MainStay Short Term Bond Fund

(Formerly known as MainStay Indexed Bond Fund)

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, 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. 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.

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

NEW YORK LIFE INVESTMENTS

This page intentionally left blank

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 MainStay 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

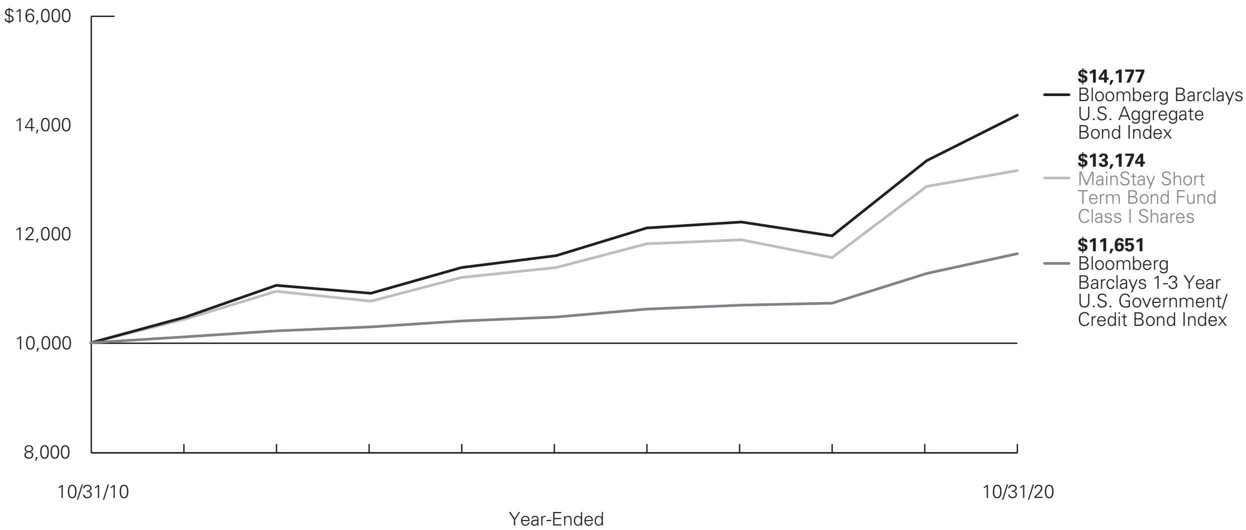
The opinions expressed are as of the date of this report and are subject to change. There is no guarantee that any forecast made will come to pass. This material does not constitute investment advice and is not intended as an endorsement of any specific investment. Past performance is no guarantee of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

Table of Contents

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. These documents are also available via the MainStay Funds' website at newyorklifeinvestments.com. Please read the Summary Prospectus and/or Prospectus carefully before investing.

Investment and Performance Comparison[1] (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.



Average Annual Total Returns for the Year-Ended October 31, 2020[2]

Class	Sales Charge		Inception Date	One Year or Since Inception	Five Years	Ten Years	Gross Expense Ratio[3]
Class A Shares[4]	Maximum 1% Initial Sales Charge	With sales charges	1/2/2004	–1.06%	2.02%	2.15%	0.74%
		Excluding sales charges		2.00	2.64	2.46	0.74
Investor Class Shares[4,5]	Maximum .5% Initial Sales Charge	With sales charges	2/28/2008	–1.29	1.79	1.95	1.22
		Excluding sales charges		1.76	2.41	2.26	1.22
Class I Shares	No Sales Charge		1/2/1991	2.29	2.95	2.79	0.49
SIMPLE Class Shares	No Sales Charge		8/31/2020	–0.17	N/A	N/A	1.47

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. Effective December 5, 2019, the Fund's investment objective and principal investment strategies changed. Prior to that date, the Fund operated as an index fund and sought to match the return of its former benchmark gross of fees. The past performance in the bar chart and table prior to that date reflects the Fund's prior investment objective and principal investment strategies.
3. 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.
4. Prior to February 28, 2020, the maximum initial sales charge applicable was 3.0%, which is reflected in the average annual total return figures shown.
5. Prior to June 30, 2020, the maximum initial sales charge for Investor Class shares was 1.0%, which is reflected in the average annual total return figures shown.

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

Benchmark Performance	One Year	Five Years	Ten Years
Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index[6]	3.39%	2.10%	1.54%
Bloomberg Barclays U.S. Aggregate Bond Index[7]	6.19	4.08	3.55
Morningstar US Fund Short-Term Bond Category Average[8]	3.09	2.37	1.95

6. The Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index is the Fund's primary broad-based securities market index for comparison purposes. The Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index is an unmanaged index comprised of investment grade, U.S. dollar-denominated, fixed-rate Treasurys, government-related and corporate securities, with maturities of one to three years. Results assume reinvestment of all income.
7. 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 Treasurys, 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 income and capital gains. An investment cannot be made directly in an index.
8. The Morningstar US Fund Short-Term Bond Category Average is representative of funds that invest primarily in corporate and other investment-grade U.S. fixed-income issues and typically have durations of 1.0 to 3.5 years. These portfolios are attractive to fairly conservative investors, because they are less sensitive to interest rates than portfolios with longer durations. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Short-term is defined as 25% to 75% of the three-year average effective duration of the MCBI. 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 Short Term Bond 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

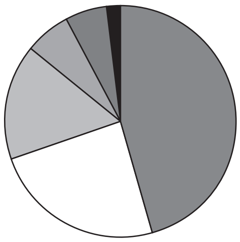
The fourth and fifth data columns in the table below provide information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values 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[1]	Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 10/31/20	Expenses Paid During Period[1]	Net Expense Ratio During Period[2]
Class A Shares	$1,000.00	$1,037.80	$3.74	$1,021.47	$3.71	0.73%
Investor Class Shares	$1,000.00	$1,036.60	$4.71	$1,020.51	$4.67	0.92%
Class I Shares	$1,000.00	$1,040.40	$2.05	$1,023.13	$2.03	0.40%
SIMPLE Class Shares[3,4]	$1,000.00	$ 998.30	$1.95	$1,006.38	$1.96	1.17%

1. 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.
2. Expenses are equal to the Fund's annualized expense ratio to reflect the six-month period.
3. The inception date was August 31, 2020.
4. 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 $5.74 for SIMPLE Class shares and the ending account value would have been $1,019.46 for SIMPLE Class shares.

Portfolio Composition as of October 31, 2020 (Unaudited)



47.4%	Corporate Bonds	6.1%	Mortgage-Backed Securities
24.9	U.S. Government & Federal Agencies	1.9	Exchange-Traded Fund
16.6	Asset-Backed Securities	-3.5	Other Assets, Less Liabilities
6.6	Short-Term Investments		

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

Top Ten Issuers Held as of October 31, 2020 (excluding short-term investments) (Unaudited)

1. Federal Farm Credit Bank, 0.68%–1.14%, due 6/17/24–8/20/29
2. United States Treasury Notes, 0.125%, due 10/31/22
3. Federal Home Loan Mortgage Corporation, 0.65%–1.125%, due 10/27/25–12/30/27
4. Sequoia Mortgage Trust, 3.00%–3.50%, due 10/25/47–4/25/50
5. iShares 1-5 Year Investment Grade Corporate Bond ETF
6. COLT Mortgage Loan Trust, 1.853%–2.764%, due 8/25/49–3/25/65
7. Palmer Square CLO, Ltd., 1.318%–1.768%, due 7/20/30
8. Goldman Sachs Group, Inc., 3.625%, due 2/20/24
9. AstraZeneca PLC, 0.945%, due 8/17/23
10. Discovery Communications LLC, 3.80%, due 3/13/24

Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by portfolio managers Kenneth Sommer and AJ Rzad, CFA, of NYL Investors LLC, the Fund's Subadvisor.

How did MainStay Short Term Bond 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 Short Term Bond Fund returned 2.29%, underperforming the 3.39% return of the Fund's primary benchmark, the Bloomberg Barclays 1–3 Year U.S. Government/Credit Bond Index. Over the same period, Class I shares also underperformed the 6.19% return of the Bloomberg Barclays U.S. Aggregate Bond Index, which was the Fund's primary benchmark prior to December 5, 2019, and the 3.09% return of the Morningstar US Fund Short-Term Bond Category Average.[1]

Were there any changes to the Fund during the reporting period?

Effective December 5, 2019, MainStay Indexed Bond Fund was renamed MainStay Short Term Bond Fund and the Fund's investment objective, principal investment strategies, investment process and primary benchmark were modified, among other changes. For more information about these and other changes, refer to the supplement dated October 4, 2019.

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

MainStay Indexed Bond Fund

From November 1, 2019, through December 4, 2019, the Fund was managed as an index fund. As such, the Fund's strategy was to match the benchmark rather than exceed it.

MainStay Short Term Bond Fund

The Fund was managed as MainStay Short Term Bond Fund from December 5, 2019, through October 31, 2020. During this portion of the reporting period, the Fund held overweight positions in U.S. government agencies, corporates, asset-backed securities and commercial mortgage-backed securities. To facilitate these overweight positions, the Fund maintained an underweight position in the U.S. Treasury sector. In the first half of the reporting period, spreads moved drastically wider as volatility spiked due to the coronavirus pandemic. The move wider in option-adjusted spreads ("OAS")[2] caused the Fund's overweight positions to underperform matched-duration U.S. Treasury bonds. OAS recovered during the second half of the reporting period as the Federal Reserve stepped into financial markets to increase liquidity and support smooth market functioning. Overall, OAS on the Bloomberg Barclays 1–3 Year U.S. Government/Credit Bond Index finished two basis points tighter during the reporting period. (A basis point is one one-hundredth of a percentage point.) Overweight positions relative to the Index in commercial mortgage-backed securities and U.S. government agencies detracted from performance during the reporting period, as did the Fund's underweight position in the U.S. Treasury sector. Conversely, the Fund's relatively overweight position in asset-backed securities was accretive to performance during the period, as was the Fund's commercial paper allocation.

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

MainStay Short Term Bond Fund

From a liquidity perspective, the first quarter of 2020 proved to be a challenging environment for all fixed-income investors. As investors flocked to the relative safety of cash and/or U.S. Treasury holdings, portfolio redemptions resulted in forced selling across the corporate landscape. This led to wider bid-ask spreads[3] and a more difficult environment in which to transact. While the U.S. Federal Reserve's heavy-handed response opened the primary market, secondary liquidity remained challenging until investors became more confident in the stability of the market.

During the reporting period, the Fund's performance was materially impacted by the coronavirus pandemic. During March 2020, OAS on risk assets moved sharply wider as the virus spread throughout the United States, undermining the relative performance of the Fund's overweight positions in corporates, commercial mortgage-backed securities and mortgage-backed securities compared to matched-duration[4] U.S. Treasury bonds.

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

MainStay Indexed Bond Fund

During the portion of the reporting period in which the Fund was managed as MainStay Indexed Bond Fund, U.S. Treasury futures were used to reduce variations between the Fund and its benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index. These trades reduced tracking error for the Fund and its benchmark.

1. 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.
2. An option-adjusted spread is the measurement of the spread of a fixed-income security rate and the risk-free rate of return, which is then adjusted to take into account an embedded option.
3. 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.
4. Duration is a measure of the price sensitivity of a fixed-income investment to changes in interest rates. Duration is expressed as a number of years and is considered a more accurate sensitivity gauge than average maturity.

MainStay Short Term Bond Fund

During the portion of the reporting period in which the Fund was managed as MainStay Short Term Bond Fund, the only derivatives employed were interest rate derivatives used to keep the duration of the Fund in line with our target duration. The interest rate derivatives had a negative impact on Fund performance during the reporting period.

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

MainStay Indexed Bond Fund

During the portion of the reporting period in which the Fund was managed as MainStay Indexed Bond Fund, the Fund maintained a passive strategy that attempted to replicate the duration of its benchmark. The Fund's duration strategy had a neutral impact on performance during this portion of the reporting period.

MainStay Short Term Bond Fund

During the portion of the reporting period in which the Fund was managed as MainStay Short Term Bond Fund, the Fund maintained a duration that was relatively close to that of the Bloomberg Barclays 1–3 Year U.S. Government/Credit Bond Index. There was one occasion during which the Fund maintained a duration shorter than the benchmark, and one occasion during which the duration of the Fund was longer than the benchmark. Both instances detracted from the overall performance of the Fund. As of October 31, 2020, the effective duration of the Fund was 1.91 years compared to a duration of 1.92 years for the Bloomberg Barclays 1–3 Year U.S. Government/Credit Bond Index.

During the reporting period, which market sectors made the strongest positive contributions to the Fund's performance, and which market sectors detracted the most?

MainStay Indexed Bond Fund

During the portion of the reporting period in which the Fund was managed as MainStay Indexed Bond Fund, the U.S. corporate sector, led by long-end financials and industrials, produced the highest total return among all the asset classes in the Bloomberg Barclays U.S. Aggregate Bond Index. All non-corporate subsectors produced negative total returns, with foreign agencies performing worst. Within securitized products, commercial mortgage-backed securities underperformed both mortgage-backed securities and asset-backed securities. U.S. government agency securities underperformed U.S. Treasury securities during this portion of the reporting period.

MainStay Short Term Bond Fund

During the portion of the reporting period in which the Fund was managed as MainStay Short Term Bond Fund, the U.S. corporate sector made the strongest total return contribution to the Fund's performance. (Contributions take weightings and total returns into account.) Among corporates, the financials subsector was the most accretive to performance, followed by industrials and utilities. The asset-backed securities sector had the second highest total return contribution during the same period, followed by the mortgage-backed securities sector. The commercial mortgage-backed securities sector, driven primarily by the non-agency component, detracted the most from the Fund's performance based on total return contribution. The commercial paper sector was the second worst performer, followed by U.S. government agencies.

How did the Fund's sector weightings change during the reporting period?

MainStay Indexed Bond Fund

MainStay Indexed Bond Fund was managed as an index fund. Therefore, the Fund's sector weightings changed only as a function of their relative performance during the portion of the reporting period in which the Fund was managed as an index fund.

MainStay Short Term Bond Fund

During the portion of the reporting period in which the Fund was managed MainStay Short Term Bond Fund, the Fund held overweight exposure to the financials and industrials subsectors within the corporate sector. Toward the end of the reporting period, the Fund's corporate credit allocation was modestly reduced as credit spreads tightened to the tightest levels since February 2020 in response to an increase in virus cases, lack of further fiscal stimulus and the impending U.S. election.

Throughout the reporting period, we added to the Fund's position in U.S. government agency securities. Because of newly introduced Federal Housing Finance Agency liquidity rules, Fannie Mae and Freddie Mac were forced to extend the duration of their issuance, creating attractive opportunities in the three- to five-year part of the agency yield curve.[5] The Fund sold U.S. Treasury securities to pay for U.S. government agency purchases, thereby reducing the Fund's exposure to the Treasury sector. In addition, the Fund reduced its overweight exposure to asset-backed securities, commercial mortgage-backed securities and collateralized loan obligations ahead of the $59.7 million redemption that took place in the first half of September 2020. As of October 31, 2020, we remain constructive on the fundamentals of these asset classes,

5. The yield curve is a line that plots the yields of various securities of similar quality—typically U.S. Treasury issues—across a range of maturities. The U.S. Treasury yield curve serves as a benchmark for other debt and is used in economic forecasting.
6. An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's ("S&P"), and in the opinion of S&P, the obligor's capacity to meet its financial commitment on the obligation is extremely strong. When applied to Fund holdings, ratings are based solely on the creditworthiness of the bonds in the portfolio and are not meant to represent the security or safety of the Fund.

particularly AAA-rated[6] collateralized loan obligations, which remains one of our highest conviction sectors in terms of relative value within investment-grade fixed income.

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

As of October 31, 2020, the Fund held overweight exposure relative to the Bloomberg Barclays 1–3 Year U.S. Government/Credit Bond Index in corporate bonds. Within the corporate sector, the Fund held overweight exposure to financials and industrials. The Fund also held overweight positions in asset-backed securities, commercial mortgage-backed securities, mortgage-backed securities and U.S. government agencies. The Fund's largest overweight allocation among spread assets was to the corporate sector. As of the same date, the Fund held underweight positions relative to the Index in the sovereign, supranational, foreign agency and foreign local government sectors. The Fund's largest underweight position was within the U.S. Treasury sector.

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
Long-Term Bonds 95.0%†		
Asset-Backed Securities 16.6%		
Automobile Asset-Backed Securities 0.8%		
Avis Budget Rental Car Funding AESOP LLC		
Series 2020-2A, Class A		
2.02%, due 2/20/27 (a)	$ 600,000	$ 605,585
Other Asset-Backed Securities 13.6%		
AIMCO CLO 10, Ltd.		
Series 2019-10A, Class A		
1.536% (3 Month LIBOR + 1.32%),		
due 7/22/32 (a)(b)	500,000	493,810
Apidos CLO XXXII		
Series 2019-32A, Class A1		
1.538% (3 Month LIBOR + 1.32%),		
due 1/20/33 (a)(b)	500,000	497,323
Aqua Finance Trust		
Series 2020-AA, Class A		
1.90%, due 7/17/46 (a)	722,213	724,773
ARES CLO, Ltd.		
Series 2015-38A, Class BR		
1.618%, due 4/20/30 (a)	500,000	482,499
Ares XXXIV CLO, Ltd.		
Series 2015-2A, Class AR2		
1.468% (3 Month LIBOR + 1.25%),		
due 4/17/33 (a)(b)	500,000	493,773
Betony CLO 2, Ltd.		
Series 2018-1A, Class A1		
1.294% (3 Month LIBOR + 1.08%),		
due 4/30/31 (a)(b)	500,000	490,686
CAL Funding IV, Ltd.		
Series 2020-1A, Class A		
2.22%, due 9/25/45 (a)	744,688	744,980
Cedar Funding XII CLO, Ltd.		
Series 2020-12A, Class A		
1.495% (3 Month LIBOR + 1.27%),		
due 10/25/32 (a)(b)	400,000	400,000
ELFI Graduate Loan Program LLC		
Series 2020-A, Class A		
1.73%, due 8/25/45 (a)	442,159	446,386
Galaxy XV CLO, Ltd.		
Series 2013-15A, Class AR		
1.437% (3 Month LIBOR + 1.20%),		
due 10/15/30 (a)(b)	500,000	492,998
Magnetite XVIII, Ltd.		
Series 2016-18A, Class AR		
1.36% (3 Month LIBOR + 1.08%),		
due 11/15/28 (a)(b)	250,000	248,152
MVW Owner Trust		
Series 2017-1A, Class A		
2.42%, due 12/20/34 (a)	64,670	65,883

	Principal Amount	Value
Other Asset-Backed Securities (continued)		
Neuberger Berman CLO XIV, Ltd.		
Series 2013-14A, Class BR2		
1.722% (3 Month LIBOR + 1.50%),		
due 1/28/30 (a)(b)	$ 500,000	$ 487,723
Orange Lake Timeshare Trust		
Series 2018-A, Class A		
3.10%, due 11/8/30 (a)	820,146	839,029
Palmer Square CLO, Ltd. (a)(b)		
Series 2015-2A, Class A1R2		
1.318% (3 Month LIBOR + 1.10%),		
due 7/20/30	500,000	493,338
Series-2015-2A, Class A2R2		
1.768% (3 Month LIBOR + 1.55%),		
due 7/20/30	500,000	487,363
Regatta VI Funding, Ltd.		
Series 2016-1A, Class BR		
1.668% (3 Month LIBOR + 1.45%),		
due 7/20/28 (a)(b)	500,000	489,347
Silver Creek CLO, Ltd.		
Series 2014-1A, Class AR		
1.458% (3 Month LIBOR + 1.24%),		
due 7/20/30 (a)(b)	500,000	495,631
Triton Container Finance VIII LLC		
Series 2020-1A, Class A		
2.11%, due 9/20/45 (a)	744,688	744,489
Vantage Data Centers LLC		
Series 2020-1A, Class A2		
1.645%, due 9/15/45 (a)	350,000	347,826
Venture XXVI CLO, Ltd.		
Series 2017-26A, Class A		
1.668% (3 Month LIBOR + 1.45%),		
due 1/20/29 (a)(b)	500,000	495,379
Voya CLO, Ltd.		
Series 2019-1A, Class BR		
1.787% (3 Month LIBOR + 1.55%),		
due 4/15/31 (a)(b)	500,000	480,528
		10,941,916
Student Loans 2.2%		
Laurel Road Prime Student Loan Trust		
Series 2020-A, Class A2FX		
1.40%, due 11/25/50 (a)	356,000	353,999
Navient Private Education Refi Loan Trust (a)		
Series 2020-GA, Class A		
1.17%, due 9/16/69	300,000	300,584
Series 2020-FA, Class A		
1.22%, due 7/15/69	210,274	210,890
SMB Private Education Loan Trust (a)		
Series 2020-B, Class A1A		
1.29%, due 7/15/53	416,193	416,377

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

	Principal Amount	Value
Asset-Backed Securities (continued)		
Student Loans (continued)		
Series 2020-PTB, Class A2A		
1.60%, due 9/15/54	$ 500,000	$ 501,223
		1,783,073
Total Asset-Backed Securities		
(Cost $13,408,731)		13,330,574
Corporate Bonds 47.4%		
Aerospace & Defense 1.1%		
Boeing Co.		
2.70%, due 5/1/22	825,000	839,243
Apparel 0.2%		
Ralph Lauren Corp.		
1.70%, due 6/15/22	150,000	153,007
Auto Manufacturers 4.3%		
American Honda Finance Corp.		
2.40%, due 6/27/24	675,000	713,714
BMW U.S. Capital LLC		
3.45%, due 4/12/23 (a)	675,000	717,012
Daimler Finance North America LLC		
1.18% (3 Month LIBOR + 0.90%),		
due 2/15/22 (a)(b)	610,000	613,963
Ford Motor Credit Co. LLC		
3.087%, due 1/9/23	275,000	272,250
3.664%, due 9/8/24	600,000	594,870
General Motors Financial Co., Inc.		
3.70%, due 5/9/23	525,000	551,684
		3,463,493
Auto Parts & Equipment 0.5%		
Aptiv Corp.		
4.15%, due 3/15/24	375,000	412,575
Automobile 0.6%		
Volkswagen Group of America Finance LLC		
2.90%, due 5/13/22 (a)	500,000	516,247
Banks 14.1%		
Banco Santander S.A.		
2.746%, due 5/28/25	200,000	210,853
Bank of America Corp.		
4.20%, due 8/26/24	500,000	557,182
Bank of Nova Scotia		
3.40%, due 2/11/24	375,000	407,082
Barclays Bank PLC		
1.70%, due 5/12/22	400,000	407,508

	Principal Amount	Value
Banks (continued)		
BNP Paribas S.A.		
4.25%, due 10/15/24	$ 600,000	$ 664,832
Citigroup, Inc.		
3.106%, (SOFR + 2.75%) due 4/8/26 (c)	850,000	915,019
Credit Agricole S.A.		
3.375%, due 1/10/22 (a)	450,000	464,574
Credit Suisse A.G.		
1.00%, due 5/5/23	700,000	708,647
Fifth Third Bancorp		
1.625%, due 5/5/23	275,000	282,069
Goldman Sachs Group, Inc.		
3.625%, due 2/20/24	900,000	977,537
HSBC Holdings PLC		
4.25%, due 8/18/25	750,000	830,614
JPMorgan Chase & Co.		
3.875%, due 2/1/24	850,000	938,341
Lloyds Banking Group PLC		
1.326% (CMT + 1.10%), due 6/15/23 (b)	350,000	352,799
Mizuho Financial Group, Inc.		
1.099% (3 Month LIBOR + 0.85%),		
due 9/13/23 (b)	750,000	754,114
Morgan Stanley		
4.10%, due 5/22/23	600,000	649,502
Nordea Bank Abp		
0.75%, due 8/28/25 (a)	200,000	199,618
Standard Chartered PLC		
1.319% (CMT + 1.17%),		
due 10/14/23 (a)(b)	425,000	426,764
Sumitomo Mitsui Financial Group, Inc.		
2.696%, due 7/16/24	675,000	718,132
UBS Group A.G.		
1.364% (CMT + 1.08%),		
due 1/30/27 (a)(b)	325,000	324,062
Wells Fargo & Co.		
3.45%, due 2/13/23	500,000	530,534
		11,319,783
Building Materials 0.2%		
Carrier Global Corp.		
1.923%, due 2/15/23 (a)	150,000	154,449
Chemicals 2.3%		
Dow Chemical Co.		
3.625%, due 5/15/26	350,000	390,410
DuPont de Nemours, Inc.		
2.169%, due 5/1/23	350,000	353,325
LYB International Finance III LLC		
1.23% (3 Month LIBOR + 1.00%),		
due 10/1/23 (b)	250,000	250,147

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

	Principal Amount	Value
Corporate Bonds (continued)		
Chemicals (continued)		
Nutrien, Ltd.		
1.90%, due 5/13/23	$ 300,000	$ 309,521
3.625%, due 3/15/24	525,000	570,603
		1,874,006
Commercial Services—Finance 0.5%		
Hyundai Capital America		
1.25%, due 9/18/23 (a)	400,000	400,937
Computers 0.5%		
Hewlett Packard Enterprise Co.		
0.929% (3 Month LIBOR + 0.68%), due 3/12/21 (b)	375,000	375,617
Diversified Financial Services 1.1%		
AIG Global Funding (a)		
0.80%, due 7/7/23	325,000	327,374
0.90%, due 9/22/25	175,000	174,228
Ares Finance Co. LLC		
4.00%, due 10/8/24 (a)	375,000	398,263
		899,865
Electric 1.2%		
DTE Energy Co.		
1.05%, due 6/1/25	200,000	200,698
Pacific Gas & Electric Co.		
1.75%, due 6/16/22	300,000	300,028
Pinnacle West Capital Corp.		
1.30%, due 6/15/25	250,000	253,907
Southern California Edison Co.		
1.20%, due 2/1/26	175,000	173,634
		928,267
Electronics 1.0%		
Agilent Technologies, Inc.		
3.875%, due 7/15/23	505,000	545,911
Flex, Ltd.		
3.75%, due 2/1/26	250,000	273,565
		819,476
Food 0.4%		
Conagra Brands, Inc.		
3.20%, due 1/25/23	275,000	289,192
Gas 0.6%		
Dominion Energy Gas Holdings LLC		
3.55%, due 11/1/23	450,000	483,893
Health Care—Products 0.3%		
Stryker Corp.		
1.15%, due 6/15/25	200,000	202,118
Health Care—Services 0.6%		
Laboratory Corp. of America Holdings		
3.25%, due 9/1/24	$ 450,000	$ 489,354
Household Products & Wares 0.6%		
Reckitt Benckiser Treasury Services PLC		
0.783% (3 Month LIBOR + 0.56%), due 6/24/22 (a)(b)	500,000	501,855
Housewares 0.3%		
Newell Brands, Inc.		
4.35%, due 4/1/23	205,000	213,963
Insurance 1.1%		
Aon PLC		
3.50%, due 6/14/24	375,000	408,359
Metropolitan Life Global Funding I		
3.60%, due 1/11/24 (a)	240,000	261,846
Protective Life Global Funding		
1.082%, due 6/9/23 (a)	200,000	202,594
		872,799
Iron & Steel 0.2%		
Steel Dynamics, Inc.		
2.40%, due 6/15/25	125,000	131,165
Machinery—Diversified 1.1%		
CNH Industrial Capital LLC		
4.375%, due 4/5/22	125,000	131,116
CNH Industrial N.V.		
4.50%, due 8/15/23	660,000	715,388
		846,504
Media 1.9%		
Charter Communications Operating LLC / Charter Communications Operating Capital		
4.50%, due 2/1/24	500,000	553,208
Discovery Communications LLC		
3.80%, due 3/13/24	875,000	952,352
		1,505,560
Miscellaneous—Manufacturing 0.4%		
Trane Technologies Global Holding Co., Ltd.		
2.90%, due 2/21/21	300,000	302,241
Oil & Gas 1.1%		
BP Capital Markets America, Inc.		
3.216%, due 11/28/23	505,000	541,096
Equinor ASA		
1.75%, due 1/22/26	125,000	129,681
Occidental Petroleum Corp.		
2.90%, due 8/15/24	270,000	224,721
		895,498

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

	Principal Amount	Value
Corporate Bonds (continued)		
Oil & Gas Services 0.7%		
Schlumberger Holdings Corp.		
3.75%, due 5/1/24 (a)	$ 525,000	$ 566,773
Pharmaceuticals 3.5%		
AbbVie, Inc.		
3.80%, due 3/15/25 (a)	180,000	199,782
AstraZeneca PLC		
0.945% (3 Month LIBOR + 0.665%), due 8/17/23 (b)	950,000	955,787
Bayer U.S. Finance II LLC		
3.875%, due 12/15/23 (a)	655,000	713,216
CVS Health Corp.		
3.375%, due 8/12/24	645,000	700,842
Upjohn, Inc.		
1.125%, due 6/22/22 (a)	250,000	252,247
		2,821,874
Pipelines 2.2%		
Energy Transfer Partners, L.P. / Regency Energy Finance Corp.		
5.875%, due 3/1/22	525,000	548,696
Kinder Morgan Energy Partners, L.P.		
4.15%, due 2/1/24	525,000	569,915
Phillips 66 Partners, L.P.		
2.45%, due 12/15/24	275,000	284,858
Plains All American Pipeline L.P. / PAA Finance Corp.		
3.85%, due 10/15/23	375,000	391,774
		1,795,243
Real Estate Investment Trusts 3.9%		
American Campus Communities Operating Partnership, L.P.		
3.30%, due 7/15/26	550,000	590,698
Healthpeak Properties, Inc.		
4.20%, due 3/1/24	525,000	576,544
National Retail Properties, Inc.		
3.90%, due 6/15/24	675,000	728,601
Regency Centers, L.P.		
3.90%, due 11/1/25	500,000	545,018
SBA Tower Trust		
1.884%, due 7/15/50 (a)	250,000	257,761
VEREIT Operating Partnership, L.P.		
4.60%, due 2/6/24	425,000	457,695
		3,156,317
Software 0.7%		
Fidelity National Information Services, Inc.		
3.875%, due 6/5/24	400,000	439,556
Infor, Inc.		
1.75%, due 7/15/25 (a)	150,000	154,241
		593,797
Telecommunications 0.2%		
T-Mobile USA, Inc.		
2.05%, due 2/15/28 (a)	$ 150,000	$ 152,250
Total Corporate Bonds (Cost $37,088,640)		37,977,361
Mortgage-Backed Securities 6.1%		
Commercial Mortgage Loans (Collateralized Mortgage Obligations) 2.0%		
BX Commercial Mortgage Trust (a)(b)		
Series 2019-IMC, Class A 1.148% (1 Month LIBOR + 1.00%), due 4/15/34	500,000	480,620
Series 2019-IMC, Class B 1.448% (1 Month LIBOR + 1.30%), due 4/15/34	175,000	164,935
CAMB Commercial Mortgage Trust		
Series 2019-LIFE, Class A 1.218% (1 Month LIBOR + 1.07%), due 12/15/37 (a)(b)	500,000	499,051
Houston Galleria Mall Trust		
Series 2015-HGLR, Class A1A1 3.087%, due 3/5/37 (a)	500,000	505,268
		1,649,874
Whole Loan (Collateralized Mortgage Obligations) 4.1%		
COLT Mortgage Loan Trust (a)(d)		
Series 2020-2, Class A1 1.853%, due 3/25/65	211,794	213,326
Series 2019-3, Class A1 2.764%, due 8/25/49	831,980	840,799
New Residential Mortgage Loan Trust		
Series 2020-NQM1, Class A1 2.464%, due 1/26/60 (a)(d)	258,266	262,248
Sequoia Mortgage Trust (a)(d)		
Series 2020-3, Class A1 3.00%, due 4/25/50	438,891	449,931
Series 2017-7, Class A4 3.50%, due 10/25/47	690,442	697,536
Series 2020-1, Class A1 3.50%, due 2/25/50	364,430	372,529
Series 2020-2, Class A1 3.50%, due 3/25/50	408,344	419,588
		3,255,957
Total Mortgage-Backed Securities (Cost $4,921,987)		4,905,831
U.S. Government & Federal Agencies 24.9%		
Federal Farm Credit Bank 10.0%		
0.68%, due 6/17/24	1,300,000	1,300,131
0.75%, due 4/5/27	225,000	222,155
0.95%, due 7/21/28	775,000	773,559

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

	Principal Amount	Value
U.S. Government & Federal Agencies (continued)		
Federal Farm Credit Bank (continued)		
1.00%, due 8/3/27	$1,300,000	$ 1,284,324
1.04%, due 5/27/27	900,000	901,103
1.05%, due 6/22/28	450,000	447,783
1.09%, due 6/4/27	1,600,000	1,601,223
1.14%, due 8/20/29	1,500,000	1,475,435
		8,005,713
Federal Home Loan Mortgage Corporation 5.8%		
0.65%, due 10/27/25	1,275,000	1,275,034
0.80%, due 11/25/25	625,000	625,022
0.83%, due 11/5/26	1,300,000	1,298,482
0.85%, due 12/30/27	175,000	173,071
1.125%, due 5/12/27	1,275,000	1,275,065
		4,646,674
Federal National Mortgage Association 0.4%		
0.75%, due 10/8/27	350,000	347,822
United States Treasury Notes 8.7%		
0.125%, due 10/31/22	7,000,000	6,995,898
Total U.S. Government & Federal Agencies (Cost $20,043,852)		19,996,107
Total Long-Term Bonds (Cost $75,463,210)		76,209,873

	Shares	
Exchange-Traded Fund 1.9%		
iShares 1-5 Year Investment Grade Corporate Bond ETF	28,094	1,542,080
Total Exchange-Traded Fund (Cost $1,541,799)		1,542,080

	Principal Amount	Value
Short-Term Investments 6.6%		
Commercial Paper 0.9%		
Toyota Motor Credit Corp. 2.059%, due 1/4/21 (e)	$ 700,000	699,826
Total Commercial Paper (Cost $697,511)		699,826
Repurchase Agreement 5.7%		
Fixed Income Clearing Corp. 0.00%, dated 10/30/20 due 11/2/20 Proceeds at Maturity $4,577,489 (Collateralized by a United States Treasury Note with a rate 1.50% and a maturity date of 11/30/24, with a Principal Amount of $4,423,600 and a Market Value of $4,669,055)	$4,577,489	$ 4,577,489
Total Repurchase Agreement (Cost $4,577,489)		4,577,489
Total Short-Term Investments (Cost $5,275,000)		5,277,315
Total Investments (Cost $82,280,009)	103.5%	83,029,268
Other Assets, Less Liabilities	(3.5)	(2,846,053)
Net Assets	100.0%	$80,183,215

† Percentages indicated are based on Fund net assets.

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

(d) 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.

(e) Interest rate shown represents yield to maturity.

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

Futures Contracts

As of October 31, 2020, the Fund held the following futures contracts[1]:

Type	Number of Contracts	Expiration Date	Value at Trade Date	Current Notional Amount	Unrealized Appreciation (Depreciation)[2]
Long Contracts					
2-Year United States Treasury Note	84	December 2020	$18,557,886	$18,550,875	$ (7,011)
Total Long Contracts					(7,011)
Short Contracts					
5-Year United States Treasury Note	(62)	December 2020	(7,810,928)	(7,787,297)	23,631
10-Year United States Treasury Note	(30)	December 2020	(4,173,072)	(4,146,562)	26,510
10-Year United States Treasury Ultra Note	(6)	December 2020	(955,992)	(943,688)	12,304
Total Short Contracts					62,445
Net Unrealized Appreciation					$55,434

1. As of October 31, 2020, cash in the amount of $90,308 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:

CMT—1 Year Treasury Constant Maturity Rate

ETF—Exchange-Traded Fund

LIBOR—London Interbank Offered Rate

SOFR—Secured Overnight Financing Rate

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
Asset Valuation Inputs				
Investments in Securities (a)				
Long-Term Bonds				
Asset-Backed Securities	$ —	$13,330,574	$ —	$13,330,574
Corporate Bonds	—	37,977,361	—	37,977,361
Mortgage-Backed Securities	—	4,905,831	—	4,905,831
U.S. Government & Federal Agencies	—	19,996,107	—	19,996,107
Total Long-Term Bonds	—	76,209,873	—	76,209,873
Exchange-Traded Fund	1,542,080	—	—	1,542,080
Short-Term Investments				
Commercial Paper	—	699,826	—	699,826
Repurchase Agreement	—	4,577,489	—	4,577,489
Total Short-Term Investments	—	5,277,315	—	5,277,315
Total Investments in Securities	1,542,080	81,487,188	—	83,029,268
Other Financial Instruments				
Futures Contracts (b)	62,445	—	—	62,445
Total Investments in Securities and Other Financial Instruments	$1,604,525	$81,487,188	$ —	$83,091,713
Liability Valuation Inputs				
Other Financial Instruments				
Futures Contracts (b)	$ (7,011)	$ —	$ —	$ (7,011)

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

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

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

Statement of Assets and Liabilities as of October 31, 2020

Assets

Investment in securities, at value (identified cost $82,280,009)	$83,029,268
Cash collateral on deposit at broker for futures contracts	90,308
Receivables:	
Investment securities sold	5,297,495
Interest	332,311
Fund shares sold	220,925
Variation margin on futures contracts	1,935
Other assets	34,629
Total assets	89,006,871

Liabilities

Payables:	
Investment securities purchased	8,696,494
Fund shares redeemed	51,724
Professional fees	24,132
Transfer agent (See Note 3)	13,903
Shareholder communication	11,873
NYLIFE Distributors (See Note 3)	9,547
Manager (See Note 3)	8,102
Custodian	5,063
Trustees	108
Accrued expenses	2,075
Dividend payable	635
Total liabilities	8,823,656
Net assets	$80,183,215

Composition of Net Assets

Shares of beneficial interest outstanding (par value of $.001 per share) unlimited number of shares authorized	$ 7,471
Additional paid-in capital	72,523,365
	72,530,836
Total distributable earnings (loss)	7,652,379
Net assets	$80,183,215

Class A	
Net assets applicable to outstanding shares	$43,452,130
Shares of beneficial interest outstanding	4,051,776
Net asset value per share outstanding	$ 10.72
Maximum sales charge (1.00% of offering price)	0.11
Maximum offering price per share outstanding	$ 10.83
Investor Class	
Net assets applicable to outstanding shares	$ 3,375,822
Shares of beneficial interest outstanding	312,781
Net asset value per share outstanding	$ 10.79
Maximum sales charge (0.50% of offering price)	0.05
Maximum offering price per share outstanding	$ 10.84
Class I	
Net assets applicable to outstanding shares	$33,330,303
Shares of beneficial interest outstanding	3,103,885
Net asset value and offering price per share outstanding	$ 10.74
SIMPLE Class	
Net assets applicable to outstanding shares	$ 24,960
Shares of beneficial interest outstanding	2,313
Net asset value and offering price per share outstanding	$ 10.79

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

Statement of Operations for the year ended October 31, 2020

Investment Income (Loss)

Income	
Interest	$ 2,536,679
Dividends	43,126
Securities lending	768
Other	38
Total income	2,580,611
Expenses	
Manager (See Note 3)	301,445
Distribution/Service—Class A (See Note 3)	78,604
Distribution/Service—Investor Class (See Note 3)	8,551
Distribution/Service—SIMPLE Class (See Note 3)	21
Professional fees	83,716
Transfer agent (See Note 3)	75,381
Registration	61,152
Custodian	41,883
Shareholder communication	18,870
Trustees	2,414
Miscellaneous	12,333
Total expenses before waiver/reimbursement	684,370
Expense waiver/reimbursement from Manager (See Note 3)	(82,754)
Net expenses	601,616
Net investment income (loss)	1,978,995

Realized and Unrealized Gain (Loss)

Net realized gain (loss) on:	
Investment transactions	12,912,546
Futures transactions	(642,088)
Net realized gain (loss)	12,270,458
Net change in unrealized appreciation (depreciation) on:	
Investments	(12,813,305)
Futures contracts	204,419
Net change in unrealized appreciation (depreciation)	(12,608,886)
Net realized and unrealized gain (loss)	(338,428)
Net increase (decrease) in net assets resulting from operations	$ 1,640,567

Statements of Changes in Net Assets

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

	2020	2019
Increase (Decrease) in Net Assets		
Operations:		
Net investment income (loss)	$ 1,978,995	$ 7,867,811
Net realized gain (loss)	12,270,458	2,567,242
Net change in unrealized appreciation (depreciation)	(12,608,886)	19,265,893
Net increase (decrease) in net assets resulting from operations	1,640,567	29,700,946
Distributions to shareholders:		
Class A	(985,038)	(488,355)
Investor Class	(114,145)	(69,074)
Class I	(3,110,582)	(7,301,040)
SIMPLE Class	(26)	—
Total distributions to shareholders	(4,209,791)	(7,858,469)
Capital share transactions:		
Net proceeds from sale of shares	101,741,689	119,650,475
Net asset value of shares issued to shareholders in reinvestment of distributions	4,173,588	7,832,437
Cost of shares redeemed	(340,777,292)	(137,283,689)
Increase (decrease) in net assets derived from capital share transactions	(234,862,015)	(9,800,777)
Net increase (decrease) in net assets	(237,431,239)	12,041,700
Net Assets		
Beginning of year	317,614,454	305,572,754
End of year	$ 80,183,215	$ 317,614,454

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

Financial Highlights selected per share data and ratios

Class A	2020	2019	2018	2017	2016
	Year ended October 31,				
Net asset value at beginning of year	$ 10.91	$ 10.09	$ 10.66	$ 11.01	$ 10.99
Net investment income (loss)	0.15	0.27	0.24	0.23	0.23
Net realized and unrealized gain (loss) on investments	0.05	0.82	(0.54)	(0.22)	0.14
Total from investment operations	0.20	1.09	(0.30)	0.01	0.37
Less distributions:					
From net investment income	(0.17)	(0.27)	(0.24)	(0.23)	(0.24)
From net realized gain on investments	(0.22)	—	(0.03)	(0.13)	(0.11)
Total distributions	(0.39)	(0.27)	(0.27)	(0.36)	(0.35)
Net asset value at end of year	$ 10.72	$ 10.91	$ 10.09	$ 10.66	$ 11.01
Total investment return (a)	2.00%	10.77%	(2.82%)	0.23%	3.50%
Ratios (to average net assets)/Supplemental Data:					
Net investment income (loss)	1.32%	2.50%	2.26%	2.13%	2.09%(b)
Net expenses (c)	0.72%	0.60%	0.63%	0.71%	0.67%(d)
Expenses (before waiver/reimbursement) (c)	0.75%	0.60%	0.63%	0.71%	0.67%
Portfolio turnover rate (e)	299%	75%	103%	89%	89%
Net assets at end of year (in 000's)	$ 43,452	$ 23,771	$ 17,506	$ 22,258	$ 36,822

(a) 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.
(b) Without the custody fee reimbursement, net investment income (loss) would have been 2.01%.
(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) Without the custody fee reimbursement, net expenses would have been 0.75%.
(e) The portfolio turnover rates not including mortgage dollar rolls were 298%, 72%, 72%, 82% and 76% for the years ended October 31, 2020, 2019, 2018, 2017 and 2016, respectively.

Investor Class	2020	2019	2018	2017	2016
	Year ended October 31,				
Net asset value at beginning of year	$ 10.97	$ 10.15	$ 10.71	$ 11.06	$ 11.04
Net investment income (loss)	0.13	0.23	0.21	0.22	0.21
Net realized and unrealized gain (loss) on investments	0.06	0.82	(0.53)	(0.23)	0.14
Total from investment operations	0.19	1.05	(0.32)	(0.01)	0.35
Less distributions:					
From net investment income	(0.15)	(0.23)	(0.21)	(0.21)	(0.22)
From net realized gain on investments	(0.22)	—	(0.03)	(0.13)	(0.11)
Total distributions	(0.37)	(0.23)	(0.24)	(0.34)	(0.33)
Net asset value at end of year	$ 10.79	$ 10.97	$ 10.15	$ 10.71	$ 11.06
Total investment return (a)	1.76%	10.46%	(2.99%)	(0.01%)	3.31%
Ratios (to average net assets)/Supplemental Data:					
Net investment income (loss)	1.18%	2.18%	1.98%	1.92%	1.92%(b)
Net expenses (c)	0.92%	0.92%	0.92%	0.92%	0.84%(d)
Expenses (before waiver/reimbursement) (c)	1.22%	1.12%	1.13%	0.98%	0.98%
Portfolio turnover rate (e)	299%	75%	103%	89%	89%
Net assets at end of year (in 000's)	$ 3,376	$ 3,433	$ 2,850	$ 3,094	$ 5,381

(a) 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.
(b) Without the custody fee reimbursement, net investment income (loss) would have been 1.84%.
(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) Without the custody fee reimbursement, net expenses would have been 0.92%.
(e) The portfolio turnover rates not including mortgage dollar rolls were 298%, 72%, 72%, 82% and 76% for the years ended October 31, 2020, 2019, 2018, 2017 and 2016, respectively.

Financial Highlights selected per share data and ratios

	Year ended October 31,				
Class I	**2020**	**2019**	**2018**	**2017**	**2016**
Net asset value at beginning of year	$ 10.92	$ 10.10	$ 10.67	$ 11.02	$ 11.00
Net investment income (loss)	0.25	0.29	0.25	0.28	0.27
Net realized and unrealized gain (loss) on investments	(0.01)	0.82	(0.52)	(0.23)	0.14
Total from investment operations	0.24	1.11	(0.27)	0.05	0.41
Less distributions:					
From net investment income	(0.20)	(0.29)	(0.27)	(0.27)	(0.28)
From net realized gain on investments	(0.22)	—	(0.03)	(0.13)	(0.11)
Total distributions	(0.42)	(0.29)	(0.30)	(0.40)	(0.39)
Net asset value at end of year	$ 10.74	$ 10.92	$ 10.10	$ 10.67	$ 11.02
Total investment return (a)	2.29%	11.14%	(2.57%)	0.53%	3.86%
Ratios (to average net assets)/Supplemental Data:					
Net investment income (loss)	1.78%	2.77%	2.58%	2.44%	2.43%(b)
Net expenses (c)	0.40%	0.35%	0.37%	0.40%	0.32%(d)
Expenses (before waiver/reimbursement) (c)	0.48%	0.35%	0.37%	0.46%	0.50%
Portfolio turnover rate (e)	299%	75%	103%	89%	89%
Net assets at end of year (in 000's)	$ 33,330	$ 290,411	$ 285,216	$ 109,750	$ 195,784

(a) 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.
(b) Without the custody fee reimbursement, net investment income (loss) would have been 2.35%.
(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) Without the custody fee reimbursement, net expenses would have been 0.40%.
(e) The portfolio turnover rates not including mortgage dollar rolls were 298%, 72%, 72%, 82% and 76% for the years ended October 31, 2020, 2019, 2018, 2017 and 2016, respectively.

SIMPLE Class	**August 31, 2020^ through October 31, 2020**
Net asset value at beginning of period *	$ 10.82
Net investment income (loss)	0.01
Net realized and unrealized gain (loss) on investments	(0.03)
Total from investment operations	(0.02)
Less distributions:	
From net investment income	(0.01)
Net asset value at end of period	$ 10.79
Total investment return (a)	(0.17%)
Ratios (to average net assets)/Supplemental Data:	
Net investment income (loss) ††	0.38%
Net expenses (b) ††	1.17%
Expenses (before waiver/reimbursement) (b) ††	1.55%
Portfolio turnover rate (c)	299%
Net assets at end of period (in 000's)	$ 25

^ Inception date.
†† Annualized.
* Based on the net asset value of Investor Class as of August 31, 2020.
(a) 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.
(b) 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.
(c) The portfolio turnover rate not including mortgage dollar rolls was 298% for the year ended October 31, 2020.

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

Notes to Financial Statements

Note 1–Organization and Business

MainStay Funds Trust (the "Trust") was organized as a Delaware statutory trust on April 28, 2009. The Trust is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and is comprised of thirty-four funds (collectively referred to as the "Funds"). These financial statements and notes relate to the MainStay Short Term Bond Fund (formerly known as MainStay Indexed Bond 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 five classes of shares registered for sale. Class I shares commenced operations on January 2, 1991. Class A shares commenced operations on January 2, 2004. Investor Class shares commenced operations on February 28, 2008. SIMPLE Class shares commenced operations on August 31, 2020. Class R6 shares were registered for sale effective as of February 28, 2017. As of October 31, 2020, Class R6 shares were not yet offered for sale.

Class A and Investor Class shares are offered at net asset value ("NAV") per share plus an initial sales charge. No initial sales charge applies to investments of $250,000 or more (and certain other qualified purchases) in Class A and Investor Class shares. However, a contingent deferred sales charge ("CDSC") of 0.50% may be imposed on certain redemptions made within 12 months of the date of purchase on shares that were purchased without an initial sales charge. Class I and SIMPLE Class shares are offered at NAV without a sales charge. Class R6 shares are currently expected to be offered at NAV without a sales charge. 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 A, Investor Class and SIMPLE Class shares are subject to a distribution and/or service fee. Class I and Class R6 shares are not subject to a distribution and/or service fee.

The Fund's investment objective is to seek current income consistent with capital preservation.

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 Subadvisor (as defined in Note 3(A)). To assess the appropriateness of security valuations, the Manager, the Subadvisor 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 Subadvisor, 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. No securities held by the Fund as of October 31, 2020 were fair valued in such a manner.

Exchange-traded funds ("ETFs") 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.

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

Debt securities (other than convertible and municipal bonds) are valued at the evaluated bid prices (evaluated mean prices in the case of convertible and municipal bonds) supplied by a pricing agent or broker(s) selected by the Manager, in consultation with the Subadvisor. The evaluations are market-based measurements processed through a pricing application and represents the pricing agent's good faith determination as to what a holder may receive in an orderly transaction under market conditions. The rules-based logic utilizes valuation techniques that reflect participants' assumptions and vary by asset class and per methodology, maximizing the use of relevant observable data including quoted prices for similar assets, benchmark yield curves and market corroborated inputs. The evaluated bid or mean prices are deemed by the Manager, in consultation with the Subadvisor, 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.

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

The information above is not intended to reflect an exhaustive list of the methodologies that may be used to value portfolio investments. The valuation procedures permit the use of a variety of valuation methodologies in connection with valuing portfolio investments. The methodology used for a specific type of investment may vary based on the market data available or other considerations. The methodologies summarized above may not represent the specific means by which portfolio investments are valued on any particular business day.

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

The Manager evaluates the Fund's tax positions to determine if the tax positions taken meet the minimum recognition threshold in connection with accounting for uncertainties in income tax positions taken or expected to be taken for the purposes of measuring and recognizing tax liabilities in the financial statements. Recognition of tax benefits of an uncertain tax position is permitted only to the extent the position is "more likely than not" to be sustained assuming examination by taxing authorities. The Manager analyzed the Fund's tax positions taken on federal, state and local income tax returns for all open tax years (for up to three tax years) and has concluded that no provisions for federal, state and local income tax are required in the Fund's financial statements. The Fund's federal, state and local income tax and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state and local departments of revenue.

(C) Dividends and Distributions to Shareholders. Dividends and distributions are recorded on the ex-dividend date. The Fund intends to declare 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.

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

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

Additionally, the Fund may invest in ETFs, which are subject to management fees and other fees that may cause the costs of investing in ETFs to be greater than the costs of owning the underlying securities directly. These indirect expenses of ETFs are not included in the amounts shown as expenses in the Statement of Operations or in the expense ratios included in the Financial Highlights.

(F) Use of Estimates. In preparing financial statements in conformity with GAAP, the Manager makes estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates and assumptions.

(G) 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 Subadvisor to be creditworthy, pursuant to guidelines established by the Board. During the term of any repurchase agreement, the Manager or the Subadvisor 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. Repurchase agreements as of October 31, 2020, are shown in the Portfolio of Investments.

(H) Futures Contracts. A futures contract is an agreement to purchase or sell a specified quantity of an underlying instrument at a specified future date and price, or to make or receive a cash payment based on the value of a financial instrument (e.g., foreign currency, interest rate, security or securities index). The 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'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.

(I) 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.

(J) 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 12 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.

(K) Debt Securities Risk. Investments in the Fund are not guaranteed, even though some of the Fund's underlying investments are guaranteed by the U.S. government or its agencies or instrumentalities. The principal risk of mortgage-related and asset-backed securities is that the underlying debt may be prepaid ahead of schedule, if interest rates fall, thereby reducing the value of the Fund's investment. If interest rates rise, less of the debt may be prepaid and the Fund may lose money. The Fund is subject to interest-rate risk and its holdings in bonds can lose principal value when interest rates rise. Bonds are also subject to credit risk, in which the bond issuer may fail to pay interest and principal in a timely manner.

The Fund may invest in foreign debt securities, which carry certain risks that are in addition to the usual risks inherent in domestic debt 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.

(L) LIBOR Replacement Risk. The Fund may invest in certain debt securities, derivatives or other financial instruments that utilize the London Interbank Offered Rate ("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.

(M) 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.

(N) Quantitative Disclosure of Derivative Holdings. The following tables show additional disclosures related to the Fund's derivative and hedging activities, including how such activities are accounted for and their effect on the Fund's financial positions, performance and cash flows. The Fund entered into futures contracts 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 as well as help manage the duration and yield curve positioning of the portfolio.

Fair value of derivative instruments as of October 31, 2020:

Asset Derivatives

	Interest Rate Contracts Risk	Total
Futures Contracts—Net Assets—Net unrealized appreciation on investments and futures contracts (a)	$62,445	$62,445
Total Fair Value	$62,445	$62,445

Liability Derivatives

	Interest Rate Contracts Risk	Total
Futures Contracts—Net Assets—Net unrealized depreciation on investments and futures contracts (a)	$(7,011)	$(7,011)
Total Fair Value	$(7,011)	$(7,011)

(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:

	Interest Rate Contracts Risk	Total
Futures Contracts	$(642,088)	$(642,088)
Total Net Realized Gain (Loss)	$(642,088)	$(642,088)

Net Change in Unrealized Appreciation (Depreciation) from:

	Interest Rate Contracts Risk	Total
Futures Contracts	$204,419	$204,419
Total Net Change in Unrealized Appreciation (Depreciation)	$204,419	$204,419

Average Notional Amount

	Interest Rate Contracts Risk	Total
Futures Contracts Long	$ 33,783,624	$ 33,783,624
Futures Contracts Short	$(19,136,824)	$(19,136,824)

Note 3–Fees and Related Party Transactions

(A) Manager and Subadvisor. New York Life Investments, a registered investment adviser and an indirect, wholly-owned subsidiary of New York Life Insurance Company ("New York Life"), serves as the Fund's Manager, pursuant to an Amended and Restated Management Agreement ("Management Agreement"). The Manager provides offices, conducts 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. NYL Investors LLC ("NYL Investors" or the "Subadvisor"), a registered investment adviser and a direct, wholly-owned subsidiary of New York Life, serves as Subadvisor to the Fund and is responsible for the day-to-day portfolio management of the Fund. Pursuant to the terms of a Subadvisory Agreement ("Subadvisory Agreement") between New York Life Investments and NYL Investors, New York Life Investments pays for the services of the Subadvisor.

Pusuant 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: 0.25% up to $1 billion and 0.20% in excess of $1 billion. During the year ended October 31, 2020, the effective management fee rate (exclusive of any applicable waivers/reimbursements) was 0.25%.

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) do not exceed the following percentages of average daily net assets: Class A, 0.82%; Investor Class, 0.92%; Class I, 0.40% and SIMPLE Class, 1.17%. These agreements 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 by the Board.

During the year ended October 31, 2020, New York Life Investments earned fees from the Fund in the amount of $301,445 and waived fees and/or reimbursed expenses in the amount of $82,754 and paid the Subadvisor fees in the amount of $109,345.

State Street provides sub-administration and sub-accounting services to the Fund pursuant to an agreement with New York Life Investments (See Note 12 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 and Service Fees. The Trust, on behalf of the Fund, has entered into a distribution agreement with NYLIFE Distributors LLC (the "Distributor"), an affiliate of New York Life Investments. The Fund has adopted distribution plans (the "Plans") in accordance with the provisions of Rule 12b-1 under the 1940 Act.

Pursuant to the Class A and Investor Class Plans, the Distributor receives a monthly distribution fee from the Class A and Investor Class shares at an annual rate of 0.25% of the average daily net assets of the Class A and Investor Class shares for distribution and/or service activities as designated by the Distributor. Pursuant to the SIMPLE Class Plan, SIMPLE Class shares pay the Distributor a monthly fee at an annual rate of 0.25% of the average daily net assets of the SIMPLE Class shares, along with a service fee at an annual rate of 0.25% of the average daily net assets of the SIMPLE Class shares, for a total 12b-1 fee of 0.50%. Class I are not subject to a distribution and/or service fee.

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

(C) Sales Charges. The Fund was advised by the Distributor that the amount of initial sales charges retained on sales of Class A and Investor Class shares during the year ended October 31, 2020, were $6,289 and $428, respectively.

The Fund was also advised that the Distributor retained CDSCs on redemptions of Class A and Investor Class shares during the year ended October 31, 2020, of $1,377 and $428, 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 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	$17,269	$—
Investor Class	18,036	—
Class I	40,053	—
SIMPLE Class	23	—

(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:

SIMPLE Class	$24,960	100.0%

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 Cost	Gross Unrealized Appreciation	Gross Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)
Investments in Securities	$82,286,984	$1,004,877	$(262,593)	$742,284

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)
$3,080,438	$3,833,326	$(635)	$739,250	$7,652,379

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is primarily due to the mark to market of futures contracts and cumulative bond amortization adjustment. The other temporary differences are primarily due to wash sales and dividends payable.

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
$(4,581,170)	$ 4,581,170

The reclassifications for the Fund are primarily due to equalization.

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	$3,620,275	$7,858,469
Long-Term Capital Gain	589,516	—
Total	$4,209,791	$7,858,469

Note 5–Custodian

State Street is the custodian of cash and securities held by the Fund (See Note 12 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 6–Line of Credit

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

Effective July 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 JPMorgan 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 London Interbank Offered Rate ("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 7–Interfund Lending Program

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

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

During the year ended October 31, 2020, purchases and sales of U.S. government securities were $191,632 and $385,381, respectively. Purchases and sales of securities, other than U.S. government securities and short-term securities, were $182,105 and $222,684, respectively.

Note 9–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	3,064,011	$ 32,464,295
Shares issued to shareholders in reinvestment of distributions	91,320	969,261
Shares redeemed	(1,337,274)	(14,165,355)
Net increase (decrease) in shares outstanding before conversion	1,818,057	19,268,201
Shares converted into Class A (See Note 1)	58,281	618,638
Shares converted from Class A (See Note 1)	(4,184)	(43,689)
Net increase (decrease)	1,872,154	$ 19,843,150
Year ended October 31, 2019:		
Shares sold	889,253	$ 9,476,945
Shares issued to shareholders in reinvestment of distributions	45,055	476,236
Shares redeemed	(526,380)	(5,543,885)
Net increase (decrease) in shares outstanding before conversion	407,928	4,409,296
Shares converted into Class A (See Note 1)	47,384	507,755
Shares converted from Class A (See Note 1)	(10,638)	(113,035)
Net increase (decrease)	444,674	$ 4,804,016

Investor Class	Shares	Amount
Year ended October 31, 2020:		
Shares sold	132,232	$ 1,390,248
Shares issued to shareholders in reinvestment of distributions	10,491	112,091
Shares redeemed	(89,128)	(950,967)
Net increase (decrease) in shares outstanding before conversion	53,595	551,372
Shares converted into Investor Class (See Note 1)	4,156	43,689
Shares converted from Investor Class (See Note 1)	(57,916)	(618,638)
Net increase (decrease)	(165)	$ (23,577)
Year ended October 31, 2019:		
Shares sold	129,029	$ 1,382,272
Shares issued to shareholders in reinvestment of distributions	6,338	67,304
Shares redeemed	(66,786)	(714,737)
Net increase (decrease) in shares outstanding before conversion	68,581	734,839
Shares converted into Investor Class (See Note 1)	10,585	113,035
Shares converted from Investor Class (See Note 1)	(47,137)	(507,755)
Net increase (decrease)	32,029	$ 340,119

Class I	Shares	Amount
Year ended October 31, 2020:		
Shares sold	6,369,691	$ 67,862,146
Shares issued to shareholders in reinvestment of distributions	291,166	3,092,210
Shares redeemed	(30,159,210)	(325,660,970)
Net increase (decrease)	(23,498,353)	$(254,706,614)
Year ended October 31, 2019:		
Shares sold	10,232,605	$ 108,791,258
Shares issued to shareholders in reinvestment of distributions	690,604	7,288,897
Shares redeemed	(12,560,727)	(131,025,067)
Net increase (decrease)	(1,637,518)	$ (14,944,912)

SIMPLE Class	Shares	Amount
Period ended October 31, 2020 (a):		
Shares sold	2,311	$ 25,000
Shares issued to shareholders in reinvestment of distributions	2	26
Net increase (decrease)	2,313	$ 25,026

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

Note 10–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 11–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 12–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
MainStay Funds Trust:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of MainStay Short Term Bond Fund (formerly, MainStay Indexed Bond Fund) (the Fund), one of the funds constituting MainStay Funds Trust, 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 the custodian 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 $589,516 as long term capital gain distributions.

For the fiscal year ended October 31, 2020, the Fund designated approximately $16,824 under the Internal Revenue Code as qualified dividend income eligible for reduced tax rates.

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* or visiting the SEC's website at *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;* or visiting the SEC's website at *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* 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").

	Name and Year of Birth	Term of Office, Position(s) Held and Length of Service	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee
Interested Trustee	**Yie-Hsin Hung*** 1962	***MainStay Funds:*** Trustee since 2017 ***MainStay Funds Trust:*** 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	*MainStay VP Funds Trust:* Trustee since 2017 (31 portfolios); and *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* 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	***MainStay Funds:*** Trustee since 2016, Advisory Board Member (June 2015 to December 2015); ***MainStay Funds Trust:*** Trustee since 2016, Advisory Board Member (June 2015 to December 2015).	Founder and CEO, DanCourt Management, LLC since 1999	78	*MainStay VP Funds Trust:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (31 portfolios); *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015); *Market Vectors Group of Exchange-Traded Funds:* Independent Chairman of the Board of Trustees since 2008 and Trustee since 2006 (56 portfolios); and *Berea College of Kentucky:* Trustee since 2009, Chair of the Investment Committee since 2018.
Susan B. Kerley 1951	***MainStay Funds:*** Chairman since 2017 and Trustee since 2007; ***MainStay Funds Trust:*** Chairman since 2017 and Trustee since 1990.**	President, Strategic Management Advisors LLC since 1990	78	*MainStay VP Funds Trust:* Chairman since 2017 and Trustee since 2007 (31 portfolios)***; *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Chairman since 2017 and Trustee since 2011; and *Legg Mason Partners Funds:* Trustee since 1991 (45 portfolios).
Alan R. Latshaw 1951	***MainStay Funds:*** Trustee; ***MainStay Funds Trust:*** 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	*MainStay VP Funds Trust:* Trustee and Audit Committee Financial Expert since 2007 (31 portfolios)***; *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee and Audit Committee Financial Expert since 2011; and *State Farm Associates Funds Trusts:* Trustee since 2005 (4 portfolios).
Richard H. Nolan, Jr. 1946	***MainStay Funds:*** Trustee since 2007; ***MainStay Funds Trust:*** Trustee since 2007.**	Managing Director, ICC Capital Management since 2004; President—Shields/Alliance, Alliance Capital Management (1994 to 2004)	78	*MainStay VP Funds Trust:* Trustee since 2006 (31 portfolios)***; and *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2011.
Jacques P. Perold 1958	***MainStay Funds:*** Trustee since 2016, Advisory Board Member (June 2015 to December 2015); ***MainStay Funds Trust:*** 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	*MainStay VP Funds Trust:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (31 portfolios); *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015); *Partners in Health*: Trustee since 2019; *Allstate Corporation:* Director since 2015; *MSCI, Inc.:* and Director since 2017.

Board of Trustees and Officers (Unaudited) (continued)

	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
Independent Trustees	**Richard S. Trutanic** 1952	***MainStay Funds:*** Trustee since 1994; ***MainStay Funds Trust:*** Trustee since 2007.**	Chairman and Chief Executive Officer, Somerset & Company (financial advisory firm) since 2004; Managing Director, The Carlyle Group (private investment firm) (2002 to 2004); Senior Managing Director, Partner and Board Member, Groupe Arnault S.A. (private investment firm) (1999 to 2002)	78	*MainStay VP Funds Trust:* Trustee since 2007 (31 portfolios)***; and *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* 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
Kirk C. Lehneis 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
Jack R. Benintende 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)
Yi-Chia Kuo 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)
J. Kevin Gao 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**
Scott T. Harrington 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.

This page intentionally left blank

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[1]

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[2]
MainStay Short Term Bond Fund[3]

Tax-Exempt Income

MainStay MacKay California Tax Free Opportunities Fund[4]
MainStay MacKay High Yield Municipal Bond Fund
MainStay MacKay Intermediate Tax Free Bond Fund
MainStay MacKay New York Tax Free Opportunities Fund[5]
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

Speciality

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

Asset Allocation

MainStay Conservative Allocation Fund
MainStay Conservative ETF Allocation Fund
MainStay Defensive ETF Allocation Fund
MainStay Equity Allocation Fund[6]
MainStay Equity ETF Allocation Fund
MainStay Growth Allocation Fund[7]
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.[8]
Brussels, Belgium

Candriam Luxembourg S.C.A.[8]
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[8]
New York, New York

Markston International LLC
White Plains, New York

NYL Investors LLC[8]
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[8]
Jersey City, New Jersey

Custodian[9]

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

"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.

©2020 NYLIFE Distributors LLC. All rights reserved.

1716014 MS203-20

MSSTB11-12/20
(NYLIM) NL228