellschaft A.G., Registered (Germany)	32,322	7,558,879
SCOR S.E. (France) (i)	90,226	2,192,005
Tokio Marine Holdings, Inc. (Japan)	90,200	4,013,962
		<u>34,732,010</u>
<b>IT Services 0.5%</b>		
International Business Machines Corp.	68,266	7,622,582
<b>Leisure Products 0.3%</b>		
Hasbro, Inc.	44,137	3,651,013
<b>Machinery 0.2%</b>		
Atlas Copco A.B., Class A (Sweden)	79,961	3,530,598
<b>Media 0.2%</b>		
Comcast Corp., Class A	81,742	3,452,782
ION Media Networks, Inc. (i)(j)(k)(l)(m)	12	9,504
		<u>3,462,286</u>
<b>Multi-Utilities 1.7%</b>		
Ameren Corp.	71,648	5,812,086
Dominion Energy, Inc.	90,055	7,235,019
National Grid PLC (United Kingdom)	408,118	4,858,906
WEC Energy Group, Inc.	66,304	6,666,867
		<u>24,572,878</u>
<b>Multiline Retail 0.3%</b>		
Target Corp.	25,891	3,941,128
<b>Oil, Gas &amp; Consumable Fuels 1.3%</b>		
Chevron Corp.	40,574	2,819,893
Enterprise Products Partners, L.P.	256,113	4,243,793
Magellan Midstream Partners, L.P.	95,795	3,404,554
Phillips 66	53,439	2,493,464
TOTAL S.E. (France)	203,189	6,110,150
		<u>19,071,854</u>

	Shares	Value
<b>Personal Products 0.6%</b>		
Unilever PLC (United Kingdom)	142,307	\$ 8,119,155
<b>Pharmaceuticals 4.2%</b>		
AstraZeneca PLC, Sponsored ADR (United Kingdom)	80,357	4,030,707
Bayer A.G., Registered (Germany)	52,053	2,446,766
GlaxoSmithKline PLC (United Kingdom)	333,501	5,581,227
Johnson & Johnson	46,116	6,322,965
Merck & Co., Inc.	94,805	7,130,284
Novartis A.G., Registered (Switzerland)	60,564	4,721,872
Novo Nordisk A/S, Class B (Denmark)	49,480	3,178,037
Pfizer, Inc.	169,818	6,025,143
Roche Holding A.G. (Switzerland)	17,021	5,471,334
Sanofi (France)	79,367	7,151,679
Takeda Pharmaceutical Co., Ltd. (Japan)	253,900	7,855,027
		<u>59,915,041</u>
<b>Semiconductors &amp; Semiconductor Equipment 3.0%</b>		
Analog Devices, Inc.	49,876	5,911,802
Broadcom, Inc.	16,510	5,772,391
Intel Corp.	82,336	3,645,838
KLA Corp.	38,793	7,649,204
Maxim Integrated Products, Inc.	23,355	1,626,676
Taiwan Semiconductor Manufacturing Co., Ltd., Sponsored ADR (Taiwan)	121,525	10,192,302
Texas Instruments, Inc.	53,439	7,726,745
		<u>42,524,958</u>
<b>Software 0.9%</b>		
Microsoft Corp.	60,564	12,262,393
<b>Specialty Retail 0.3%</b>		
Home Depot, Inc.	15,301	4,080,930
<b>Technology Hardware, Storage &amp; Peripherals 1.1%</b>		
Apple, Inc.	67,603	7,359,263
Samsung Electronics Co., Ltd. GDR (Republic of Korea) (a)	6,169	7,791,447
		<u>15,150,710</u>
<b>Textiles, Apparel &amp; Luxury Goods 0.3%</b>		
Hanesbrands, Inc.	229,591	3,689,527
<b>Tobacco 1.5%</b>		
Altria Group, Inc.	181,496	6,548,376
British American Tobacco PLC (United Kingdom)	173,974	5,517,382
British American Tobacco PLC Sponsored ADR (United Kingdom)	58,387	1,861,377
Philip Morris International, Inc.	104,305	7,407,741
		<u>21,334,876</u>

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



	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Trading Companies &amp; Distributors 0.4%</b>		
MSC Industrial Direct Co., Inc., Class A	11,695	\$ 814,674
Watsco, Inc.	22,761	5,101,650
		<u>5,916,324</u>
<b>Wireless Telecommunication Services 0.2%</b>		
Rogers Communications, Inc., Class B (Canada)	77,586	3,151,658
Total Common Stocks (Cost \$520,001,602)		<u>541,579,983</u>
<b>Short-Term Investment 3.4%</b>		
<b>Affiliated Investment Company 3.4%</b>		
MainStay U.S. Government Liquidity Fund, 0.02% (n)	48,169,605	48,169,605
Total Short-Term Investment (Cost \$48,169,605)		<u>48,169,605</u>
Total Investments (Cost \$1,340,753,352)	98.1%	1,403,684,923
Other Assets, Less Liabilities	<u>1.9</u>	<u>26,923,623</u>
Net Assets	<u>100.0%</u>	<u>\$1,430,608,546</u>

† Percentages indicated are based on Fund net assets.

‡ 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 October 31, 2020.

(c) Step coupon—Rate shown was the rate in effect as of October 31, 2020.

(d) Fixed to floating rate—Rate shown was the rate in effect as of October 31, 2020.

(e) Securities are perpetual and, thus, do not have a predetermined maturity date. The date shown, if applicable, reflects the next call date.

(f) 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 October 31, 2020.

(g) Coupon rate may change based on changes of the underlying collateral or prepayments of principal. Rate shown was the rate in effect as of October 31, 2020.

(h) Treasury Inflation Protected Security—Pays a fixed rate of interest on a principal amount that is continuously adjusted for inflation based on the Consumer Price Index-Urban Consumers.

(i) Non-income producing security.

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

(k) Illiquid security—As of October 31, 2020, the total market value of the security deemed illiquid under procedures approved by the Board of Trustees was \$9,504, which represented less than one-tenth of a percent of the Fund's net assets.

(l) Fair valued security—Represents fair value as measured in good faith under procedures approved by the Board of Trustees. As of October 31, 2020, the total market value of fair valued security was \$9,504, which represented less than one-tenth of a percent of the Fund's net assets.

(m) Restricted security. (See Note 5)

(n) Current yield as of October 31, 2020.

## Foreign Currency Forward Contracts

As of October 31, 2020, the Fund held the following foreign currency forward contracts<sup>1</sup>:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
AUD 23,293,000	USD 16,248,731	JPMorgan Chase Bank N.A.	11/2/20	\$ 123,924
JPY 5,081,523,000	USD 47,422,837	JPMorgan Chase Bank N.A.	11/2/20	1,113,607
JPY 5,081,523,000	USD 48,532,040	JPMorgan Chase Bank N.A.	2/1/21	68,273
USD 16,576,557	AUD 23,293,000	JPMorgan Chase Bank N.A.	11/2/20	203,901
USD 5,907,742	EUR 4,988,000	JPMorgan Chase Bank N.A.	2/1/21	85,802
USD 1,711,354	GBP 1,314,000	JPMorgan Chase Bank N.A.	2/1/21	7,952
Total Unrealized Appreciation				<u>1,603,459</u>
AUD 23,293,000	USD 16,582,846	JPMorgan Chase Bank N.A.	2/1/21	(202,644)
EUR 4,988,000	USD 5,895,188	JPMorgan Chase Bank N.A.	11/2/20	(85,913)
GBP 1,314,000	USD 1,710,326	JPMorgan Chase Bank N.A.	11/2/20	(8,040)
USD 5,687,816	EUR 4,988,000	JPMorgan Chase Bank N.A.	11/2/20	(121,458)
USD 1,650,752	GBP 1,314,000	JPMorgan Chase Bank N.A.	11/2/20	(51,535)
USD 48,457,067	JPY 5,081,523,000	JPMorgan Chase Bank N.A.	11/2/20	(79,376)
Total Unrealized Depreciation				<u>(548,966)</u>
Net Unrealized Appreciation				<u>\$1,054,493</u>

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

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

# Portfolio of Investments October 31, 2020 (continued)

## Futures Contracts

As of October 31, 2020, the Portfolio held the following futures contracts<sup>1</sup>:

Type	Number of Contracts	Expiration Date	Value at Trade Date	Current Notional Amount	Unrealized Appreciation (Depreciation) <sup>2</sup>
<b>Long Contracts</b>					
2-Year United States Treasury Note	501	December 2020	\$110,686,556	\$110,642,719	\$ (43,837)
Nikkei 225	465	December 2020	50,956,388	51,398,945	442,557
S&P 500 Index Mini	1,185	December 2020	196,108,705	193,433,475	(2,675,230)
United States Treasury Long Bond	48	December 2020	8,455,064	8,278,500	(176,564)
United States Treasury Ultra Bond	290	December 2020	64,899,653	62,350,000	(2,549,653)
Total Long Contracts					<u>(5,002,727)</u>
<b>Short Contracts</b>					
10-Year United States Treasury Note	(15)	December 2020	(2,090,356)	(2,073,281)	17,075
10-Year United States Treasury Ultra Note	(151)	December 2020	(24,095,477)	(23,749,469)	346,008
5-Year United States Treasury Note	(404)	December 2020	(50,905,068)	(50,743,031)	162,037
Total Short Contracts					<u>525,120</u>
Net Unrealized Depreciation					<u><u>\$(4,477,607)</u></u>

1. As of October 31, 2020, cash in the amount of \$20,699,572 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 October 31, 2020.

The following abbreviations are used in the preceding pages:

ADR—American Depositary Receipt

AUD—Australian Dollar

CMT—1 Year Treasury Constant Maturity Rate

EUAM—European Union Advisory Mission

EUR—Euro

GBP—British Pound Sterling

GDR—Global Depositary Receipt

JPY—Japanese Yen

LIBOR—London Interbank Offered Rate

REMIC—Real Estate Mortgage Investment Conduit

TBD—To Be Determined

USD—United States Dollar

The following is a summary of the fair valuations according to the inputs used as of October 31, 2020, for valuing the Fund's assets and liabilities:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<b>Asset Valuation Inputs</b>				
Investments in Securities (a)				
Long-Term Bonds				
Asset-Backed Securities	\$ —	\$ 39,272,428	\$ —	\$ 39,272,428
Convertible Bonds	—	10,201,544	—	10,201,544
Corporate Bonds	—	533,051,160	—	533,051,160
Foreign Bonds	—	1,607,278	—	1,607,278
Foreign Government Bonds	—	8,780,851	—	8,780,851
Loan Assignments	—	13,736,860	—	13,736,860
Mortgage-Backed Securities	—	93,403,934	—	93,403,934
Municipal Bonds	—	3,263,004	—	3,263,004
U.S. Government & Federal Agencies	—	110,618,276	—	110,618,276
Total Long-Term Bonds	—	813,935,335	—	813,935,335
Common Stocks (b)	541,570,479	—	9,504	541,579,983
Short-Term Investments				
Affiliated Investment Company	48,169,605	—	—	48,169,605
Total Investments in Securities	589,740,084	813,935,335	9,504	1,403,684,923
Other Financial Instruments				
Foreign Currency Forward Contracts (c)	—	1,603,459	—	1,603,459
Futures Contracts (c)	967,677	—	—	967,677
Total Other Financial Instruments	967,677	1,603,459	—	2,571,136
Total Investments in Securities and Other Financial Instruments	<u>\$590,707,761</u>	<u>\$815,538,794</u>	<u>\$9,504</u>	<u>\$1,406,256,059</u>
<b>Liability Valuation Inputs</b>				
Other Financial Instruments				
Foreign Currency Forward Contracts (c)	\$ —	\$ (548,966)	\$ —	\$ (548,966)
Futures Contracts (c)	(5,445,284)	—	—	(5,445,284)
Total Other Financial Instruments	<u>\$ (5,445,284)</u>	<u>\$ (548,966)</u>	<u>\$ —</u>	<u>\$ (5,994,250)</u>

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

(b) The Level 3 security valued at \$9,504 is held in Media within the Common Stocks section of the Portfolio of Investments.

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

# Statement of Assets and Liabilities as of October 31, 2020

## Assets

Investment in unaffiliated securities, at value (identified cost \$1,292,583,747)	\$1,355,515,318
Investment in affiliated investment company, at value (identified cost \$48,169,605)	48,169,605
Cash collateral on deposit at broker for futures contracts	20,699,572
Cash denominated in foreign currencies (identified cost \$19,837)	32,918
Receivables:	
Investment securities sold	21,200,239
Dividends and interest	8,901,167
Fund shares sold	995,943
Securities lending	1,481
Unrealized appreciation on foreign currency forward contracts	1,603,459
Other assets	78,858
Total assets	<u>1,457,198,560</u>

## Liabilities

Due to custodian	215,813
Payables:	
Investment securities purchased	17,630,117
Variation margin on futures contracts	4,845,992
Fund shares redeemed	1,580,537
Manager (See Note 3)	772,380
NYLIFE Distributors (See Note 3)	305,446
Transfer agent (See Note 3)	302,261
Shareholder communication	89,114
Professional fees	48,924
Custodian	16,693
Trustees	1,955
Accrued expenses	1,909
Unrealized depreciation on foreign currency forward contracts	548,966
Dividend payable	229,907
Total liabilities	<u>26,590,014</u>
Net assets	<u>\$1,430,608,546</u>

## Composition of Net Assets

Shares of beneficial interest outstanding (par value of \$.01 per share) unlimited number of shares authorized	\$ 765,243
Additional paid-in capital	1,404,547,251
	1,405,312,494
Total distributable earnings (loss)	<u>25,296,052</u>
Net assets	<u>\$1,430,608,546</u>

## Class A

Net assets applicable to outstanding shares	\$ 638,250,210
Shares of beneficial interest outstanding	<u>34,299,307</u>
Net asset value per share outstanding	\$ 18.61
Maximum sales charge (3.00% of offering price)	<u>0.58</u>
Maximum offering price per share outstanding	<u>\$ 19.19</u>

## Investor Class

Net assets applicable to outstanding shares	\$ 79,992,014
Shares of beneficial interest outstanding	<u>4,294,968</u>
Net asset value per share outstanding	\$ 18.62
Maximum sales charge (2.50% of offering price)	<u>0.48</u>
Maximum offering price per share outstanding	<u>\$ 19.10</u>

## Class B

Net assets applicable to outstanding shares	\$ 19,409,117
Shares of beneficial interest outstanding	<u>1,035,033</u>
Net asset value and offering price per share outstanding	<u>\$ 18.75</u>

## Class C

Net assets applicable to outstanding shares	\$ 148,220,200
Shares of beneficial interest outstanding	<u>7,920,244</u>
Net asset value and offering price per share outstanding	<u>\$ 18.71</u>

## Class I

Net assets applicable to outstanding shares	\$ 448,922,302
Shares of beneficial interest outstanding	<u>23,877,168</u>
Net asset value and offering price per share outstanding	<u>\$ 18.80</u>

## Class R2

Net assets applicable to outstanding shares	\$ 3,043,553
Shares of beneficial interest outstanding	<u>163,580</u>
Net asset value and offering price per share outstanding	<u>\$ 18.61</u>

## Class R3

Net assets applicable to outstanding shares	\$ 1,196,045
Shares of beneficial interest outstanding	<u>64,269</u>
Net asset value and offering price per share outstanding	<u>\$ 18.61</u>

## Class R6

Net assets applicable to outstanding shares	\$ 91,550,947
Shares of beneficial interest outstanding	<u>4,868,457</u>
Net asset value and offering price per share outstanding	<u>\$ 18.80</u>

## SIMPLE Class

Net assets applicable to outstanding shares	\$ 24,158
Shares of beneficial interest outstanding	<u>1,297</u>
Net asset value and offering price per share outstanding (a)	<u>\$ 18.62</u>

(a) The difference between the recalculated and stated NAV was caused by rounding.

# Statement of Operations for the year ended October 31, 2020

## Investment Income (Loss)

### Income

Interest (a)	\$ 25,589,269
Dividends-unaffiliated (b)	23,280,263
Dividends-affiliated	307,019
Securities lending	81,241
Other	479
Total income	<u>49,258,271</u>

### Expenses

Manager (See Note 3)	9,117,556
Distribution/Service—Class A (See Note 3)	1,580,889
Distribution/Service—Investor Class (See Note 3)	207,659
Distribution/Service—Class B (See Note 3)	225,131
Distribution/Service—Class C (See Note 3)	1,723,825
Distribution/Service—Class R2 (See Note 3)	6,730
Distribution/Service—Class R3 (See Note 3)	5,058
Distribution/Service—SIMPLE Class (See Note 3)	21
Transfer agent (See Note 3)	1,813,414
Professional fees	192,648
Registration	177,122
Shareholder communication	144,863
Custodian	99,160
Trustees	34,740
Shareholder service (See Note 3)	3,704
Miscellaneous	65,972
Total expenses	<u>15,398,492</u>

Net investment income (loss) 33,859,779

## Realized and Unrealized Gain (Loss)

### Net realized gain (loss) on:

Unaffiliated investment transactions	(55,555,290)
Futures transactions	21,320,390
Foreign currency forward transactions	1,330,347
Foreign currency transactions	184,573

Net realized gain (loss) (32,719,980)

### Net change in unrealized appreciation (depreciation) on:

Unaffiliated investments	(13,102,932)
Futures contracts	(8,805,738)
Foreign currency forward contracts	1,984,842
Translation of other assets and liabilities in foreign currencies	195,197

Net change in unrealized appreciation (depreciation) (19,728,631)

Net realized and unrealized gain (loss) (52,448,611)

Net increase (decrease) in net assets resulting from operations \$(18,588,832)

(a) Interest recorded net of foreign withholding taxes in the amount of \$1,316.

(b) Dividends recorded net of foreign withholding taxes in the amount of \$1,133,351.

# Statements of Changes in Net Assets

for the years ended October 31, 2020 and October 31, 2019

	2020	2019
<b>Increase (Decrease) in Net Assets</b>		
Operations:		
Net investment income (loss)	\$ 33,859,779	\$ 41,347,682
Net realized gain (loss)	(32,719,980)	42,442,017
Net change in unrealized appreciation (depreciation)	(19,728,631)	97,209,538
Net increase (decrease) in net assets resulting from operations	(18,588,832)	180,999,237
Distributions to shareholders:		
Class A	(38,695,065)	(27,133,176)
Investor Class	(4,945,627)	(3,905,630)
Class B	(1,245,001)	(1,069,632)
Class C	(9,531,711)	(7,608,473)
Class I	(30,256,759)	(23,286,147)
Class R2	(155,024)	(156,842)
Class R3	(49,678)	(10,576)
Class R6	(6,279,420)	(4,774,290)
SIMPLE Class	(72)	—
Total distributions to shareholders	(91,158,357)	(67,944,766)
Capital share transactions:		
Net proceeds from sale of shares	320,543,037	256,736,076
Net asset value of shares issued to shareholders in reinvestment of distributions	83,497,446	62,014,408
Cost of shares redeemed	(384,329,610)	(408,508,034)
Increase (decrease) in net assets derived from capital share transactions	19,710,873	(89,757,550)
Net increase (decrease) in net assets	(90,036,316)	23,296,921
<b>Net Assets</b>		
Beginning of year	1,520,644,862	1,497,347,941
End of year	<u>\$1,430,608,546</u>	<u>\$1,520,644,862</u>

# Financial Highlights selected per share data and ratios

Class A	Year ended October 31,				
	2020	2019	2018	2017	2016
Net asset value at beginning of year	\$ 19.96	\$ 18.51	\$ 19.97	\$ 18.30	\$ 18.79
Net investment income (loss) (a)	0.44	0.54	0.52	0.48	0.58
Net realized and unrealized gain (loss) on investments	(0.65)	1.73	(1.04)	1.83	(0.17)
Net realized and unrealized gain (loss) on foreign currency transactions	0.04	0.06	0.07	(0.09)	0.30
Total from investment operations	(0.17)	2.33	(0.45)	2.22	0.71
<b>Less distributions:</b>					
From net investment income	(0.42)	(0.56)	(0.52)	(0.55)	(0.61)
From net realized gain on investments	(0.76)	(0.32)	(0.49)	—	(0.59)
Total distributions	(1.18)	(0.88)	(1.01)	(0.55)	(1.20)
Net asset value at end of year	\$ 18.61	\$ 19.96	\$ 18.51	\$ 19.97	\$ 18.30
Total investment return (b)	(0.90%)	13.09%	(2.38%)	12.30%	4.08%
<b>Ratios (to average net assets)/Supplemental Data:</b>					
Net investment income (loss)	2.32%	2.83%	2.72%	2.52%	3.21%
Net expenses (c)	1.02%	1.02%	1.01%	1.01%	1.02%
Portfolio turnover rate	65% (d)	62%(d)	44% (d)	29%	27%
Net assets at end of year (in 000's)	\$ 638,250	\$ 625,049	\$ 571,206	\$ 652,333	\$ 574,390

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 62%, 54% and 36% for the years ended October 31, 2020, 2019 and 2018, respectively.

Investor Class	Year ended October 31,				
	2020	2019	2018	2017	2016
Net asset value at beginning of year	\$ 19.98	\$ 18.52	\$ 19.99	\$ 18.31	\$ 18.80
Net investment income (loss) (a)	0.41	0.51	0.50	0.47	0.56
Net realized and unrealized gain (loss) on investments	(0.66)	1.74	(1.05)	1.82	(0.16)
Net realized and unrealized gain (loss) on foreign currency transactions	0.04	0.06	0.07	(0.09)	0.28
Total from investment operations	(0.21)	2.31	(0.48)	2.20	0.68
<b>Less distributions:</b>					
From net investment income	(0.39)	(0.53)	(0.50)	(0.52)	(0.58)
From net realized gain on investments	(0.76)	(0.32)	(0.49)	—	(0.59)
Total distributions	(1.15)	(0.85)	(0.99)	(0.52)	(1.17)
Net asset value at end of year	\$ 18.62	\$ 19.98	\$ 18.52	\$ 19.99	\$ 18.31
Total investment return (b)	(1.11%)	12.98%	(2.56%)	12.19%	3.93%
<b>Ratios (to average net assets)/Supplemental Data:</b>					
Net investment income (loss)	2.16%	2.70%	2.59%	2.45%	3.09%
Net expenses (c)	1.17%	1.16%	1.13%	1.14%	1.16%
Expenses (before waiver/reimbursement) (c)	1.17%	1.17%	1.14%	1.14%	1.16%
Portfolio turnover rate	65% (d)	62%(d)	44% (d)	29%	27%
Net assets at end of year (in 000's)	\$ 79,992	\$ 88,050	\$ 85,132	\$ 94,000	\$ 153,137

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 62%, 54% and 36% for the years ended October 31, 2020, 2019 and 2018, respectively.

# Financial Highlights selected per share data and ratios

Class B	Year ended October 31,				
	2020	2019	2018	2017	2016
Net asset value at beginning of year	\$ 20.11	\$ 18.64	\$ 20.10	\$ 18.40	\$ 18.89
Net investment income (loss) (a)	0.27	0.37	0.36	0.32	0.42
Net realized and unrealized gain (loss) on investments	(0.66)	1.75	(1.05)	1.83	(0.17)
Net realized and unrealized gain (loss) on foreign currency transactions	0.04	0.06	0.07	(0.09)	0.30
Total from investment operations	(0.35)	2.18	(0.62)	2.06	0.55
<b>Less distributions:</b>					
From net investment income	(0.25)	(0.39)	(0.35)	(0.36)	(0.45)
From net realized gain on investments	(0.76)	(0.32)	(0.49)	—	(0.59)
Total distributions	(1.01)	(0.71)	(0.84)	(0.36)	(1.04)
Net asset value at end of year	\$ 18.75	\$ 20.11	\$ 18.64	\$ 20.10	\$ 18.40
Total investment return (b)	(1.84%)	12.11%	(3.22%)	11.27%	3.20%
<b>Ratios (to average net assets)/Supplemental Data:</b>					
Net investment income (loss)	1.42%	1.96%	1.85%	1.67%	2.34%
Net expenses (c)	1.92%	1.91%	1.88%	1.89%	1.91%
Expenses (before waiver/reimbursement) (c)	1.92%	1.92%	1.89%	1.89%	1.91%
Portfolio turnover rate	65% (d)	62%(d)	44% (d)	29%	27%
Net assets at end of year (in 000's)	\$ 19,409	\$ 26,396	\$ 30,343	\$ 39,475	\$ 42,253

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 62%, 54% and 36% for the years ended October 31, 2020, 2019 and 2018, respectively.

Class C	Year ended October 31,				
	2020	2019	2018	2017	2016
Net asset value at beginning of year	\$ 20.07	\$ 18.60	\$ 20.07	\$ 18.37	\$ 18.86
Net investment income (loss) (a)	0.27	0.37	0.36	0.32	0.42
Net realized and unrealized gain (loss) on investments	(0.66)	1.75	(1.06)	1.83	(0.17)
Net realized and unrealized gain (loss) on foreign currency transactions	0.04	0.06	0.07	(0.09)	0.30
Total from investment operations	(0.35)	2.18	(0.63)	2.06	0.55
<b>Less distributions:</b>					
From net investment income	(0.25)	(0.39)	(0.35)	(0.36)	(0.45)
From net realized gain on investments	(0.76)	(0.32)	(0.49)	—	(0.59)
Total distributions	(1.01)	(0.71)	(0.84)	(0.36)	(1.04)
Net asset value at end of year	\$ 18.71	\$ 20.07	\$ 18.60	\$ 20.07	\$ 18.37
Total investment return (b)	(1.85%)	12.13%	(3.28%)	11.35%	3.15%
<b>Ratios (to average net assets)/Supplemental Data:</b>					
Net investment income (loss)	1.42%	1.95%	1.85%	1.65%	2.32%
Net expenses (c)	1.92%	1.91%	1.88%	1.89%	1.91%
Expenses (before waiver/reimbursement) (c)	1.92%	1.92%	1.89%	1.89%	1.91%
Portfolio turnover rate	65% (d)	62%(d)	44% (d)	29%	27%
Net assets at end of year (in 000's)	\$ 148,220	\$ 191,737	\$ 212,400	\$ 266,592	\$ 254,312

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 62%, 54% and 36% for the years ended October 31, 2020, 2019 and 2018, respectively.



# Financial Highlights selected per share data and ratios

Class I	Year ended October 31,				
	2020	2019	2018	2017	2016
Net asset value at beginning of year	\$ 20.16	\$ 18.68	\$ 20.15	\$ 18.46	\$ 18.95
Net investment income (loss) (a)	0.49	0.59	0.58	0.54	0.63
Net realized and unrealized gain (loss) on investments	(0.66)	1.76	(1.06)	1.84	(0.16)
Net realized and unrealized gain (loss) on foreign currency transactions	0.04	0.06	0.07	(0.09)	0.28
Total from investment operations	(0.13)	2.41	(0.41)	2.29	0.75
<b>Less distributions:</b>					
From net investment income	(0.47)	(0.61)	(0.57)	(0.60)	(0.65)
From net realized gain on investments	(0.76)	(0.32)	(0.49)	—	(0.59)
Total distributions	(1.23)	(0.93)	(1.06)	(0.60)	(1.24)
Net asset value at end of year	\$ 18.80	\$ 20.16	\$ 18.68	\$ 20.15	\$ 18.46
Total investment return (b)	(0.69%)	13.41%	(2.17%)	12.60%	4.30%
<b>Ratios (to average net assets)/Supplemental Data:</b>					
Net investment income (loss)	2.57%	3.09%	3.03%	2.77%	3.44%
Net expenses (c)	0.77%	0.77%	0.76%	0.76%	0.77%
Portfolio turnover rate	65% (d)	62%(d)	44% (d)	29%	27%
Net assets at end of year (in 000's)	\$ 448,922	\$ 484,614	\$ 499,675	\$ 766,054	\$ 542,330

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 62%, 54% and 36% for the years ended October 31, 2020, 2019 and 2018, respectively.

Class R2	Year ended October 31,				
	2020	2019	2018	2017	2016
Net asset value at beginning of year	\$ 19.95	\$ 18.50	\$ 19.96	\$ 18.29	\$ 18.78
Net investment income (loss) (a)	0.42	0.52	0.50	0.46	0.55
Net realized and unrealized gain (loss) on investments	(0.63)	1.73	(1.04)	1.83	(0.19)
Net realized and unrealized gain (loss) on foreign currency transactions	0.04	0.06	0.07	(0.09)	0.33
Total from investment operations	(0.17)	2.31	(0.47)	2.20	0.69
<b>Less distributions:</b>					
From net investment income	(0.41)	(0.54)	(0.50)	(0.53)	(0.59)
From net realized gain on investments	(0.76)	(0.32)	(0.49)	—	(0.59)
Total distributions	(1.17)	(0.86)	(0.99)	(0.53)	(1.18)
Net asset value at end of year	\$ 18.61	\$ 19.95	\$ 18.50	\$ 19.96	\$ 18.29
Total investment return (b)	(1.00%)	12.98%	(2.48%)	12.20%	3.99%
<b>Ratios (to average net assets)/Supplemental Data:</b>					
Net investment income (loss)	2.21%	2.77%	2.61%	2.36%	3.03%
Net expenses (c)	1.11%	1.12%	1.11%	1.11%	1.12%
Portfolio turnover rate	65% (d)	62%(d)	44% (d)	29%	27%
Net assets at end of year (in 000's)	\$ 3,044	\$ 2,524	\$ 3,587	\$ 4,409	\$ 838

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 62%, 54% and 36% for the years ended October 31, 2020, 2019 and 2018, respectively.

# Financial Highlights selected per share data and ratios

Class R3	Year ended October 31,				February 29, 2016 <sup>^</sup> through October 31, 2016
	2020	2019	2018	2017	
Net asset value at beginning of period	\$ 19.96	\$ 18.51	\$ 19.97	\$ 18.30	\$ 17.10
Net investment income (loss) (a)	0.37	0.45	0.42	0.42	0.35
Net realized and unrealized gain (loss) on investments	(0.64)	1.76	(1.00)	1.82	(1.69)
Net realized and unrealized gain (loss) on foreign currency transactions	0.04	0.06	0.06	(0.09)	2.95
Total from investment operations	(0.23)	2.27	(0.52)	2.15	1.61
<b>Less distributions:</b>					
From net investment income	(0.36)	(0.50)	(0.45)	(0.48)	(0.41)
From net realized gain on investments	(0.76)	(0.32)	(0.49)	—	—
Total distributions	(1.12)	(0.82)	(0.94)	(0.48)	(0.41)
Net asset value at end of period	\$ 18.61	\$ 19.96	\$ 18.51	\$ 19.97	\$ 18.30
Total investment return (b)	(1.24%)	12.70%	(2.73%)	11.89%	9.42%
<b>Ratios (to average net assets)/Supplemental Data:</b>					
Net investment income (loss)	1.97%	2.34%	2.19%	2.16%	2.81%††
Net expenses (c)	1.37%	1.36%	1.35%	1.36%	1.36%††
Portfolio turnover rate	65% (d)	62%(d)	44% (d)	29%	27%
Net assets at end of period (in 000's)	\$ 1,196	\$ 590	\$ 136	\$ 201	\$ 39

<sup>^</sup> Inception date.

†† Annualized.

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 62%, 54% and 36% for the years ended October 31, 2020, 2019 and 2018, respectively.

# Financial Highlights selected per share data and ratios

Class R6	Year ended October 31,		February 28, 2018 <sup>^</sup> through October 31, 2018
	2020	2019	
Net asset value at beginning of period	\$ 20.16	\$ 18.68	\$ 19.19
Net investment income (loss) (a)	0.51	0.61	0.33
Net realized and unrealized gain (loss) on investments	(0.66)	1.76	(0.47)
Net realized and unrealized gain (loss) on foreign currency transactions	0.04	0.06	0.03
Total from investment operations	(0.11)	2.43	(0.11)
<b>Less distributions:</b>			
From net investment income	(0.49)	(0.63)	(0.40)
From net realized gain on investments	(0.76)	(0.32)	—
Total distributions	(1.25)	(0.95)	(0.40)
Net asset value at end of period	\$ 18.80	\$ 20.16	\$ 18.68
Total investment return (b)	(0.60%)	13.52%	(0.61%)
<b>Ratios (to average net assets)/Supplemental Data:</b>			
Net investment income (loss)	2.67%	3.18%	2.55% ††
Net expenses (c)	0.67%	0.67%	0.66% ††
Portfolio turnover rate (d)	65%	62%	44%
Net assets at end of period (in 000's)	\$ 91,551	\$ 101,685	\$ 94,869

<sup>^</sup> Inception date.

†† Annualized.

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 62%, 54% and 36% for the years ended October 31, 2020, 2019 and period ended October 31, 2018, respectively.

SIMPLE Class	August 31, 2020 <sup>^</sup> through October 31, 2020
Net asset value at beginning of period*	\$ 19.33
Net investment income (loss) (a)	0.04
Net realized and unrealized gain (loss) on investments	(0.74)
Net realized and unrealized gain (loss) on foreign currency transactions	0.05
Total from investment operations	(0.65)
<b>Less distributions:</b>	
From net investment income	(0.06)
Net asset value at end of period	\$ 18.62
Total investment return (b)	(3.39%)
<b>Ratios (to average net assets)/Supplemental Data:</b>	
Net investment income (loss) ††	1.62%
Net expenses (c) ††	1.43%
Portfolio turnover rate	65%
Net assets at end of period (in 000's)	\$ 24

<sup>^</sup> Inception date.

†† Annualized.

\* Based on the net asset value of Investor Class as of August 31, 2020.

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

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

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

# Notes to Financial Statements

## Note 1—Organization and Business

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

The Fund currently has nine classes of shares registered for sale. Class A shares commenced operations on January 3, 1995. Class B shares commenced operations on December 29, 1987. Class C shares commenced operations on September 1, 1998. Class I shares commenced operations on January 2, 2004. Investor Class shares commenced operations on February 28, 2008. Class R2 shares commenced operations on February 27, 2015. Class R3 shares commenced operations on February 29, 2016. Class R6 shares commenced operations on February 28, 2018. SIMPLE Class shares commenced operations on August 31, 2020.

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

Class A and Investor Class shares are offered at net asset value (“NAV”) per share plus an initial sales charge. No initial sales charge applies to investments of \$250,000 or more (and certain other qualified purchases) in Class A and Investor Class shares. However, a CDSC of 1.00% may be imposed on certain redemptions made within 18 months of the date of purchase on shares that were purchased without an initial sales charge. Class C shares are offered at NAV without an initial sales charge, although a 1.00% CDSC may be imposed on certain redemptions of such shares made within one year of the date of purchase of Class C shares. When Class B shares were offered, they were offered at NAV without an initial sales charge, although a CDSC that declines depending on the number of years a shareholder has held its Class B shares may be imposed on certain redemptions of such shares made within six years of the date of purchase of such shares. Class I, Class R2, Class R3, Class R6 and SIMPLE Class shares are offered at NAV without a sales charge. Depending upon eligibility, Class B shares convert to either Class A or Investor Class shares at the end of the calendar quarter eight years after the date they were purchased. In addition, depending upon eligibility, Class C shares convert to either Class A or Investor Class shares at the end of the calendar quarter ten years after the date they were purchased. Additionally, Investor Class shares may convert automatically to Class A shares. Under certain circumstances and as may be permitted by the Trust’s multiple class

plan pursuant to Rule 18f-3 under the 1940 Act, specified share classes of the Fund may be converted to one or more other share classes of the Fund as disclosed in the capital share transactions within these Notes. The classes of shares have the same voting (except for issues that relate solely to one class), dividend, liquidation and other rights, and the same terms and conditions, except that under distribution plans pursuant to Rule 12b-1 under the 1940 Act, Class B and Class C shares are subject to higher distribution and/or service fees than Class A, Investor Class, Class R2, Class R3 and SIMPLE Class shares. Class I and Class R6 shares are not subject to a distribution and/or service fee. Class R2 and Class R3 shares are subject to a shareholder service fee, which is in addition to fees paid under the distribution plans for Class R2 and Class R3 shares.

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

## Note 2—Significant Accounting Policies

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

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

The Board of Trustees of the Trust (the “Board”) adopted procedures establishing methodologies for the valuation of the Fund’s securities and other assets and delegated the responsibility for valuation determinations under those procedures to the Valuation Committee of the Trust (the “Valuation Committee”). The procedures state that, subject to the oversight of the Board and unless otherwise noted, the responsibility for the day-to-day valuation of portfolio assets (including fair value measurements for the Fund’s assets and liabilities) rests with New York Life Investment Management LLC (“New York Life Investments” or the “Manager”), aided to whatever extent necessary by the Subadvisors (as defined in Note 3(A)). To assess the appropriateness of security valuations, the Manager, the Subadvisors or the Fund’s third-party service provider, who is subject to oversight by the Manager, regularly compares prior day prices, prices on comparable securities and the sale prices to the prior and current day prices and challenges prices with changes exceeding certain tolerance levels with third-party pricing services or broker sources.

The Board authorized the Valuation Committee to appoint a Valuation Subcommittee (the “Subcommittee”) to establish the prices of securities for which market quotations are not readily available or the prices of which are not otherwise readily determinable under the procedures. The Subcommittee meets (in person, via electronic mail or via teleconference) on an as-needed basis. The Valuation Committee meets to ensure that actions taken by the Subcommittee were appropriate.

For those securities valued through either a standardized fair valuation methodology or a fair valuation measurement, the Subcommittee deals

with such valuation and the Valuation Committee reviews and affirms, if appropriate, the reasonableness of the valuation based on such methodologies and measurements on a regular basis after considering information that is reasonably available and deemed relevant by the Valuation Committee. Any action taken by the Subcommittee with respect to the valuation of a portfolio security or other asset is submitted for review and ratification (if appropriate) to the Valuation Committee and the Board at the next regularly scheduled meeting.

“Fair value” is defined as the price the Fund would reasonably expect to receive upon selling an asset or liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the asset or liability. Fair value measurements are determined within a framework that establishes a three-tier hierarchy that maximizes the use of observable market data and minimizes the use of unobservable inputs to establish a classification of fair value measurements for disclosure purposes. “Inputs” refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, such as the risk inherent in a particular valuation technique used to measure fair value using a pricing model and/or the risk inherent in the inputs for the valuation technique. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund’s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the information available. The inputs or methodology used for valuing assets or liabilities may not be an indication of the risks associated with investing in those assets or liabilities. The three-tier hierarchy of inputs is summarized below.

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

The level of an asset or liability within the fair value hierarchy is based on the lowest level of an input, both individually and in the aggregate, that is significant to the fair value measurement. The aggregate value by input level of the Fund’s assets and liabilities as of October 31, 2020, is included at the end of the Portfolio of Investments.

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

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

An asset or liability for which market values cannot be measured using the methodologies described above is valued by methods deemed reasonable in good faith by the Valuation Committee, following the procedures established by the Board, to represent fair value. Under these procedures, the Fund 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 Fund 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 Fund’s valuation procedures may differ from valuations for the same security determined by other funds using their own valuation procedures. Although the Fund’s valuation procedures are designed to value a security at the price the Fund may reasonably expect to receive upon the security’s sale in an orderly transaction, there can be no assurance that any fair value determination thereunder would, in fact, approximate the amount that the Fund would actually realize upon the sale of the security or the price at which the security would trade if a reliable market price were readily available. During the year ended October 31, 2020, 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; (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 for which the market price is not readily available from a third-party pricing source or, if so provided, does not, in the opinion of the Manager or the Subadvisors, reflect the security’s market value; (vi) a security subject to trading collars for which no or limited trading takes place; and (vii) 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 3 in the hierarchy. Securities that were fair valued in such a manner as of October 31, 2020 are shown in the Portfolio of Investments.

Certain securities held by the Fund may principally trade in foreign markets. Events may occur between the time the foreign markets close and the time at which the Fund’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 Manager or the Subadvisors conclude that such events may have affected the accuracy of the last price of such securities reported on the local foreign market, the Subcommittee may, pursuant to procedures adopted by the Board, 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

# Notes to Financial Statements (continued)

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 valuation procedures adopted by the Board and are generally categorized as Level 2 in the hierarchy. No foreign equity securities held by the Fund as of October 31, 2020, were fair valued in such a manner.

Equity securities 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.

Futures contracts are valued at the last posted settlement price on the market where such futures are primarily traded. Investments in mutual funds, including money market funds, are valued at their respective NAVs as of the close of the Exchange on the valuation date. 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 brokers selected by the Manager, 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 Manager, 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. No loan assignments held by the Fund as of October 31, 2020, were fair valued in such a manner.

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 Fund's written liquidity risk management program and related procedures ("Liquidity Program"). Illiquidity of an investment might prevent the sale of such investment at a time when the Manager or the Subadvisors might wish to sell, and these investments could have the effect of decreasing the overall level of the Fund's liquidity. Further, the lack of an established secondary market may make it more difficult to value illiquid investments, requiring the Portfolio to rely on judgments that may be somewhat subjective in measuring value, which could vary materially from the amount that the Fund could realize upon disposition. Difficulty in selling illiquid investments may result in a loss or may be costly to the Fund. An illiquid investment is any investment that the Manager or 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 valued in accordance with methods deemed by the Board in good faith to be reasonable and appropriate to accurately reflect their fair value. The liquidity of the Fund's investments was determined as of October 31, 2020 and can change at any time. Illiquid investments as of October 31, 2020, are shown in the Portfolio of Investments.

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

The Manager evaluates the Fund's tax positions to determine if the tax positions taken meet the minimum recognition threshold in connection with accounting for uncertainties in income tax positions taken or expected to be taken for the purposes of measuring and recognizing tax liabilities in the financial statements. Recognition of tax benefits of an uncertain tax position is permitted only to the extent the position is "more likely than not" to be sustained assuming examination by taxing authorities. The Manager analyzed the Fund's tax positions taken on

federal, state and local income tax returns for all open tax years (for up to three tax years) and has concluded that no provisions for federal, state and local income tax are required in the Fund's financial statements. The Fund's federal, state and local income tax and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state and local departments of revenue.

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

**(E) Security Transactions and Investment Income.** The Fund records security transactions on the trade date. Realized gains and losses on security transactions are determined using the identified cost method. Dividend income is recognized on the ex-dividend date, net of any foreign tax withheld at the source, and interest income is accrued as earned using the effective interest rate method and includes any realized gains and losses from repayments of principal on mortgage-backed securities. Discounts and premiums on securities purchased for the Fund are accreted and amortized, respectively, on the effective interest rate method. Income from payment-in-kind securities, to the extent the Fund held any such securities during the year ended October 31, 2020, is accreted daily based on the effective interest method.

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

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

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

Additionally, the Fund may invest in mutual funds, which are subject to management fees and other fees that may cause the costs of investing in mutual funds to be greater than the costs of owning the underlying securities directly. These indirect expenses of mutual funds are not included in the amounts shown as expenses in the Fund's 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) Repurchase Agreements.** The Fund may enter into repurchase agreements (i.e., buy a security from another party with the agreement that it will be sold back in the future) to earn income. The Fund may enter into repurchase agreements only with counterparties, usually financial institutions, that are deemed by the Manager or the Subadvisors to be creditworthy, pursuant to guidelines established by the Board. During the term of any repurchase agreement, the Manager or the Subadvisors will continue to monitor the creditworthiness of the counterparty. Under the 1940 Act, repurchase agreements are considered to be collateralized loans by the Fund to the counterparty secured by the securities transferred to the Fund.

Repurchase agreements are subject to counterparty risk, meaning the Fund could lose money by the counterparty's failure to perform under the terms of the agreement. The Fund mitigates this risk by ensuring the repurchase agreement is collateralized by cash, U.S. government securities, fixed income securities and/or other securities. The collateral is held by the Fund's custodian and valued daily on a mark to market basis to determine if the value, including accrued interest, exceeds the repurchase price. In the event of the counterparty's default on the obligation to repurchase, the Fund has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. Under certain circumstances, such as in the event of default or bankruptcy by the counterparty, realization and/or retention of the collateral may be limited or subject to delay, to legal proceedings and possible realized loss to the Fund. As of October 31, 2020, the Fund did not hold any repurchase agreements.

# Notes to Financial Statements (continued)

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

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

Unfunded commitments represent the remaining obligation of the Fund to the borrower. At any point in time, up to the maturity date of the issue, the borrower may demand the unfunded portion. Unfunded amounts, if any, are marked to market and any unrealized gains or losses are recorded in the Statement of Assets and Liabilities. As of October 31, 2020, the Fund did not hold any unfunded commitments.

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

The use of futures contracts involves, to varying degrees, elements of market risk in excess of the amount recognized in the Statement of

Assets and Liabilities. The contract or notional amounts and variation margin reflect the extent of the Fund’s involvement in open futures positions. There are several risks associated with the use of futures contracts as hedging techniques. There can be no assurance that a liquid market will exist at the time when the Fund seeks to close out a futures contract. If no liquid market exists, the Fund would remain obligated to meet margin requirements until the position is closed. Futures contracts may involve a small initial investment relative to the risk assumed, which could result in losses greater than if the Fund did not invest in futures contracts. Futures contracts may be more volatile than direct investments in the instrument underlying the futures and may not correlate to the underlying instrument, causing a given hedge not to achieve its objectives. The Fund’s activities in futures contracts have minimal counterparty risk as they are conducted through regulated exchanges that guarantee the futures against default by the counterparty. In the event of a bankruptcy or insolvency of a futures commission merchant that holds margin on behalf of the Fund, the Fund may not be entitled to the return of the entire margin owed to the Fund, potentially resulting in a loss. The Fund may invest in futures contracts in order to hedge against anticipated changes in interest rates that might otherwise have an adverse effect upon the value of the Fund’s securities. The Fund may also use equity index futures contracts to increase the equity sensitivity to the Fund. The Fund’s investment in futures contracts and other derivatives may increase the volatility of the Fund’s NAVs and may result in a loss to the Fund. Open futures contracts held as of October 31, 2020, are shown in the Portfolio of Investments.

**(K) Foreign Currency Forward Contracts.** The Fund 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 Fund 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 settlement date. When the forward contract is closed, the Fund records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Fund’s basis in the contract. The Fund 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 and illiquidity 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 Fund 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. Illiquidity risk arises because the secondary market for foreign currency forward contracts may have less liquidity relative to markets for other securities and financial instruments. Risks also arise from the possible movements in the foreign exchange rates underlying these instruments. While the Fund may enter into forward contracts to reduce currency exchange risks, changes in currency exchange rates may result in poorer overall performance for the Fund 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 Fund's assets. Moreover, there may be an imperfect correlation between the Fund's holdings of securities denominated in a particular currency and forward contracts entered into by the Fund. Such imperfect correlation may prevent the Fund from achieving the intended hedge or expose the Fund to the risk of currency exchange loss. The unrealized appreciation (depreciation) on forward contracts also reflects the Fund's exposure at the valuation date to credit loss in the event of a counterparty's failure to perform its obligations. Open foreign currency forward contracts as of October 31, 2020, are shown in the Portfolio of Investments.

**(L) Foreign Currency Transactions.** The Fund'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 Fund'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.

**(M) Securities Lending.** In order to realize additional income, the Fund 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 Fund engages in securities lending, the Fund will lend through its custodian, currently State Street Bank and Trust Company ("State Street") (See Note 13 for securities lending agent change), acting as securities lending agent on behalf of the Fund. Under the current arrangement, State Street will manage the Fund's collateral in accordance with the securities lending agency agreement between the Fund and State Street, and indemnify the Fund 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. The Fund bears the risk of delay in recovery of, or loss of rights in, the securities loaned. The Fund may also record a realized gain or loss on securities deemed sold due to a borrower's inability to return securities on loan. The Fund bears the risk of any loss on investment of cash collateral. The Fund 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 Fund 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 Fund. Income earned from securities lending activities, if any, is reflected in the Statement of Operations. As of October 31, 2020, the Fund did not have any portfolio securities on loan.

**(N) Dollar Rolls.** The Fund may enter into dollar roll transactions in which it sells mortgage-backed securities ("MBS") from its portfolio to a counterparty from whom it simultaneously agrees to buy a similar security on a delayed delivery basis. The Fund generally transfers MBS where the MBS are "to be announced," therefore, the Fund accounts for these transactions as purchases and sales.

When accounted for as purchase and sales, the securities sold in connection with the dollar rolls are removed from the portfolio and a realized gain or loss is recognized. The securities the Fund has agreed to acquire are included at market value in the Portfolio of Investments and liabilities for such purchase commitments are included as payables for investments purchased. During the roll period, the Fund foregoes principal and interest paid on the securities. The Fund is compensated by the difference between the current sales price and the forward price for the future as well as by the earnings on the cash proceeds of the initial sale. Dollar rolls may be renewed without physical delivery of the securities subject to the contract. The Fund maintains liquid assets from its portfolio having a value not less than the repurchase price, including accrued interest. Dollar roll transactions involve certain risks, including the risk that the securities returned to the Fund at the end of the roll period, while substantially similar, could be inferior to what was initially sold to the counterparty.

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

The Fund 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.

# Notes to Financial Statements (continued)

The Fund may invest in foreign securities, which carry certain risks that are in addition to the usual risks inherent in domestic 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. These risks are likely to be greater in emerging markets than in developed markets. The ability of issuers of securities held by the Fund to meet their obligations may be affected by, among other things, economic or political developments in a specific country, industry or region.

The Fund 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 Fund's NAVs could go down and you could lose money.

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

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

**(P) Counterparty Credit Risk.** In order to better define its contractual rights and to secure rights that will help the Fund mitigate its counterparty risk, the Fund 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 Fund and a counterparty that governs certain OTC derivatives and typically contains collateral posting terms and netting provisions. Under an ISDA Master Agreement, the Fund 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 Fund decline below specific levels or if the Fund fails to meet the terms of its ISDA Master Agreements. The result would cause the Fund to accelerate payment of any net liability owed to the counterparty.

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

**(Q) LIBOR Replacement Risk.** The Fund may invest in certain debt securities, derivatives or other financial instruments that utilize the LIBOR, as a "benchmark" or "reference rate" for various interest rate calculations. The United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that after 2021 it will cease its active encouragement of banks to provide the quotations needed to sustain LIBOR. As a result, it is anticipated that LIBOR will be discontinued or will no longer be sufficiently robust to be representative of its underlying market around that time. Although financial regulators and industry working groups have suggested alternative reference rates, such as the European Interbank Offer Rate ("EURIBOR"), Sterling Overnight Interbank Average Rate ("SONIA") and Secured Overnight Financing Rate ("SOFR"), there are challenges to converting certain contracts and transactions to a new benchmark and neither the full effects of the transition process nor its ultimate outcome is known. Management is currently working to assess exposure and will modify contracts as necessary.

The elimination of LIBOR or changes to other reference rates or any other changes or reforms to the determination or supervision of reference rates could have an adverse impact on the market for, or value of, any securities or payments linked to those reference rates, which may adversely affect the Fund's performance and/or net asset value. Uncertainty and risk also remain regarding the willingness and ability of issuers and lenders to include revised provisions in new and existing contracts or instruments. Consequently, the transition away from LIBOR to other reference rates may lead to increased volatility and illiquidity in markets that are tied to LIBOR, fluctuations in values of LIBOR-related investments or investments in issuers that utilize LIBOR, increased difficulty in borrowing or refinancing and diminished effectiveness of hedging strategies, adversely affecting the Fund's performance. Accordingly, the potential effect of a transition away from LIBOR on the Fund or the debt securities or other instruments based on LIBOR in which the Fund invests cannot yet be determined. Furthermore, the risks associated with the expected discontinuation of LIBOR and transition may be exacerbated if the work necessary to effect an orderly transition to an alternative reference rate is not completed in a timely manner. Because the usefulness of LIBOR as a benchmark could deteriorate during the transition period, these effects could occur prior to the end of 2021.

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

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

performance and cash flows. The Fund entered into 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 Fund's securities. The Fund also entered into domestic and foreign equity index futures contracts to increase the equity sensitivity to the

Fund. Foreign currency forward contracts were used 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 October 31, 2020:

### Asset Derivatives

	Foreign Exchange Contracts Risk	Equity Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts—Net Assets—Net unrealized appreciation on investments and futures contracts (a)	\$ —	\$442,557	\$525,120	\$ 967,677
Forward Contracts—Unrealized appreciation on foreign currency forward contracts	1,603,459	—	—	1,603,459
Total Fair Value	\$1,603,459	\$442,557	\$525,120	\$2,571,136

### Liability Derivatives

	Foreign Exchange Contracts Risk	Equity Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts—Net Assets—Net unrealized depreciation on investments and futures contracts (a)	\$ —	\$(2,675,230)	\$(2,770,054)	\$(5,445,284)
Forward Contracts—Unrealized depreciation on foreign currency forward contracts	(548,966)	—	—	(548,966)
Total Fair Value	\$(548,966)	\$(2,675,230)	\$(2,770,054)	\$(5,994,250)

(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 October 31, 2020:

### Net Realized Gain (Loss) from:

	Foreign Exchange Contracts Risk	Equity Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts	\$ —	\$15,033,538	\$6,286,852	\$21,320,390
Forward Contracts	1,330,347	—	—	1,330,347
Total Net Realized Gain (Loss)	\$1,330,347	\$15,033,538	\$6,286,852	\$22,650,737

### Net Change in Unrealized Appreciation (Depreciation) from:

	Foreign Exchange Contracts Risk	Equity Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts	\$ —	\$(8,487,638)	\$(318,100)	\$(8,805,738)
Forward Contracts	1,984,842	—	—	1,984,842
Total Net Change in Unrealized Appreciation (Depreciation)	\$1,984,842	\$(8,487,638)	\$(318,100)	\$(6,820,896)

# Notes to Financial Statements (continued)

## Average Notional Amount

	Foreign Exchange Contracts Risk	Equity Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts Long	\$ —	\$213,485,354	\$177,550,802	\$ 391,036,156
Futures Contracts Short	\$ —	\$ (7,526,169)	\$ (61,139,340)	\$ (68,665,509)
Forward Contracts Long	\$ 112,280,999	\$ —	\$ —	\$ 112,280,999
Forward Contracts Short	\$(129,326,461)	\$ —	\$ —	\$(129,326,461)

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

Pursuant to the Management Agreement, the Fund pays the Manager a monthly fee for the services performed and the facilities furnished at an annual rate of the Fund’s average daily net assets as follows: 0.64% up to \$500 million; 0.60% from \$500 million to \$1 billion; 0.575% from \$1 billion to \$5 billion; and 0.565% in excess of \$5 billion, plus a fee for fund accounting services previously provided by New York Life Investments under a separate fund accounting agreement furnished at an annual rate of the Fund’s average daily net assets as follows: 0.05% up to \$20 million; 0.0333% from \$20 million to \$100 million; and 0.01% in excess of \$100 million. During the year ended October 31, 2020, the effective management fee rate was 0.62%, inclusive of a fee for fund accounting services of 0.01% of the Fund’s average daily net assets (exclusive of any applicable waivers/reimbursements).

New York Life Investments has contractually agreed to waive fees and/or reimburse expenses so that Total Annual Fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses,

brokerage and other transaction expenses relating to the purchase or sale of portfolio investments, and acquired (underlying) fund fees and expenses) of Class R6 do not exceed those of Class I. This agreement will remain in effect until August 31, 2021 and shall renew automatically for one-year terms unless New York Life Investments provides written notice of termination prior to the start of the next term or upon approval of the Board.

During the year ended October 31, 2020, New York Life Investments earned fees from the Fund in the amount of \$9,117,556 and paid MacKay Shields and Epoch \$2,690,418 and \$1,940,809, respectively.

State Street provides sub-administration and sub-accounting services to the Fund pursuant to an agreement with New York Life Investments (See Note 13 for sub-administration and sub-accounting service provider change). These services include calculating the daily NAVs of the Fund, maintaining the general ledger and sub-ledger accounts for the calculation of the Fund’s NAVs and assisting New York Life Investments in conducting various aspects of the Fund’s administrative operations. For providing these services to the Fund, State Street is compensated by New York Life Investments.

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

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

Pursuant to the Class A, Investor Class and Class R2 Plans, the Distributor receives a monthly distribution fee from the Class A, Investor Class and Class R2 shares at an annual rate of 0.25% of the average daily net assets of the Class A, Investor Class and Class R2 shares for distribution and/or service activities as designated by the Distributor. Pursuant to the Class B and Class C Plans, Class B and Class C shares pay the Distributor a monthly distribution fee at an annual rate of 0.75% of the average daily net assets of the Class B and Class C shares, along with a service fee at an annual rate of 0.25% of the average daily net assets of the Class B and Class C shares, for a total 12b-1 fee of 1.00%. Pursuant to the Class R3 and SIMPLE Class Plan, Class R3 and SIMPLE Class shares pay the Distributor a monthly fee at an annual rate of 0.25% of the average daily net assets of the Class R3 and SIMPLE Class shares, along with a service fee at an annual rate of 0.25% of the

average daily net assets of the Class R3 and SIMPLE Class shares, for a total 12b-1 fee of 0.50%. Class I and Class R1 shares are not subject to a distribution and/or service fee.

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

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

During the year ended October 31, 2020, shareholder service fees incurred by the Fund were as follows:

Class R2	\$2,692
Class R3	1,012

**(C) Sales Charges.** The Fund was advised by the Distributor that the amount of initial sales charges retained on sales of Class A and Investor Class shares during the year ended October 31, 2020, were \$52,518 and \$13,519, respectively.

The Fund was also advised that the Distributor retained CDSCs on redemptions of Class A, Investor Class, Class B and Class C shares during the year ended October 31, 2020, of \$25,832, \$167, \$16,065 and \$10,265, respectively.

**(D) Transfer, Dividend Disbursing and Shareholder Servicing Agent.** NYLIM Service Company LLC, an affiliate of New York Life Investments, is the Fund's transfer, dividend disbursing and shareholder servicing agent pursuant to an agreement between NYLIM Service Company LLC and the Trust. NYLIM Service Company LLC has entered into an agreement with DST Asset Manager Solutions, Inc. ("DST"), pursuant to which DST performs certain transfer agent services on behalf of NYLIM Service Company LLC. New York Life Investments has contractually agreed to limit the transfer agency expenses charged to the Fund's share classes to a maximum of 0.35% of that share class's average daily net assets on an annual basis after deducting any

**(G) Investments in Affiliates (in 000's).** During the year ended October 31, 2020, purchases and sales transactions, income earned from investments and shares held of investment companies managed by New York Life Investments or its affiliates were as follows:

Affiliated Investment Company	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	\$44,612	\$612,155	\$(608,597)	\$ —	\$ —	\$48,170	\$307	\$ —	48,170

applicable Fund or class-level expense reimbursement or small account fees. This agreement will remain in effect until August 31, 2021 for SIMPLE Class shares and February 28, 2021 for all other share classes, and shall renew automatically for one-year terms unless New York Life Investments provides written notice of termination prior to the start of the next term or upon approval of the Board. During the year ended October 31, 2020, transfer agent expenses incurred by the Fund and any reimbursements, pursuant to the aforementioned Transfer Agency expense limitation agreement, were as follows:

Class	Expense	Waived
Class A	\$626,005	\$ —
Investor Class	214,925	—
Class B	58,090	—
Class C	445,225	—
Class I	461,629	—
Class R2	2,662	—
Class R3	1,005	—
Class R6	3,862	—
SIMPLE Class	11	—

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

**(F) Capital.** As of October 31, 2020, New York Life and its affiliates beneficially held shares of the Fund with the values and percentages of net assets as follows:

Class R2	\$ 30,517	1.0%
Class R3	33,086	2.8
Class R6	89,224,774	97.5
SIMPLE Class	24,116	99.8

# Notes to Financial Statements (continued)

## Note 4—Federal Income Tax

As of October 31, 2020, the cost and unrealized appreciation (depreciation) of the Fund's investment portfolio, including applicable derivative contracts and other financial instruments, as determined on a federal income tax basis, were as follows:

	Federal Tax	Gross Unrealized Cost Appreciation	Gross Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)
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Investments in Securities	\$1,340,839,480	\$120,485,735	\$(57,640,314)	\$62,845,421
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As of October 31, 2020, 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)
\$5,707,955	\$(43,136,560)	\$(229,907)	\$62,954,564	\$25,296,052

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is primarily due to wash sale adjustments, mark to market of futures, mark to market of forwards, and partnerships adjustments. The other temporary differences are primarily due to straddle loss deferral, dividends payable and cumulative bond amortization adjustment.

As of October 31, 2020, for federal income tax purposes, capital loss carryforwards of \$40,388,892 were available as shown in the table below, to the extent provided by the regulations to offset future realized gains of the Fund through the years indicated. To the extent that these capital loss carryforwards are used to offset future capital gains, it is probable that the capital gains so offset will not be distributed to shareholders. No capital gain distributions shall be made until any capital loss carryforwards have been fully utilized.

Capital Loss Available Through	Short-Term Capital Loss Amounts (000's)	Long-Term Capital Loss Amounts (000's)
Unlimited	\$11,815	\$28,574

The following table discloses the current year reclassifications between total distributable earnings (loss) and additional paid-in capital arising from permanent differences; net assets as of October 31, 2020, were not affected.

Total Distributable Earnings (Loss)	Additional Paid-In Capital
\$2,485	\$(2,485)

The reclassifications for the Fund are primarily due to partnerships.

During the years ended October 31, 2020, and October 31, 2019, the tax character of distributions paid as reflected in the Statements of Changes in Net Assets were as follows:

	2020	2019
Distributions paid from:		
Ordinary Income	\$54,765,080	\$42,706,502
Long-Term Capital Gain	36,393,277	25,238,264
Total	\$91,158,357	\$67,944,766

## Note 5—Restricted Securities

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

As of October 31, 2020, the Fund held the following restricted security.

Security	Date(s) of Acquisition	Shares	Cost	10/31/20 Value	Percent of Net Assets
ION Media Networks, Inc. Common Stock	3/11/14	12	\$1	\$9,504	0.0%‡

‡ Less than one-tenth of a percent.

## Note 6—Custodian

State Street is the custodian of cash and securities held by the Fund (See Note 13 for custodian change). Custodial fees are charged to the Fund based on the Fund's net assets and/or the market value of securities held by the Fund and the number of certain transactions incurred by the Fund.

## Note 7—Line of Credit

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

Effective July 28, 2020, 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 JP Morgan Chase Bank NA, who serves as the agent to the syndicate. The commitment fee is allocated among the Fund and certain other funds managed by New York Life Investments based upon their respective net assets and other factors. Interest on any revolving credit loan is charged based upon the Federal Funds Rate or the one-month LIBOR, whichever is higher. The Credit Agreement expires on July 27, 2021, although the Fund, certain other funds managed by New York Life Investments and the syndicate of banks may renew the Credit Agreement for an additional year on the same or different terms or enter into a credit agreement with a different syndicate of banks. Prior to July 28, 2020, the aggregate commitment

amount and the commitment fee were the same as those under the current Credit Agreement, but State Street served as agent to the syndicate. During the year ended October 31, 2020, there were no borrowings made or outstanding with respect to the Fund under the Credit Agreement or the credit agreement for which State Street served as agent.

## Note 8—Interfund Lending Program

Pursuant to an exemptive order issued by the SEC, the Fund, along with certain other funds managed by New York Life Investments, may participate in an interfund lending program. The interfund lending program provides an alternative credit facility that permits the Fund and certain other funds managed by New York Life Investments to lend or borrow money for temporary purposes directly to or from one another subject to the conditions of the exemptive order. During the year ended October 31, 2020, there were no interfund loans made or outstanding with respect to the Fund.

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

During the year ended October 31, 2020, purchases and sales of U.S. government securities were \$355,494 and \$488,142, respectively. Purchases and sales of securities, other than U.S. government securities and short-term securities, were \$553,992 and \$463,271, respectively.

## Note 10—Capital Share Transactions

Transactions in capital shares for the years ended October 31, 2020, and October 31, 2019, were as follows:

Class A	Shares	Amount
Year ended October 31, 2020:		
Shares sold	7,127,473	\$ 133,913,849
Shares issued to shareholders in reinvestment of distributions	1,951,567	37,506,471
Shares redeemed	(6,670,244)	(123,495,824)
Net increase (decrease) in shares outstanding before conversion	2,408,796	47,924,496
Shares converted into Class A (See Note 1)	608,398	11,635,143
Shares converted from Class A (See Note 1)	(31,742)	(572,507)
Net increase (decrease)	2,985,452	\$ 58,987,132
Year ended October 31, 2019:		
Shares sold	4,981,898	\$ 96,149,062
Shares issued to shareholders in reinvestment of distributions	1,421,551	26,274,145
Shares redeemed	(6,544,982)	(125,247,849)
Net increase (decrease) in shares outstanding before conversion	(141,533)	(2,824,642)
Shares converted into Class A (See Note 1)	711,316	13,662,314
Shares converted from Class A (See Note 1)	(117,451)	(2,263,396)
Net increase (decrease)	452,332	\$ 8,574,276

Investor Class	Shares	Amount
Year ended October 31, 2020:		
Shares sold	468,570	\$ 8,788,800
Shares issued to shareholders in reinvestment of distributions	255,745	4,923,774
Shares redeemed	(419,834)	(7,927,609)
Net increase (decrease) in shares outstanding before conversion	304,481	5,784,965
Shares converted into Investor Class (See Note 1)	67,654	1,261,890
Shares converted from Investor Class (See Note 1)	(484,829)	(9,324,546)
Net increase (decrease)	(112,694)	\$ (2,277,691)
Year ended October 31, 2019:		
Shares sold	796,415	\$ 15,532,775
Shares issued to shareholders in reinvestment of distributions	210,462	3,887,189
Shares redeemed	(860,683)	(16,734,223)
Net increase (decrease) in shares outstanding before conversion	146,194	2,685,741
Shares converted into Investor Class (See Note 1)	192,064	3,674,269
Shares converted from Investor Class (See Note 1)	(526,692)	(10,169,050)
Net increase (decrease)	(188,434)	\$ (3,809,040)

Class B	Shares	Amount
Year ended October 31, 2020:		
Shares sold	30,233	\$ 569,662
Shares issued to shareholders in reinvestment of distributions	54,023	1,052,476
Shares redeemed	(224,781)	(4,229,189)
Net increase (decrease) in shares outstanding before conversion	(140,525)	(2,607,051)
Shares converted from Class B (See Note 1)	(137,306)	(2,609,221)
Net increase (decrease)	(277,831)	\$ (5,216,272)
Year ended October 31, 2019:		
Shares sold	275,897	\$ 5,486,040
Shares issued to shareholders in reinvestment of distributions	49,952	921,406
Shares redeemed	(503,382)	(9,808,333)
Net increase (decrease) in shares outstanding before conversion	(177,533)	(3,400,887)
Shares converted from Class B (See Note 1)	(137,683)	(2,631,122)
Net increase (decrease)	(315,216)	\$ (6,032,009)

# Notes to Financial Statements (continued)

Class C	Shares	Amount
Year ended October 31, 2020:		
Shares sold	917,156	\$ 17,512,908
Shares issued to shareholders in reinvestment of distributions	442,234	8,593,985
Shares redeemed	(2,960,648)	(55,532,149)
Net increase (decrease) in shares outstanding before conversion	(1,601,258)	(29,425,256)
Shares converted from Class C (See Note 1)	(33,696)	(627,959)
Net increase (decrease)	(1,634,954)	\$ (30,053,215)
Year ended October 31, 2019:		
Shares sold	1,170,495	\$ 22,132,425
Shares issued to shareholders in reinvestment of distributions	369,675	6,808,882
Shares redeemed	(3,266,139)	(61,979,887)
Net increase (decrease) in shares outstanding before conversion	(1,725,969)	(33,038,580)
Shares converted from Class C (See Note 1)	(137,067)	(2,598,707)
Net increase (decrease)	(1,863,036)	\$ (35,637,287)

Class I	Shares	Amount
Year ended October 31, 2020:		
Shares sold	8,019,937	\$ 150,877,719
Shares issued to shareholders in reinvestment of distributions	1,292,612	25,075,976
Shares redeemed	(9,493,240)	(176,280,540)
Net increase in shares outstanding before conversion	(180,691)	(326,845)
Shares converted into Class I (See Note 1)	14,271	262,557
Net increase (decrease)	(166,420)	\$ (64,288)
Year ended October 31, 2019:		
Shares sold	5,652,692	\$ 108,456,027
Shares issued to shareholders in reinvestment of distributions	1,032,556	19,283,867
Shares redeemed	(9,407,029)	(179,386,061)
Net increase (decrease) in shares outstanding before conversion	(2,721,781)	(51,646,167)
Shares converted into Class I (See Note 1)	17,180	325,692
Net increase (decrease)	(2,704,601)	\$ (51,320,475)

Class R2	Shares	Amount
Year ended October 31, 2020:		
Shares sold	39,504	\$ 733,426
Shares issued to shareholders in reinvestment of distributions	3,946	75,822
Shares redeemed	(6,397)	(122,183)
Net increase (decrease)	37,053	\$ 687,065
Year ended October 31, 2019:		
Shares sold	18,671	\$ 351,189
Shares issued to shareholders in reinvestment of distributions	3,483	64,008
Shares redeemed	(89,592)	(1,709,718)
Net increase (decrease)	(67,438)	\$ (1,294,521)

Class R3	Shares	Amount
Year ended October 31, 2020:		
Shares sold	36,748	\$ 715,768
Shares issued to shareholders in reinvestment of distributions	2,565	49,126
Shares redeemed	(4,574)	(86,605)
Net increase (decrease)	34,739	\$ 678,289
Year ended October 31, 2019:		
Shares sold	21,615	\$ 416,299
Shares issued to shareholders in reinvestment of distributions	551	10,372
Net increase (decrease)	22,166	\$ 426,671

Class R6	Shares	Amount
Year ended October 31, 2020:		
Shares sold	393,526	\$ 7,405,905
Shares issued to shareholders in reinvestment of distributions	320,653	6,219,744
Shares redeemed	(888,573)	(16,655,511)
Net increase (decrease) in shares outstanding before conversion	(174,394)	(3,029,862)
Shares converted from Class R6 (See Note 1)	(1,261)	(25,357)
Net increase (decrease)	(175,655)	\$ (3,055,219)
Year ended October 31, 2019:		
Shares sold	425,473	\$ 8,212,259
Shares issued to shareholders in reinvestment of distributions	254,786	4,764,539
Shares redeemed	(713,908)	(13,641,963)
Net increase (decrease)	(33,649)	\$ (665,165)

SIMPLE Class	Shares	Amount
Period ended October 31, 2020 (a):		
Shares sold	1,293	\$ 25,000
Shares issued to shareholders in reinvestment of distributions	4	72
Net increase (decrease)	1,297	\$ 25,072

(a) The inception date of the class was August 31, 2020.

## Note 11—Recent Accounting Pronouncement

To improve the effectiveness of fair value disclosure requirements, the Financial Accounting Standards Board issued Accounting Standards Update 2018-13, Fair Value Measurement Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement (“ASU 2018-13”), which adds, removes, and modifies certain fair value measurement disclosure requirements. ASU 2018-13 is effective for interim and annual reporting periods beginning after December 15, 2019. The Manager evaluated the implications of certain provisions of ASU 2018-13 and determined to early adopt aspects related to the removal and modifications of certain fair value measurement disclosures, which are currently in place as of October 31, 2020. The Manager is evaluating the implications of certain other provisions of ASU 2018-13 related to new disclosure requirements and has not yet determined the impact of those provisions on the financial statement disclosures, if any.



In March 2020, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update 2020-04 (“ASU 2020-04”), which provides optional guidance to ease the potential accounting burden associated with transitioning away from LIBOR and other reference rates that are expected to be discontinued. ASU 2020-04 is effective immediately upon release of the update on March 12, 2020, through December 31, 2022. At this time, the Manager is evaluating the implications of certain other provisions of ASU 2020-04 related to new disclosure requirements and any impact on the financial statement disclosures has not yet been determined.

### **Note 12—Other Matters**

An outbreak of COVID-19, first detected in December 2019, has developed into a global pandemic and has resulted in travel restrictions, closure of international borders, certain businesses and securities markets, restrictions on securities trading activities, prolonged quarantines, supply chain disruptions, and lower consumer demand, as well as general concern and uncertainty. The continued impact of COVID-19 is uncertain and could further adversely affect the global

economy, national economies, individual issuers and capital markets in unforeseeable ways and result in a substantial and extended economic downturn. Developments that disrupt global economies and financial markets, such as COVID-19, may magnify factors that affect the Fund’s performance.

### **Note 13—Subsequent Events**

In connection with the preparation of the financial statements of the Fund as of and for the year ended October 31, 2020, events and transactions subsequent to October 31, 2020, 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 other than the following:

Effective at the close of business on November 20, 2020, all services provided by State Street were transitioned to JPMorgan Chase Bank, N.A.

# Report of Independent Registered Public Accounting Firm

To the Shareholders of the Fund and Board of Trustees  
The MainStay Funds:

## Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of MainStay Income Builder Fund (the Fund), one of the funds constituting The MainStay Funds, including the portfolio of investments, as of October 31, 2020, the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the related notes (collectively, the financial statements) and the financial highlights for each of the years or periods in the five-year period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of October 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years or periods in the five-year period then ended, in conformity with U.S. generally accepted accounting principles.

## Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights 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 Fund 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 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 and financial highlights 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 and financial highlights, 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 and financial highlights. Such procedures also included confirmation of securities owned as of October 31, 2020, by correspondence with custodians, the transfer agent, and brokers or by other appropriate auditing procedures when replies from brokers were not received. 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 and financial highlights. We believe that our audits provide a reasonable basis for our opinion.

**KPMG LLP**

We have served as the auditor of one or more New York Life Investment Management investment companies since 2003.

Philadelphia, Pennsylvania  
December 23, 2020

## Federal Income Tax Information (Unaudited)

The Fund is required under the Internal Revenue Code to advise shareholders in a written statement as to the federal tax status of dividends paid by the Fund during such fiscal years. Accordingly, the Fund paid \$36,341,347 as long term capital gain distributions.

For the fiscal year ended October 31, 2020, the Fund designated approximately \$26,419,877 under the Internal Revenue Code as qualified dividend income eligible for reduced tax rates.

The dividends paid by the Fund during the fiscal year ended October 31, 2020 should be multiplied by 25.66% to arrive at the amount eligible for the corporate dividend-received deduction.

In February 2021, shareholders will receive an IRS Form 1099-DIV or substitute Form 1099, which will show the federal tax status of the distributions received by shareholders in calendar year 2020. The amounts that will be reported on such 1099-DIV or substitute Form 1099 will be the amounts you are to use on your federal income tax return and will differ from the amounts reported for the Fund's fiscal year ended October 31, 2020.

## Proxy Voting Policies and Procedures and Proxy Voting Record

A description of the policies and procedures that New York Life Investments uses to vote proxies related to the Fund's securities is available free of charge upon request, by visiting the MainStay Funds' website at [newyorklifeinvestments.com](http://newyorklifeinvestments.com) or visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

The Fund is required to file with the SEC its proxy voting records for the 12-month period ending June 30 on Form N-PX. The most recent Form N-PX or proxy voting record is available free of charge upon request by calling 800-624-6782; visiting the MainStay Funds' website at [newyorklifeinvestments.com](http://newyorklifeinvestments.com); or visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

## Shareholder Reports and Quarterly Portfolio Disclosure

The Fund is required to file its complete schedule of portfolio holdings with the SEC 60 days after its first and third fiscal quarter on Form N-PORT. The Fund's holdings report is available free of charge by visiting the SEC's website at [www.sec.gov](http://www.sec.gov) or upon request by calling New York Life Investments at 800-624-6782.

# Board of Trustees and Officers (Unaudited)

The Trustees and officers of the Funds 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, the Manager and the Subadvisors, and elects the officers of the Funds who are responsible for the day-to-day operations of the Funds. 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 Fund ("Independent Trustees").

	<b>Name and Year of Birth</b>	<b>Term of Office, Position(s) Held and Length of Service</b>	<b>Principal Occupation(s) During Past Five Years</b>	<b>Number of Portfolios in Fund Complex Overseen by Trustee</b>	<b>Other Directorships Held by Trustee</b>
<b>Interested Trustee</b>	<b>Yie-Hsin Hung*</b> 1962	<b>MainStay Funds:</b> Trustee since 2017 <b>MainStay Funds Trust:</b> Trustee since 2017	Senior Vice President of New York Life since joining in 2010, Member of the Executive Management Committee since 2017, Chief Executive Officer, New York Life Investment Management Holdings LLC & New York Life Investment Management LLC since 2015. Senior Managing Director and Co-President of New York Life Investment Management LLC from 2014 to May 2015. Previously held positions of increasing responsibility, including head of NYLIM International, Alternative Growth Businesses, and Institutional investments since joining New York Life in 2010.	78	<i>MainStay VP Funds Trust:</i> Trustee since 2017 (31 portfolios); and <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee since 2017.

\* This Trustee is considered to be an "interested person" of the MainStay Group of Funds, MainStay VP Funds Trust and MainStay MacKay DefinedTerm Municipal Opportunities Fund, within the meaning of the 1940 Act because of her affiliation with New York Life Insurance Company, New York Life Investment Management LLC, Candriam Belgium S.A., Candriam Luxembourg S.C.A., IndexIQ Advisors LLC, MacKay Shields LLC, NYL Investors LLC, NYLIFE Securities LLC and/or NYLIFE Distributors LLC, as described in detail above in the column entitled "Principal Occupation(s) During Past Five Years."

## 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
David H. Chow 1957	<b>MainStay Funds:</b> Trustee since 2016, Advisory Board Member (June 2015 to December 2015); <b>MainStay Funds Trust:</b> Trustee since 2016, Advisory Board Member (June 2015 to December 2015).	Founder and CEO, DanCourt Management, LLC since 1999	78	<i>MainStay VP Funds Trust:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (31 portfolios); <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015); <i>Market Vectors Group of Exchange-Traded Funds:</i> Independent Chairman of the Board of Trustees since 2008 and Trustee since 2006 (56 portfolios); and <i>Berea College of Kentucky:</i> Trustee since 2009, Chair of the Investment Committee since 2018.
Susan B. Kerley 1951	<b>MainStay Funds:</b> Chairman since 2017 and Trustee since 2007; <b>MainStay Funds Trust:</b> Chairman since 2017 and Trustee since 1990.**	President, Strategic Management Advisors LLC since 1990	78	<i>MainStay VP Funds Trust:</i> Chairman since 2017 and Trustee since 2007 (31 portfolios)***; <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Chairman since 2017 and Trustee since 2011; and <i>Legg Mason Partners Funds:</i> Trustee since 1991 (45 portfolios).
Alan R. Latshaw 1951	<b>MainStay Funds:</b> Trustee; <b>MainStay Funds Trust:</b> Trustee and Audit Committee Financial Expert 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)	78	<i>MainStay VP Funds Trust:</i> Trustee and Audit Committee Financial Expert since 2007 (31 portfolios)***; <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee and Audit Committee Financial Expert since 2011; and <i>State Farm Associates Funds Trusts:</i> Trustee since 2005 (4 portfolios).
Richard H. Nolan, Jr. 1946	<b>MainStay Funds:</b> Trustee since 2007; <b>MainStay Funds Trust:</b> Trustee since 2007.**	Managing Director, ICC Capital Management since 2004; President—Shields/Alliance, Alliance Capital Management (1994 to 2004)	78	<i>MainStay VP Funds Trust:</i> Trustee since 2006 (31 portfolios)***; and <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee since 2011.
Jacques P. Perold 1958	<b>MainStay Funds:</b> Trustee since 2016, Advisory Board Member (June 2015 to December 2015); <b>MainStay Funds Trust:</b> Trustee since 2016, Advisory Board Member (June 2015 to December 2015).	Founder and Chief Executive Officer, CapShift LLC since 2018; President, Fidelity Management & Research Company (2009 to 2014); Founder, President and Chief Executive Officer, Geode Capital Management, LLC (2001 to 2009)	78	<i>MainStay VP Funds Trust:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (31 portfolios); <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015); <i>Partners in Health:</i> Trustee since 2019; <i>Allstate Corporation:</i> Director since 2015; <i>MSCI, Inc.:</i> and Director since 2017.

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

	<b>Name and Year of Birth</b>	<b>Term of Office, Position(s) Held and Length of Service</b>	<b>Principal Occupation(s) During Past Five Years</b>	<b>Number of Portfolios in Fund Complex Overseen by Trustee</b>	<b>Other Directorships Held by Trustee</b>
<b>Independent Trustees</b>	<b>Richard S. Trutanic</b> 1952	<b>MainStay Funds:</b> Trustee since 1994; <b>MainStay Funds Trust:</b> 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)	78	<i>MainStay VP Funds Trust:</i> Trustee since 2007 (31 portfolios)***; and <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee since 2011.

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

\*\*\* Includes prior service as a Director of MainStay VP Series Fund, Inc., the predecessor to MainStay VP 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
<b>Kirk C. Lehneis</b> 1974	President, MainStay Funds, MainStay 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 MacKay DefinedTerm Municipal Opportunities Fund and MainStay VP Funds Trust since 2017**; Senior Managing Director, Global Product Development (2015 to 2016); Managing Director, Product Development (2010 to 2015), New York Life Investment Management LLC
<b>Jack R. Benintende</b> 1964	Treasurer and Principal Financial and Accounting Officer, MainStay Funds since 2007, MainStay Funds Trust since 2009	Managing Director, New York Life Investment Management LLC since 2007; Treasurer and Principal Financial and Accounting Officer, MainStay MacKay DefinedTerm Municipal Opportunities Fund since 2011 and MainStay VP Funds Trust since 2007**; and Assistant Treasurer, New York Life Investment Management Holdings LLC (2008 to 2012)
<b>Yi-Chia Kuo</b> 1981	Vice President and Chief Compliance Officer, MainStay Funds and MainStay Funds Trust since January 2020	Chief Compliance Officer, Index IQ Trust, Index IQ ETF Trust and Index IQ Active ETF Trust since January 2020; Vice President and Chief Compliance Officer, MainStay MacKay DefinedTerm Municipal Opportunities Fund and MainStay VP Funds Trust since January 2020; Director and Associate General Counsel, New York Life Insurance Company (2015 to 2019)
<b>J. Kevin Gao</b> 1967	Secretary and Chief Legal Officer, MainStay Funds and MainStay Funds Trust since 2010	Managing Director and Associate General Counsel, New York Life Investment Management LLC since 2010; Secretary and Chief Legal Officer, MainStay MacKay DefinedTerm Municipal Opportunities Fund since 2011 and MainStay VP Funds Trust since 2010**
<b>Scott T. Harrington</b> 1959	Vice President—Administration, MainStay Funds since 2005, MainStay Funds Trust since 2009	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 MacKay DefinedTerm Municipal Opportunities Fund since 2011 and MainStay VP Funds Trust since 2005**

\* The officers listed above are considered to be “interested persons” of the MainStay Group of Funds, MainStay VP Funds Trust 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, 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 Funds

## Equity

### U.S. Equity

MainStay Epoch U.S. All Cap Fund  
MainStay Epoch U.S. Equity Yield Fund  
MainStay MacKay Common Stock Fund  
MainStay MacKay Growth Fund  
MainStay MacKay S&P 500 Index Fund  
MainStay MacKay Small Cap Core Fund  
MainStay MacKay U.S. Equity Opportunities Fund  
MainStay MAP Equity Fund  
MainStay Winslow Large Cap Growth Fund<sup>1</sup>

### International Equity

MainStay Epoch International Choice Fund  
MainStay MacKay International Equity Fund  
MainStay MacKay International Opportunities Fund

### Emerging Markets Equity

MainStay Candriam Emerging Markets Equity Fund

### Global Equity

MainStay Epoch Capital Growth Fund  
MainStay Epoch Global Equity Yield Fund

## Fixed Income

### Taxable Income

MainStay Candriam Emerging Markets Debt Fund  
MainStay Floating Rate Fund  
MainStay MacKay High Yield Corporate Bond Fund  
MainStay MacKay Short Duration High Yield Fund  
MainStay MacKay Total Return Bond Fund  
MainStay MacKay Unconstrained Bond Fund  
MainStay MacKay U.S. Infrastructure Bond Fund<sup>2</sup>  
MainStay Short Term Bond Fund<sup>3</sup>

### Tax-Exempt Income

MainStay MacKay California Tax Free Opportunities Fund<sup>4</sup>  
MainStay MacKay High Yield Municipal Bond Fund  
MainStay MacKay Intermediate Tax Free Bond Fund  
MainStay MacKay New York Tax Free Opportunities Fund<sup>5</sup>  
MainStay MacKay Short Term Municipal Fund  
MainStay MacKay Tax Free Bond Fund

### Money Market

MainStay Money Market Fund

## Mixed Asset

MainStay Balanced Fund  
MainStay Income Builder Fund  
MainStay MacKay Convertible Fund

## Specialty

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

## Asset Allocation

MainStay Conservative Allocation Fund  
MainStay Conservative ETF Allocation Fund  
MainStay Defensive ETF Allocation Fund  
MainStay Equity Allocation Fund<sup>6</sup>  
MainStay Equity ETF Allocation Fund  
MainStay Growth Allocation Fund<sup>7</sup>  
MainStay Growth ETF Allocation Fund  
MainStay Moderate Allocation Fund  
MainStay Moderate ETF Allocation Fund

## Manager

### New York Life Investment Management LLC

New York, New York

### Subadvisors

#### Candriam Belgium S.A.<sup>8</sup>

Brussels, Belgium

#### Candriam Luxembourg S.C.A.<sup>8</sup>

Strassen, Luxembourg

#### CBRE Clarion Securities LLC

Radnor, Pennsylvania

#### Cushing Asset Management, LP

Dallas, Texas

#### Epoch Investment Partners, Inc.

New York, New York

#### MacKay Shields LLC<sup>8</sup>

New York, New York

#### Markston International LLC

White Plains, New York

#### NYL Investors LLC<sup>8</sup>

New York, New York

#### Winslow Capital Management, LLC

Minneapolis, Minnesota

## Legal Counsel

### Dechert LLP

Washington, District of Columbia

## Independent Registered Public Accounting Firm

### KPMG LLP

Philadelphia, Pennsylvania

## Distributor

### NYLIFE Distributors LLC<sup>8</sup>

Jersey City, New Jersey

## Custodian<sup>9</sup>

### State Street Bank and Trust Company

Boston, Massachusetts

1. Formerly known as MainStay Large Cap Growth Fund.

2. Formerly known as MainStay MacKay Infrastructure Bond Fund.

3. Formerly known as MainStay Indexed Bond Fund.

4. This Fund is registered for sale in AZ, CA, NV, OR, TX, UT and WA. Class A and Class I shares are registered for sale in MI. Class I and Class C2 shares are registered for sale in CO, FL, GA, HI, ID, MA, MD, NH, NJ and NY.

5. This Fund is registered for sale in CA, CT, DE, FL, MA, NJ, NY and VT.

6. Formerly known as MainStay Growth Allocation Fund.

7. Formerly known as MainStay Moderate Growth Allocation Fund.

8. An affiliate of New York Life Investment Management LLC.

9. JPMorgan Chase Bank, N.A., New York, New York is the custodian for the MainStay ETF Asset Allocation Funds and effective at the close of business on November 20, 2020, became the custodian for other MainStay Funds. The custodian for MainStay Cushing MLP Premier Fund is U.S. Bank National Association, Milwaukee, Wisconsin.

**For more information**

800-624-6782

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

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

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