

# MainStay MacKay Growth Fund

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## Message from the President and Semiannual Report

Unaudited | April 30, 2020

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

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

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INVESTMENTS

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# Message from the President

Financial markets experienced high levels of volatility in response to the spreading of a novel coronavirus, which causes the disease known as COVID-19, and a sharpening decline in global economic activity during the six months ended April 30, 2020.

After gaining ground during the first three and a half months of the reporting period, most broad stock and bond indices began to dip in late February as a growing numbers of COVID-19 cases were seen in hotspots around the world. On March 11, 2020, the World Health Organization acknowledged that the disease had reached pandemic proportions, with over 80,000 identified cases in China, thousands in Italy, South Korea and the United States, and more in dozens of additional countries. Governments and central banks pledged trillions of dollars to address the mounting economic and public health crises; however, “stay-at-home” orders and other restrictions on non-essential activity caused global economic activity to slow. Most stocks and bonds lost significant ground in this challenging environment.

In the United States, with the number of reported U.S. COVID-19 cases continuing to rise, the Federal Reserve (“Fed”) cut interest rates twice and announced unlimited quantitative easing. In late March, the federal government declared a national emergency as unemployment claims increased by 22 million in a four-week period, and Congress passed and the President signed the CARES Act to provide a \$2 trillion stimulus package, with the promise of further aid for consumers and businesses to come. Investors generally responded positively to the government’s fiscal and monetary measures, as well as prospects for a gradual lessening of restrictions on non-essential businesses. Accordingly, despite mounting signs of recession and rapidly rising unemployment levels, in April, markets regained some of the ground that they had lost in the previous month.

For the reporting period as a whole, U.S. equity indices produced broadly negative performance. Traditionally more volatile small- and mid-cap stocks were particularly hard hit, and value stocks tended to underperform their growth-oriented counterparts. The energy sector suffered the steepest declines due to weakening demand and an escalating petroleum price war between Saudi Arabia and Russia, the world’s second and third largest petroleum producers after the United States. Most other sectors sustained substantial, though milder losses.

The health care and information technology sectors, both of which rebounded strongly in April, generally ended the reporting period in positive territory. International equities followed patterns similar to those seen in the United States, with a decline in March followed by a partial recovery in April. Overall, however, U.S. stocks ended the reporting period with milder losses than those of most other developed and developing economies.

Fixed-income markets also experienced unusually high levels of volatility. Corporate bonds lost value in March before partly recovering in April, with speculative high-yield credit facing the brunt of risk-off investor sentiment. High-grade municipal bonds dipped briefly in mid-March before regaining most of the lost ground, outperforming lower-grade, higher-yielding municipal securities. Recognized safe havens, such as U.S. government bonds, attracted increased investment, driving yields lower and prices higher, positioning long-term Treasury bonds to deliver particularly strong gains. At the opposite end of the fixed-income risk spectrum, emerging-market debt underperformed most other bond types as investors sought to minimize currency and sovereign risks.

Today, as we at New York Life Investments continue to track the curve of the ongoing health crisis and its financial ramifications, we are particularly mindful of the people at the heart of our enterprise—our colleagues and valued clients. By taking appropriate steps to minimize community spread of COVID-19 within our organization, we strive to safeguard the health of our investment professionals so that they can continue to provide you, as a MainStay investor, with world class investment solutions in this rapidly evolving environment.

Sincerely,



Kirk C. Lehneis  
President

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

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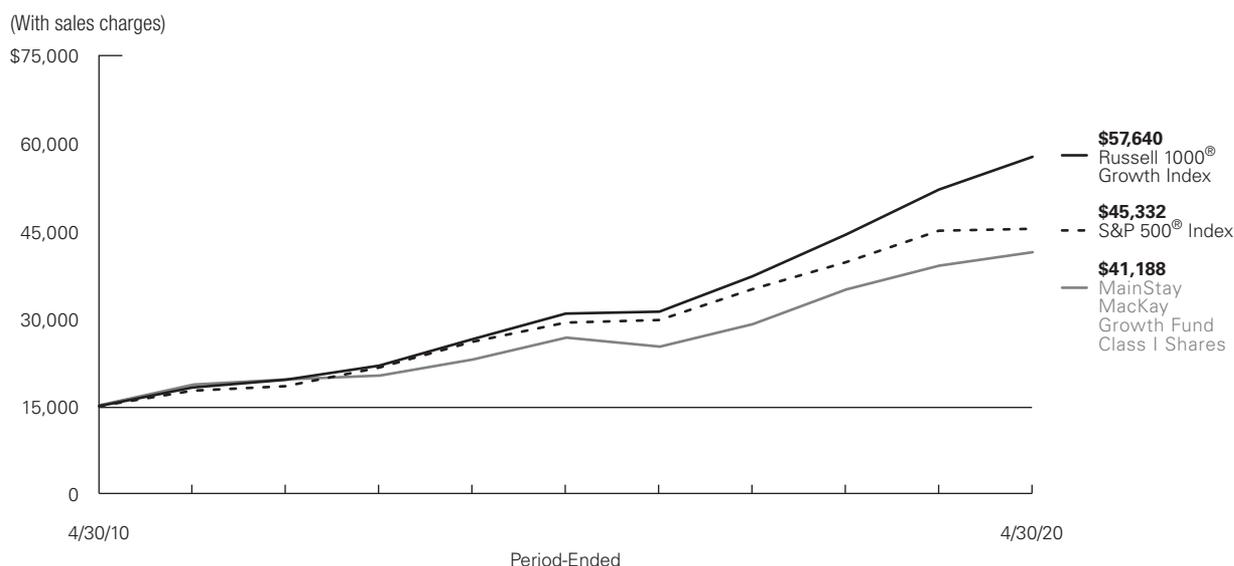
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**Investors should refer to the Fund's Summary Prospectus and/or Prospectus and consider the Fund's investment objectives, strategies, risks, charges and expenses carefully before investing. The Summary Prospectus and/or Prospectus contain this and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

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

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



## Average Annual Total Returns for the Period-Ended April 30, 2020

Class	Sales Charge		Inception Date	Six Months	One Year	Five Years	Ten Years or Since Inception	Gross Expense Ratio <sup>2</sup>
Class A Shares	Maximum 5.5% Initial Sales Charge	With sales charges	8/7/2006	-3.67%	-2.18%	7.46%	9.73%	1.06%
		Excluding sales charges		1.93	3.51	8.68	10.35	1.06
Investor Class Shares	Maximum 5.5% Initial Sales Charge	With sales charges	1/18/2013	-3.82	-2.45	7.19	9.15	1.43
		Excluding sales charges		1.77	3.23	8.41	10.00	1.43
Class B Shares <sup>3</sup>	Maximum 5% CDSC if Redeemed Within First Six Years of Purchase	With sales charges	1/18/2013	-3.49	-2.50	7.32	9.18	2.18
		Excluding sales charges		1.41	2.46	7.62	9.18	2.18
Class C Shares	Maximum 1% CDSC if Redeemed Within One Year of Purchase	With sales charges	1/18/2013	0.40	1.43	7.60	9.17	2.18
		Excluding sales charges		1.38	2.43	7.60	9.17	2.18
Class I Shares	No Sales Charge		11/2/2009	2.07	3.78	8.94	10.63	0.81
Class R2 Shares	No Sales Charge		1/18/2013	1.88	3.41	8.57	10.12	1.16

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

1. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on distributions or Fund-share redemptions. Total returns reflect maximum applicable sales charges as indicated in the table above if any changes in share price, and reinvestment of dividend and capital gain distributions. The graph assumes the initial investment amount shown above and reflects the deduction of all sales charges that would have applied for the period of investment. Performance figures may reflect certain

fee waivers and/or expense limitations, without which total returns may have been lower. For more information on share classes and current fee waivers and/or expense limitations (if any), please refer to the Notes to Financial Statements.

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

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

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

<b>Benchmark Performance</b>	<b>Six Months</b>	<b>One Year</b>	<b>Five Years</b>	<b>Ten Years</b>
Russell 1000® Growth Index <sup>4</sup>	6.09%	10.84%	13.34%	14.41%
S&P 500® Index <sup>5</sup>	-3.16	0.86	9.12	11.69
Morningstar Large Growth Category Average <sup>6</sup>	3.33	5.34	10.51	12.28

4. The Russell 1000® Growth Index is the Fund's primary broad-based securities market index for comparison purposes. The Russell 1000® Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly in an index.
5. The S&P 500® Index is the Fund's secondary benchmark. "S&P 500®" Index is a trademark of the McGraw-Hill Companies, Inc. The S&P 500® Index is widely regarded as the standard index for measuring large-cap U.S. stock

- market performance. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly in an index.
6. The Morningstar Large Growth Category Average is representative of funds that invest primarily in big U.S. companies that are projected to grow faster than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large cap. Growth is defined based on fast growth and high valuations. Most of these portfolios focus on companies in rapidly expanding industries. 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 MacKay Growth Fund (Unaudited)

The example below is intended to describe the fees and expenses borne by shareholders during the six-month period from November 1, 2019, to April 30, 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 November 1, 2019, to April 30, 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 April 30, 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 11/1/19	Ending Account Value (Based on Actual Returns and Expenses) 4/30/20	Expenses Paid During Period <sup>1</sup>	Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 4/30/20	Expenses Paid During Period <sup>1</sup>	Net Expense Ratio During Period <sup>2</sup>
Class A Shares	\$1,000.00	\$1,019.30	\$ 5.27	\$1,019.64	\$ 5.27	1.05%
Investor Class Shares	\$1,000.00	\$1,017.70	\$ 6.72	\$1,018.20	\$ 6.72	1.34%
Class B Shares	\$1,000.00	\$1,014.10	\$10.42	\$1,014.52	\$10.42	2.08%
Class C Shares	\$1,000.00	\$1,013.80	\$10.41	\$1,014.52	\$10.42	2.08%
Class I Shares	\$1,000.00	\$1,020.70	\$ 4.02	\$1,020.89	\$ 4.02	0.80%
Class R2 Shares	\$1,000.00	\$1,018.80	\$ 5.77	\$1,019.14	\$ 5.77	1.15%

- 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 182 (to reflect the six-month period). The table above represents the actual expenses incurred during the six-month period. In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above-reported expense figures.
- Expenses are equal to the Fund's annualized expense ratio to reflect the six-month period.

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**Industry Composition as of April 30, 2020 (Unaudited)**

Software	17.7%	Hotels, Restaurants & Leisure	1.1%
Internet & Direct Marketing Retail	8.9	Media	0.9
Interactive Media & Services	8.6	Professional Services	0.9
Technology Hardware, Storage & Peripherals	8.2	Beverages	0.8
IT Services	7.5	Communications Equipment	0.7
Biotechnology	6.1	Health Care Technology	0.7
Health Care Providers & Services	5.8	Building Products	0.6
Semiconductors & Semiconductor Equipment	5.7	Multiline Retail	0.5
Equity Real Estate Investment Trusts	3.3	Industrial Conglomerates	0.4
Capital Markets	2.9	Machinery	0.4
Specialty Retail	2.9	Textiles, Apparel & Luxury Goods	0.4
Aerospace & Defense	2.2	Food Products	0.2
Life Sciences Tools & Services	2.1	Household Durables	0.2
Food & Staples Retailing	2.0	Road & Rail	0.2
Entertainment	1.8	Insurance	0.0‡
Exchange-Traded Fund	1.6	Trading Companies & Distributors	0.0‡
Automobiles	1.2	Short-Term Investment	0.0‡
Electronic Equipment, Instruments & Components	1.2	Other Assets, Less Liabilities	-0.1
Health Care Equipment & Supplies	1.2		<u>100.0%</u>
Pharmaceuticals	1.2		

See Portfolio of Investments beginning on page 11 for specific holdings within these categories. The Fund's holdings are subject to change.

‡ Less than one-tenth of a percent.

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**Top Ten Holdings as of April 30, 2020 (excluding short-term investment) (Unaudited)**

1. Microsoft Corp.	6. UnitedHealth Group, Inc.
2. Apple, Inc.	7. Mastercard, Inc., Class A
3. Amazon.com, Inc.	8. Visa, Inc., Class A
4. Alphabet, Inc.	9. NVIDIA Corp.
5. Facebook, Inc., Class A	10. iShares Russell 1000 Growth ETF

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# Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by portfolio managers Migene Kim, CFA, and Mona Patni of MacKay Shields LLC, the Fund's Subadvisor.

## **How did MainStay MacKay Growth Fund perform relative to its benchmarks and peer group during the six months ended April 30, 2020?**

For the six months ended April 30, 2020, Class I shares of MainStay MacKay Growth Fund returned 2.07%, underperforming the 6.09% return of the Fund's primary benchmark, the Russell 1000® Growth Index and outperforming the -3.16% return of the Fund's secondary benchmark, the S&P 500® Index. Over the same period, Class I shares underperformed the 3.33% return of the Morningstar Large Growth Category Average.<sup>1</sup>

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

While the reporting period proved turbulent to navigate with its high levels of volatility and rapid shifts in momentum, the most challenging aspects in terms of the Fund's relative performance were the events leading up to the market top in February 2020, rather than the post-peak market turmoil. Specifically, the market's price-indiscriminate behavior, which propelled mega-cap growth stocks to new highs, came at the expense of what the Fund's investment model identified as attractively priced stocks. As a result, the Fund experienced adverse relative performance due to stock selection, especially in the information technology and consumer discretionary sectors. Momentum signals, which capture historical price trends, performed well, offsetting some of the headwinds from value performance. Quality signals also showed strength, particularly during the market downturn in March. The Fund's sector positioning relative to the Russell 1000® Growth Index, which favored information technology while underweighting industrials, further mitigated the Fund's underperformance during the market's post-downturn recovery.

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

The COVID-19 pandemic ended the longest bull market in U.S. history, and injected extreme volatility and high levels of correlation into global capital markets. Equity markets bottomed during the fourth week of March 2020, and went on to rebound strongly in April, as unprecedented policy responses from global central banks and governments helped stabilize markets. Energy stocks were subject to even greater extremes, with West Texas Intermediate crude oil prices falling into negative territory, followed by a dramatic recovery. While the overall level of liquidity diminished as volatility spiked during the market downturn, liquidity improved in April as markets rebounded. This transitory liquidity episode, to be expected during a time of market

turmoil, did not materially impact Fund performance given the Fund's broad diversification and management's awareness of risk. Execution costs were higher than the historical average due to the uncertainties that faced investors, leading us to pay special attention to the Fund's implementation costs and other changes to the market liquidity landscape.

## **During the reporting period, which sectors were the strongest positive contributors to the Fund's relative performance, and which sectors were particularly weak?**

During the reporting period, the strongest positive contribution to the Fund's performance relative to the Russell 1000® Growth Index came from the materials sector. (Contributions take weightings and total returns into account.) During the same period, the weakest contributors to relative performance were the information technology, consumer discretionary and financial sectors.

## **During the reporting period, which individual stocks made the strongest positive contributions to the Fund's absolute performance and which stocks detracted the most?**

The individual stocks that made the strongest positive contributions to the Fund's absolute performance during the reporting period included Internet & direct marketing retailer Amazon.com; systems software developer Microsoft; and technology hardware, storage & peripherals maker Apple. The stocks that detracted most significantly from the Fund's absolute performance during the same period were aerospace & defense contractor Boeing; hotels, resorts & cruise line operator Norwegian Cruise Line; and life & health insurer Athene.

## **What were some of the Fund's largest purchases and sales during the reporting period?**

During the reporting period, the Fund's largest initial purchase was in electric car maker Tesla, while its largest increased position was in Amazon.com, mentioned above. During the same period, the Fund sold its full position in paint and specialized coating manufacturer The Sherwin-Williams Company, while its most significantly reduced position size was in semiconductor maker Texas Instruments.

## **How did the Fund's sector and/or country weightings change during the reporting period?**

The Fund's largest increases in sector exposures relative to the Russell 1000® Growth Index were in the health care and real estate sectors. The Fund's largest decreases in benchmark-relative sector exposures were in consumer discretionary and consumer staples.

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.

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

As of April 30, 2020, the Fund held its largest overweight exposures relative to the Russell 1000® Growth Index to the health care and information technology sectors. As of the same date, the Fund held its most significantly underweight exposures to the industrials and consumer staples sectors.

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 April 30, 2020 (Unaudited)

	Shares	Value
<b>Common Stocks 98.5%†</b>		
<b>Aerospace &amp; Defense 2.2%</b>		
Boeing Co.	24,187	\$ 3,410,851
Lockheed Martin Corp.	20,432	7,949,274
Northrop Grumman Corp.	5,817	1,923,507
Spirit AeroSystems Holdings, Inc., Class A	85,211	1,888,276
Textron, Inc.	3,257	85,854
		<u>15,257,762</u>
<b>Automobiles 1.2%</b>		
Tesla, Inc. (a)	10,955	8,565,495
<b>Beverages 0.8%</b>		
Coca-Cola Co.	43,057	1,975,886
PepsiCo., Inc.	27,031	3,575,931
		<u>5,551,817</u>
<b>Biotechnology 6.1%</b>		
AbbVie, Inc.	90,969	7,477,652
Alexion Pharmaceuticals, Inc. (a)	4,541	488,021
Alkermes PLC (a)	112,387	1,540,826
Amgen, Inc.	40,395	9,663,292
Biogen, Inc. (a)	13,446	3,991,176
Exelixis, Inc. (a)	193,320	4,774,037
Gilead Sciences, Inc.	52,137	4,379,508
Incyte Corp. (a)	44,925	4,387,376
Regeneron Pharmaceuticals, Inc. (a)	7,217	3,795,276
United Therapeutics Corp. (a)	17,546	1,922,340
		<u>42,419,504</u>
<b>Building Products 0.6%</b>		
Trane Technologies PLC	44,596	3,898,582
<b>Capital Markets 2.9%</b>		
Evercore, Inc., Class A	63,845	3,294,402
Legg Mason, Inc.	5,991	298,532
LPL Financial Holdings, Inc.	71,965	4,333,732
Moody's Corp.	17,860	4,356,054
Morningstar, Inc.	5,845	911,586
S&P Global, Inc.	24,212	7,091,211
		<u>20,285,517</u>
<b>Communications Equipment 0.7%</b>		
Cisco Systems, Inc.	109,214	4,628,489
<b>Electronic Equipment, Instruments &amp; Components 1.2%</b>		
CDW Corp.	38,243	4,237,324
Jabil, Inc.	143,579	4,083,387
		<u>8,320,711</u>
<b>Entertainment 1.8%</b>		
Lions Gate Entertainment Corp., Class B (a)	42,033	280,780
Netflix, Inc. (a)	10,558	4,432,776
Roku, Inc. (a)	3,895	472,191

	Shares	Value
<b>Entertainment (continued)</b>		
Take-Two Interactive Software, Inc. (a)	30,356	\$ 3,674,594
Zynga, Inc., Class A (a)	483,602	3,646,359
		<u>12,506,700</u>
<b>Equity Real Estate Investment Trusts 3.3%</b>		
American Tower Corp.	34,498	8,210,524
Crown Castle International Corp.	20,846	3,323,478
Equinix, Inc.	9,163	6,186,858
SBA Communications Corp.	16,771	4,862,248
		<u>22,583,108</u>
<b>Food &amp; Staples Retailing 2.0%</b>		
Costco Wholesale Corp.	31,621	9,581,163
Kroger Co.	114,985	3,634,676
Sprouts Farmers Market, Inc. (a)	37,798	785,442
		<u>14,001,281</u>
<b>Food Products 0.2%</b>		
Pilgrim's Pride Corp. (a)	67,338	1,481,436
<b>Health Care Equipment &amp; Supplies 1.2%</b>		
Align Technology, Inc. (a)	22,525	4,839,496
DexCom, Inc. (a)	7,674	2,572,325
Hill-Rom Holdings, Inc.	351	39,484
Insulet Corp. (a)	2,745	548,231
West Pharmaceutical Services, Inc.	2,799	529,739
		<u>8,529,275</u>
<b>Health Care Providers &amp; Services 5.8%</b>		
AmerisourceBergen Corp.	47,975	4,301,438
Anthem, Inc.	17,098	4,799,922
Cardinal Health, Inc.	48,809	2,415,069
DaVita, Inc. (a)	46,973	3,711,337
Humana, Inc.	12,418	4,741,441
McKesson Corp.	26,727	3,775,189
UnitedHealth Group, Inc.	55,804	16,320,996
		<u>40,065,392</u>
<b>Health Care Technology 0.7%</b>		
Cerner Corp.	66,649	4,624,774
<b>Hotels, Restaurants &amp; Leisure 1.1%</b>		
Domino's Pizza, Inc.	11,990	4,339,541
Starbucks Corp.	30,508	2,340,879
Yum! Brands, Inc.	13,086	1,131,023
		<u>7,811,443</u>
<b>Household Durables 0.2%</b>		
NVR, Inc. (a)	353	1,094,300
<b>Industrial Conglomerates 0.4%</b>		
Carlisle Cos., Inc.	24,217	2,929,288

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

# Portfolio of Investments April 30, 2020 (Unaudited) (continued)

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Insurance 0.0%†</b>		
Aon PLC	280	\$ 48,348
<b>Interactive Media &amp; Services 8.6%</b>		
Alphabet, Inc. (a)		
Class A	11,348	15,282,352
Class C	13,152	17,737,576
Facebook, Inc., Class A (a)	129,642	26,539,014
		<u>59,558,942</u>
<b>Internet &amp; Direct Marketing Retail 8.9%</b>		
Amazon.com, Inc. (a)	20,647	51,080,678
Booking Holdings, Inc. (a)	3,148	4,660,834
eBay, Inc.	132,421	5,274,328
Expedia Group, Inc.	5,703	404,799
Qurate Retail, Inc., Series A (a)	39,756	320,235
		<u>61,740,874</u>
<b>IT Services 7.5%</b>		
Accenture PLC, Class A	8,158	1,510,780
Akamai Technologies, Inc. (a)	40,508	3,958,037
Booz Allen Hamilton Holding Corp.	53,656	3,940,497
Fidelity National Information Services, Inc.	2,712	357,686
GoDaddy, Inc., Class A (a)	62,838	4,362,842
Leidos Holdings, Inc.	23,026	2,275,199
Mastercard, Inc., Class A	54,616	15,017,761
PayPal Holdings, Inc. (a)	53,654	6,599,442
Visa, Inc., Class A	78,235	13,982,159
		<u>52,004,403</u>
<b>Life Sciences Tools &amp; Services 2.1%</b>		
Bruker Corp.	91,211	3,586,417
Charles River Laboratories International, Inc. (a)	26,555	3,841,712
IQVIA Holdings, Inc. (a)	30,600	4,363,254
PRA Health Sciences, Inc. (a)	22,793	2,199,524
Thermo Fisher Scientific, Inc.	1,328	444,455
		<u>14,435,362</u>
<b>Machinery 0.4%</b>		
Allison Transmission Holdings, Inc.	78,790	2,863,229
<b>Media 0.9%</b>		
Altice U.S.A., Inc., Class A (a)	37,548	975,122
Charter Communications, Inc., Class A (a)	11,374	5,632,746
Comcast Corp., Class A	350	13,170
		<u>6,621,038</u>
<b>Multiline Retail 0.5%</b>		
Target Corp.	33,547	3,681,448
<b>Pharmaceuticals 1.2%</b>		
Bristol-Myers Squibb Co.	2,117	128,735
Eli Lilly & Co.	18,406	2,846,304

	Shares	Value
<b>Pharmaceuticals (continued)</b>		
Merck & Co., Inc.	66,306	\$ 5,260,718
		<u>8,235,757</u>
<b>Professional Services 0.9%</b>		
CoreLogic, Inc.	77,038	2,959,800
ManpowerGroup, Inc.	41,010	3,044,582
		<u>6,004,382</u>
<b>Road &amp; Rail 0.2%</b>		
Union Pacific Corp.	7,214	1,152,725
<b>Semiconductors &amp; Semiconductor Equipment 5.7%</b>		
Advanced Micro Devices, Inc. (a)	14,624	766,151
Applied Materials, Inc.	91,599	4,550,638
Broadcom, Inc.	15,998	4,345,377
Lam Research Corp.	18,948	4,837,045
NVIDIA Corp.	39,209	11,460,007
Qorvo, Inc. (a)	42,557	4,171,863
QUALCOMM, Inc.	100,346	7,894,220
Texas Instruments, Inc.	10,463	1,214,440
		<u>39,239,741</u>
<b>Software 17.7%</b>		
Adobe, Inc. (a)	25,914	9,164,227
Alteryx, Inc., Class A (a)	2,105	238,244
Anaplan, Inc. (a)	3,952	161,479
Atlassian Corp. PLC, Class A (a)	13,832	2,150,738
Autodesk, Inc. (a)	28,038	5,246,751
CDK Global, Inc.	66,975	2,630,778
Coupa Software, Inc. (a)	2,932	516,296
Dropbox, Inc., Class A (a)	201,167	4,228,530
Fair Isaac Corp. (a)	10,176	3,591,517
Fortinet, Inc. (a)	39,003	4,202,183
Intuit, Inc.	25,206	6,800,831
Microsoft Corp.	366,027	65,595,699
NortonLifeLock, Inc.	11,344	241,287
Oracle Corp.	24,443	1,294,746
Palo Alto Networks, Inc. (a)	20,953	4,117,474
RingCentral, Inc., Class A (a)	3,386	773,802
salesforce.com, Inc. (a)	38,339	6,209,001
ServiceNow, Inc. (a)	13,581	4,774,265
Zendesk, Inc. (a)	5,132	394,548
		<u>122,332,396</u>
<b>Specialty Retail 2.9%</b>		
AutoZone, Inc. (a)	2,999	3,059,940
Best Buy Co., Inc.	54,237	4,161,605
Burlington Stores, Inc. (a)	11,619	2,122,675
Home Depot, Inc.	10,837	2,382,298
O'Reilly Automotive, Inc. (a)	13,225	5,109,346
Tractor Supply Co.	31,684	3,213,708
		<u>20,049,572</u>

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

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Technology Hardware, Storage &amp; Peripherals 8.2%</b>		
Apple, Inc.	185,556	\$ 54,516,353
HP, Inc.	141,178	2,189,671
		<u>56,706,024</u>
<b>Textiles, Apparel &amp; Luxury Goods 0.4%</b>		
NIKE, Inc., Class B	34,051	2,968,566
<b>Trading Companies &amp; Distributors 0.0%‡</b>		
WESCO International, Inc. (a)	3,297	85,293
Total Common Stocks		<u>682,282,974</u>
(Cost \$465,082,483)		
<b>Exchange-Traded Fund 1.6%</b>		
iShares Russell 1000 Growth ETF	63,643	10,996,238
Total Exchange-Traded Fund		<u>10,996,238</u>
(Cost \$10,211,632)		

	Shares	Value
<b>Short-Term Investment 0.0%‡</b>		
<b>Affiliated Investment Company 0.0%‡</b>		
MainStay U.S. Government Liquidity Fund, 0.01% (b)	17,452	\$ 17,452
Total Short-Term Investment (Cost \$17,452)		<u>17,452</u>
Total Investments (Cost \$475,311,567)	100.1%	693,296,664
Other Assets, Less Liabilities	(0.1)	(576,573)
Net Assets	<u>100.0%</u>	<u>\$692,720,091</u>

† Percentages indicated are based on Fund net assets.

‡ Less than one-tenth of a percent.

(a) Non-income producing security.

(b) Current yield as of April 30, 2020.

The following abbreviation is used in the preceding pages:

ETF—Exchange-Traded Fund

The following is a summary of the fair valuations according to the inputs used as of April 30, 2020, for valuing the Fund's assets:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<b>Asset Valuation Inputs</b>				
Investments in Securities (a)				
Common Stocks	\$682,282,974	\$ —	\$ —	\$682,282,974
Exchange-Traded Fund	10,996,238	—	—	10,996,238
Short-Term Investment				
Affiliated Investment Company	17,452	—	—	17,452
Total Investments in Securities	<u>\$693,296,664</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$693,296,664</u>

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

# Statement of Assets and Liabilities as of April 30, 2020 (Unaudited)

## Assets

Investment in unaffiliated securities, at value (identified cost \$475,294,115)	\$693,279,212
Investment in affiliated investment company, at value (identified cost \$17,452)	17,452
Receivables:	
Dividends	158,637
Fund shares sold	68,454
Securities lending	24
Other assets	62,469
Total assets	<u>693,586,248</u>

## Liabilities

Payables:	
Manager (See Note 3)	364,381
Transfer agent (See Note 3)	150,520
Fund shares redeemed	130,870
NYLIFE Distributors (See Note 3)	116,978
Shareholder communication	54,666
Professional fees	33,636
Custodian	6,183
Trustees	1,197
Accrued expenses	6,830
Dividend payable	896
Total liabilities	<u>866,157</u>
Net assets	<u>\$692,720,091</u>

## Composition of Net Assets

Shares of beneficial interest outstanding (par value of \$.001 per share) unlimited number of shares authorized	\$ 19,505
Additional paid-in capital	<u>492,059,270</u>
	492,078,775
Total distributable earnings (loss)	<u>200,641,316</u>
Net assets	<u>\$692,720,091</u>

## Class A

Net assets applicable to outstanding shares	<u>\$434,561,293</u>
Shares of beneficial interest outstanding	<u>12,241,386</u>
Net asset value per share outstanding	\$ 35.50
Maximum sales charge (5.50% of offering price)	2.07
Maximum offering price per share outstanding	<u>\$ 37.57</u>

## Investor Class

Net assets applicable to outstanding shares	<u>\$102,096,594</u>
Shares of beneficial interest outstanding	<u>2,917,917</u>
Net asset value per share outstanding	\$ 34.99
Maximum sales charge (5.50% of offering price)	2.04
Maximum offering price per share outstanding	<u>\$ 37.03</u>

## Class B

Net assets applicable to outstanding shares	<u>\$ 16,186,535</u>
Shares of beneficial interest outstanding	<u>495,471</u>
Net asset value and offering price per share outstanding	<u>\$ 32.67</u>

## Class C

Net assets applicable to outstanding shares	<u>\$ 2,829,655</u>
Shares of beneficial interest outstanding	<u>86,655</u>
Net asset value and offering price per share outstanding	<u>\$ 32.65</u>

## Class I

Net assets applicable to outstanding shares	<u>\$136,987,771</u>
Shares of beneficial interest outstanding	<u>3,761,739</u>
Net asset value and offering price per share outstanding	<u>\$ 36.42</u>

## Class R2

Net assets applicable to outstanding shares	<u>\$ 58,243</u>
Shares of beneficial interest outstanding	<u>1,652</u>
Net asset value and offering price per share outstanding (a)	<u>\$ 35.25</u>

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

# Statement of Operations for the six months ended April 30, 2020 (Unaudited)

## **Investment Income (Loss)**

### **Income**

Dividends-unaffiliated	\$ 3,990,855
Dividends-affiliated	976
Securities lending	40
Other	19
	<hr/>
Total income	3,991,890

### **Expenses**

Manager (See Note 3)	2,420,946
Distribution/Service—Class A (See Note 3)	549,251
Distribution/Service—Investor Class (See Note 3)	131,204
Distribution/Service—Class B (See Note 3)	87,687
Distribution/Service—Class C (See Note 3)	14,997
Distribution/Service—Class R2 (See Note 3)	74
Transfer agent (See Note 3)	459,281
Registration	51,226
Professional fees	46,045
Shareholder communication	37,345
Custodian	14,320
Trustees	8,606
Shareholder service (See Note 3)	29
Miscellaneous	16,854
	<hr/>
Total expenses before waiver/reimbursement	3,837,865
Expense waiver/reimbursement from Manager (See Note 3)	(62,791)
	<hr/>
Net expenses	3,775,074
Net investment income (loss)	216,816

## **Realized and Unrealized Gain (Loss) on Investments**

Net realized gain (loss) on unaffiliated investments	(14,501,823)
Net change in unrealized appreciation (depreciation) on unaffiliated investments	28,094,904
	<hr/>
Net realized and unrealized gain (loss) on investments	13,593,081
Net increase (decrease) in net assets resulting from operations	\$ 13,809,897

# Statements of Changes in Net Assets

for the six months ended April 30, 2020 (Unaudited) and the year ended October 31, 2019

	2020	2019
<b>Increase (Decrease) in Net Assets</b>		
Operations:		
Net investment income (loss)	\$ 216,816	\$ 1,837,673
Net realized gain (loss) on investments	(14,501,823)	24,123,585
Net change in unrealized appreciation (depreciation) on investments	28,094,904	35,653,377
Net increase (decrease) in net assets resulting from operations	13,809,897	61,614,635
Distributions to shareholders:		
Class A	(15,403,716)	(39,089,823)
Investor Class	(3,676,176)	(9,719,648)
Class B	(628,523)	(2,226,518)
Class C	(104,423)	(470,307)
Class I	(5,087,745)	(8,223,341)
Class R2	(2,047)	(5,344)
Total distributions to shareholders	(24,902,630)	(59,734,981)
Capital share transactions:		
Net proceeds from sale of shares	22,060,656	147,078,395
Net asset value of shares issued to shareholders in reinvestment of distributions	24,744,914	59,305,848
Cost of shares redeemed	(51,802,161)	(156,159,398)
Increase (decrease) in net assets derived from capital share transactions	(4,996,591)	50,224,845
Net increase (decrease) in net assets	(16,089,324)	52,104,499
<b>Net Assets</b>		
Beginning of period	708,809,415	656,704,916
End of period	\$692,720,091	\$ 708,809,415

# Financial Highlights selected per share data and ratios

Class A	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 36.07	\$ 36.41	\$ 34.18	\$ 29.07	\$ 32.33	\$ 33.75
Net investment income (loss) (a)	0.01	0.10	0.09	0.12	(0.04)	(0.12)
Net realized and unrealized gain (loss) on investments	0.70	2.87	3.47	7.39	(0.97)	1.68
Total from investment operations	0.71	2.97	3.56	7.51	(1.01)	1.56
<b>Less distributions:</b>						
From net investment income	(0.15)	(0.06)	(0.02)	—	—	—
From net realized gain on investments	(1.13)	(3.25)	(1.31)	(2.40)	(2.25)	(2.98)
Total distributions	(1.28)	(3.31)	(1.33)	(2.40)	(2.25)	(2.98)
Net asset value at end of period	\$ 35.50	\$ 36.07	\$ 36.41	\$ 34.18	\$ 29.07	\$ 32.33
Total investment return (b)	1.93%	8.90%	10.74%	27.88%	(3.39%)	4.83%
<b>Ratios of net investment income (loss) to average net assets:</b>						
Before waivers and reimbursements	0.08%††	0.30%	0.23%	0.39%	(0.15%)	(0.38%)
After expense waivers and reimbursements	0.08%††	0.30%	0.23%	0.39%	(0.14%)(c)	(0.36%)
<b>Ratios of expenses to average net assets:</b>						
Before waivers/reimbursements (d)	1.05%††	1.06%	1.06%	1.09%	1.16%	1.19%
After waivers/reimbursements (d)	1.05%††	1.06%	1.06%	1.09%	1.15% (e)	1.17%
Portfolio turnover rate	105%	153%	116%	139%	137%	118%
Net assets at end of period (in 000's)	\$ 434,561	\$ 436,508	\$ 431,854	\$ 391,245	\$ 260,670	\$ 294,445

\* Unaudited.

†† Annualized.

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

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

(c) Without the custody fee reimbursement, net investment income (loss) would have been (0.15)%.

(d) 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.

(e) Without the custody fee reimbursement, net expenses After expense waivers and reimbursements would have been 1.16%.

# Financial Highlights selected per share data and ratios

Investor Class	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 35.53	\$ 35.94	\$ 33.82	\$ 28.86	\$ 32.17	\$ 33.64
Net investment income (loss) (a)	(0.03)	0.01	0.00 ‡	0.06	(0.10)	(0.16)
Net realized and unrealized gain (loss) on investments	0.68	2.83	3.43	7.30	(0.96)	1.67
Total from investment operations	0.65	2.84	3.43	7.36	(1.06)	1.51
<b>Less distributions:</b>						
From net investment income	(0.06)	—	—	—	—	—
From net realized gain on investments	(1.13)	(3.25)	(1.31)	(2.40)	(2.25)	(2.98)
Total distributions	(1.19)	(3.25)	(1.31)	(2.40)	(2.25)	(2.98)
Net asset value at end of period	\$ 34.99	\$ 35.53	\$ 35.94	\$ 33.82	\$ 28.86	\$ 32.17
Total investment return (b)	1.77%	8.61%	10.47%	27.54%	(3.60%)	4.72%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	(0.20%)††	0.03%	0.01%	0.21%	(0.34%)	(0.51%)
Net expenses (c)	1.34% ††	1.33%	1.31%	1.35%	1.35%	1.32%
Expenses (before waiver/reimbursement) (c)	1.43% ††	1.42%	1.37%	1.35%	1.35%	1.32%
Portfolio turnover rate	105%	153%	116%	139%	137%	118%
Net assets at end of period (in 000's)	\$ 102,097	\$ 110,762	\$ 108,043	\$ 134,867	\$ 200,772	\$ 224,402

\* Unaudited.  
‡ Less than one cent per share.  
†† Annualized.  
(a) Per share data based on average shares outstanding during the period.  
(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. For periods of less than one year, total return is not annualized.  
(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

Class B	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 33.31	\$ 34.13	\$ 32.42	\$ 27.95	\$ 31.45	\$ 33.18
Net investment income (loss) (a)	(0.15)	(0.22)	(0.26)	(0.16)	(0.30)	(0.40)
Net realized and unrealized gain (loss) on investments	0.64	2.65	3.28	7.03	(0.95)	1.65
Total from investment operations	0.49	2.43	3.02	6.87	(1.25)	1.25
<b>Less distributions:</b>						
From net realized gain on investments	(1.13)	(3.25)	(1.31)	(2.40)	(2.25)	(2.98)
Net asset value at end of period	\$ 32.67	\$ 33.31	\$ 34.13	\$ 32.42	\$ 27.95	\$ 31.45
Total investment return (b)	1.41%	7.79%	9.63%	26.61%	(4.30%)	3.91%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	(0.94%)††	(0.69%)	(0.74%)	(0.56%)	(1.09%)	(1.26%)
Net expenses (c)	2.08% ††	2.08%	2.06%	2.10%	2.10%	2.07%
Expenses (before waiver/reimbursement) (c)	2.19% ††	2.18%	2.12%	2.10%	2.10%	2.07%
Portfolio turnover rate	105%	153%	116%	139%	137%	118%
Net assets at end of period (in 000's)	\$ 16,187	\$ 18,749	\$ 23,554	\$ 30,064	\$ 33,468	\$ 43,403

\* Unaudited.  
†† Annualized.  
(a) Per share data based on average shares outstanding during the period.  
(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. For periods of less than one year, total return is not annualized.  
(c) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

# Financial Highlights selected per share data and ratios

Class C	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 33.30	\$ 34.12	\$ 32.41	\$ 27.94	\$ 31.44	\$ 33.17
Net investment income (loss) (a)	(0.16)	(0.21)	(0.27)	(0.17)	(0.31)	(0.39)
Net realized and unrealized gain (loss) on investments	0.64	2.64	3.29	7.04	(0.94)	1.64
Total from investment operations	0.48	2.43	3.02	6.87	(1.25)	1.25
<b>Less distributions:</b>						
From net realized gain on investments	(1.13)	(3.25)	(1.31)	(2.40)	(2.25)	(2.98)
Net asset value at end of period	\$ 32.65	\$ 33.30	\$ 34.12	\$ 32.41	\$ 27.94	\$ 31.44
Total investment return (b)	1.38%	7.80%	9.63%	26.62%	(4.34%)	3.94%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	(0.95%)††	(0.67%)	(0.77%)	(0.58%)	(1.10%)	(1.25%)
Net expenses (c)	2.08% ††	2.08%	2.06%	2.10%	2.10%	2.07%
Expenses (before waiver/reimbursement) (c)	2.19% ††	2.18%	2.12%	2.10%	2.10%	2.07%
Portfolio turnover rate	105%	153%	116%	139%	137%	118%
Net assets at end of period (in 000's)	\$ 2,830	\$ 3,144	\$ 5,331	\$ 4,884	\$ 4,831	\$ 5,265

\* Unaudited.

†† Annualized.

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

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

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

Class I	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 37.01	\$ 37.28	\$ 34.96	\$ 29.62	\$ 32.83	\$ 34.14
Net investment income (loss) (a)	0.06	0.19	0.18	0.20	(0.02)	(0.04)
Net realized and unrealized gain (loss) on investments	0.72	2.95	3.55	7.54	(0.94)	1.71
Total from investment operations	0.78	3.14	3.73	7.74	(0.96)	1.67
<b>Less distributions:</b>						
From net investment income	(0.24)	(0.16)	(0.10)	—	—	—
From net realized gain on investments	(1.13)	(3.25)	(1.31)	(2.40)	(2.25)	(2.98)
Total distributions	(1.37)	(3.41)	(1.41)	(2.40)	(2.25)	(2.98)
Net asset value at end of period	\$ 36.42	\$ 37.01	\$ 37.28	\$ 34.96	\$ 29.62	\$ 32.83
Total investment return (b)	2.07%	9.18%	11.03%	28.16%	(3.17%)	5.12%
<b>Ratios of net investment income (loss) to average net assets:</b>						
Before waivers and reimbursements	0.33%††	0.53%	0.49%	0.62%	(0.12%)	(0.13%)
After expense waivers and reimbursements	0.33%††	0.53%	0.49%	0.62%	(0.07%)	(0.11%)
<b>Ratios of expenses to average net assets:</b>						
Before waivers/reimbursements (c)	0.80%††	0.81%	0.81%	0.83%	0.98%	0.94%
After waivers/reimbursements (c)	0.80%††	0.81%	0.81%	0.83%	0.92%	0.92%
Portfolio turnover rate	105%	153%	116%	139%	137%	118%
Net assets at end of period (in 000's)	\$ 136,988	\$ 139,588	\$ 87,866	\$ 87,115	\$ 15,473	\$ 531,981

\* Unaudited.

†† Annualized.

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

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

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

# Financial Highlights selected per share data and ratios

Class R2	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 35.81	\$ 36.16	\$ 33.97	\$ 28.94	\$ 32.22	\$ 33.68
Net investment income (loss) (a)	(0.00)‡	0.07	0.05	0.09	(0.06)	(0.15)
Net realized and unrealized gain (loss) on investments	0.69	2.86	3.45	7.34	(0.97)	1.67
Total from investment operations	0.69	2.93	3.50	7.43	(1.03)	1.52
<b>Less distributions:</b>						
From net investment income	(0.12)	(0.03)	—	—	—	—
From net realized gain on investments	(1.13)	(3.25)	(1.31)	(2.40)	(2.25)	(2.98)
Total distributions	(1.25)	(3.28)	(1.31)	(2.40)	(2.25)	(2.98)
Net asset value at end of period	\$ 35.25	\$ 35.81	\$ 36.16	\$ 33.97	\$ 28.94	\$ 32.22
Total investment return (b)	1.88%	8.81%	10.64%	27.72%	(3.46%)	4.72%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	(0.02%)††	0.21%	0.13%	0.31%	(0.23%)	(0.48%)
Net expenses (c)	1.15% ††	1.16%	1.16%	1.19%	1.24%	1.29%
Portfolio turnover rate	105%	153%	116%	139%	137%	118%
Net assets at end of period (in 000's)	\$ 58	\$ 59	\$ 58	\$ 52	\$ 38	\$ 34

\* Unaudited.

‡ Less than one cent per share.

†† Annualized.

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

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

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

# Notes to Financial Statements (Unaudited)

## Note 1—Organization and Business

MainStay Funds Trust (the “Trust”) was organized as a Delaware statutory trust on April 28, 2009, and is governed by a Declaration of Trust. The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company, and is comprised of thirty-one funds (collectively referred to as the “Funds”). These financial statements and notes relate to the MainStay MacKay Growth 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 seven classes of shares registered for sale. Investor Class, Class B, Class C and Class R2 were first offered as of the close of business on January 18, 2013. Class A shares commenced operations on August 7, 2006. Class I shares commenced operations on November 2, 2009. Class R6 shares were registered for sale effective as of February 28, 2017. As of April 30, 2020, Class R6 were not yet offered for sale.

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

Class A and Investor Class shares are offered at net asset value (“NAV”) per share plus an initial sales charge. No initial sales charge applies to investments of \$1 million or more (and certain other qualified purchases) in Class A and Investor Class shares. However, a CDSC of 1.00% may be imposed on certain redemptions made within 18 months of the date of purchase on shares that were purchased without an initial sales charge. Class C shares are offered at NAV without an initial sales charge, although a 1.00% CDSC may be imposed on certain redemptions of such shares made within one year of the date of purchase of Class C shares. When Class B shares were offered, they were offered at NAV without an initial sales charge, although a CDSC that declines depending on the number of years a shareholder held its Class B shares may be imposed on certain redemptions of such shares made within six years of the date of purchase of such shares. Class I and Class R2 shares are offered at NAV without a sales charge. Class R6 shares are currently expected to be offered at NAV without a sales charge. Depending upon eligibility, Class B shares convert to either Class A or Investor Class shares at the end of the calendar quarter eight years after the date they were purchased. In addition, depending upon eligibility, Class C shares convert to either Class A or Investor Class shares at the end of the calendar quarter ten years after the date they were purchased. Additionally, as disclosed in the Fund’s prospectus, Class A shares may convert automatically to Investor Class shares and 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 a distribution plan pursuant to Rule 12b-1 under the 1940 Act, Class B and Class C shares are subject to higher distribution and/or service fees than Class A, Investor Class and Class R2 shares. Class I and Class R6 shares are not subject to a distribution and/or service fee. Class R2 shares are subject to a shareholder service fee. This is in addition to any fees paid under a distribution plan, where applicable.

The Fund’s investment objective is to seek long-term growth of capital.

## 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

# Notes to Financial Statements (Unaudited) (continued)

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 April 30, 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:

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

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 six-month period ended April 30, 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. As of April 30, 2020, no securities held by the Fund were fair valued in such a manner.

Equity securities, including 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. These securities are generally categorized as Level 1 in the hierarchy.

Investments in mutual funds, including money market funds, are valued at their respective NAVs as of the close of the Exchange on the valuation date. These securities are generally categorized as Level 1 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 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. Dividend income is recognized on the ex-dividend date, net of any foreign tax withheld at the source, and interest income is accrued as earned using the effective interest rate method. Distributions received from real estate investment trusts may be classified as dividends, capital gains and/or return of capital.

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.

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

**(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.

**(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. As of April 30, 2020, the Fund did not hold any repurchase agreements.

**(H) 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, State Street Bank and Trust Company ("State Street"), acting as securities lending agent on

# Notes to Financial Statements (Unaudited) (continued)

behalf of the Fund. 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 April 30, 2020, the Fund did not have any portfolio securities on loan.

**(I) 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.

## 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. MacKay Shields LLC ("MacKay Shields" or the "Subadvisor"), a registered investment adviser and an indirect, 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 an Amended and Restated Subadvisory Agreement ("Subadvisory Agreement") between New York Life Investments and MacKay Shields, New York Life Investments pays for the services of the Subadvisor.

Under 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: 0.70% up to \$500 million; 0.65% from \$500 million to \$1 billion; 0.625% from \$1 billion to \$2 billion; and 0.60% in excess of \$2 billion. During the six-month period ended April 30, 2020, the effective management fee rate (exclusive of any applicable waivers/reimbursements) was 0.69%.

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 1.09% of average daily net assets of the Fund's Class I shares. New York Life Investments has also contractually agreed to waive fees and/or reimburse expenses so that Total Annual Fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase or sale of portfolio investments, and acquired (underlying) fund fees and expenses) of Class R6 do not exceed those of Class I. This agreement will remain in effect until February 28, 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.

Additionally, New York Life Investments has agreed to voluntarily 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) applicable to Class I shares do not exceed 0.92% of its average daily net assets of the Fund's Class I shares. This voluntary waiver or reimbursement may be discontinued at any time without notice.

During the six-month period ended April 30, 2020, New York Life Investments earned fees from the Fund in the amount of \$2,420,946 and waived its fees and/or reimbursed expenses, including the voluntary waiver/reimbursement of certain class specific expenses in the amount of \$62,791 and paid the Subadvisor in the amount of \$1,179,077.

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

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

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

Pursuant to the Class A, Investor Class and Class R2 Plans, the Distributor receives a monthly distribution fee from the Class A, Investor Class and

Class R2 shares at an annual rate of 0.25% of the average daily net assets of the Class A, Investor Class and Class R2 shares for distribution and/or service activities as designated by the Distributor. Pursuant to the Class B and Class C Plans, Class B and Class C shares pay the Distributor a monthly distribution fee at an annual rate of 0.75% of the average daily net assets of the Class B and Class C shares, along with a service fee at an annual rate of 0.25% of the average daily net assets of the Class B and Class C shares, for a total 12b-1 fee of 1.00%. Class I and Class R6 shares are not subject to a distribution and/or service fee.

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

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

During the six-month period ended April 30, 2020, shareholder service fees incurred by the Fund were as follows:

Class R2	\$29
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**(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 six-month period ended April 30, 2020 were \$15,025 and \$6,280, respectively.

The Fund was also advised that the Distributor retained CDSCs on redemptions of Class A, Investor Class, Class B and Class C shares

**(E) Investments in Affiliates (in 000's).** During the six-month period ended April 30, 2020, purchases and sales transactions, income earned from investments and shares held of investment companies managed by New York Life Investments or its affiliates were as follows:

Affiliated Investment Company	Value, Beginning of Period	Purchases at Cost	Proceeds from Sales	Net Realized Gain/(Loss) on Sales	Change in Unrealized Appreciation/ (Depreciation)	Value, End of Period	Dividend Income	Other Distributions	Shares End of Period
MainStay U.S. Government Liquidity Fund	\$29	\$19,048	\$(19,060)	\$ —	\$ —	\$17	\$1	\$ —	17

**(F) Capital.** As of April 30, 2020, New York Life and its affiliates beneficially held shares of the Fund with the values and percentages of net assets as follows:

Class R2	\$50,465	86.6%
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## Note 4—Federal Income Tax

As of April 30, 2020, the cost and unrealized appreciation (depreciation) of the Fund's investment portfolio, including applicable derivative con-

tracts and other financial instruments, as determined on a federal income tax basis, were as follows:

### (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. Effective November 1, 2019, New York Life Investments contractually agreed to limit the transfer agency expenses charged to each of the Fund's share classes to a maximum of 0.35% of that share class's average daily net assets on an annual basis (excluding small account fees) after deducting any other applicable expense cap reimbursements or transfer agency waivers. This agreement will remain in effect until February 28, 2021, and shall renew automatically for one-year terms unless New York Life Investments provides written notice of termination prior to the start of the next term or upon approval of the Board. During the six-month period ended April 30, 2020, transfer agent expenses incurred by the Fund and any applicable waivers were as follows:

Class	Expense	Waived
Class A	\$133,768	\$ —
Investor Class	235,634	(51,948)
Class B	39,950	(9,260)
Class C	6,832	(1,583)
Class I	43,079	—
Class R2	18	—

tracts and other financial instruments, as determined on a federal income tax basis, were as follows:

	Federal Tax Cost	Gross Unrealized Appreciation (Depreciation)	Gross Unrealized Depreciation	Net Unrealized Appreciation/ (Depreciation)
Investments in Securities	\$476,992,602	\$231,644,127	\$(15,340,065)	\$216,304,062

# Notes to Financial Statements (Unaudited) (continued)

During the year ended October 31, 2019, the tax character of distributions paid as reflected in the Statements of Changes in Net Assets was as follows:

	2019
Distributions paid from:	
Ordinary Income	\$29,876,958
Long-Term Capital Gain	29,858,023
<b>Total</b>	<b>\$59,734,981</b>

## Note 5—Custodian

State Street is the custodian of cash and securities held by the Fund. 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 30, 2019, 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 State Street, 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 28, 2020, 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. Prior to July 30, 2019, the aggregate commitment amount and the commitment fee were the same as those under the current Credit Agreement. During the six-month period ended April 30, 2020, there were no borrowings made or outstanding with respect to the Fund under the Credit Agreement.

## 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 six-month period ended April 30, 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 six-month period ended April 30, 2020, purchases and sales of securities, other than short-term securities, were \$740,454 and \$770,111, respectively.

## Note 9—Capital Share Transactions

Transactions in capital shares for the six-month period ended April 30, 2020 and the year ended October 31, 2019, were as follows:

Class A	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	172,876	\$ 6,067,168
Shares issued to shareholders in reinvestment of distributions	425,258	15,262,561
Shares redeemed	(701,654)	(24,771,228)
Net increase (decrease) in shares outstanding before conversion	(103,520)	(3,441,499)
Shares converted into Class A (See Note 1)	276,930	10,057,930
Shares converted from Class A (See Note 1)	(33,131)	(1,158,388)
Net increase (decrease)	140,279	\$ 5,458,043
Year ended October 31, 2019:		
Shares sold	1,228,978	\$ 43,512,659
Shares issued to shareholders in reinvestment of distributions	1,159,911	38,706,235
Shares redeemed	(2,262,231)	(78,734,527)
Net increase (decrease) in shares outstanding before conversion	126,658	3,484,367
Shares converted into Class A (See Note 1)	212,425	7,236,196
Shares converted from Class A (See Note 1)	(99,369)	(3,391,088)
Net increase (decrease)	239,714	\$ 7,329,475
Investor Class	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	38,220	\$ 1,337,743
Shares issued to shareholders in reinvestment of distributions	103,520	3,666,605
Shares redeemed	(117,792)	(4,127,121)
Net increase (decrease) in shares outstanding before conversion	23,948	877,227
Shares converted into Investor Class (See Note 1)	17,255	585,280
Shares converted from Investor Class (See Note 1)	(241,009)	(8,719,382)
Net increase (decrease)	(199,806)	\$ (7,256,875)
Year ended October 31, 2019:		
Shares sold	364,193	\$ 12,722,734
Shares issued to shareholders in reinvestment of distributions	294,183	9,693,220
Shares redeemed	(570,354)	(19,673,873)
Net increase (decrease) in shares outstanding before conversion	88,022	2,742,081
Shares converted into Investor Class (See Note 1)	143,240	4,784,809
Shares converted from Investor Class (See Note 1)	(120,074)	(4,079,243)
Net increase (decrease)	111,188	\$ 3,447,647

<b>Class B</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares sold	2,596	\$ 80,916
Shares issued to shareholders in reinvestment of distributions	18,907	627,151
Shares redeemed	(34,293)	(1,127,191)
Net increase (decrease) in shares outstanding before conversion	(12,790)	(419,124)
Shares converted from Class B (See Note 1)	(54,577)	(1,720,415)
Net increase (decrease)	(67,367)	\$ (2,139,539)
Year ended October 31, 2019:		
Shares sold	170,458	\$ 5,626,071
Shares issued to shareholders in reinvestment of distributions	71,379	2,219,881
Shares redeemed	(245,861)	(8,022,985)
Net increase (decrease) in shares outstanding before conversion	(4,024)	(177,033)
Shares converted from Class B (See Note 1)	(123,319)	(3,835,165)
Net increase (decrease)	(127,343)	\$ (4,012,198)

<b>Class C</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares sold	4,711	\$ 152,141
Shares issued to shareholders in reinvestment of distributions	3,102	102,837
Shares redeemed	(15,003)	(502,488)
Net increase (decrease) in shares outstanding before conversion	(7,190)	(247,510)
Shares converted from Class C (See Note 1)	(570)	(18,100)
Net increase (decrease)	(7,760)	\$ (265,610)
Year ended October 31, 2019:		
Shares sold	33,392	\$ 1,058,788
Shares issued to shareholders in reinvestment of distributions	15,030	467,279
Shares redeemed	(86,312)	(2,715,460)
Net increase (decrease) in shares outstanding before conversion	(37,890)	(1,189,393)
Shares converted from Class C (See Note 1)	(23,938)	(742,206)
Net increase (decrease)	(61,828)	\$ (1,931,599)

<b>Class I</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares sold	436,371	\$ 14,420,852
Shares issued to shareholders in reinvestment of distributions	138,219	5,083,713
Shares redeemed	(611,321)	(21,269,820)
Net increase in shares outstanding before conversion	(36,731)	(1,765,255)
Shares converted into Class I (See Note 1)	27,158	973,075
Net increase (decrease)	(9,573)	\$ (792,180)
Year ended October 31, 2019:		
Shares sold	2,525,805	\$ 84,153,853
Shares issued to shareholders in reinvestment of distributions	240,453	8,213,889
Shares redeemed	(1,352,577)	(47,004,179)
Net increase (decrease) in shares outstanding before conversion	1,413,681	45,363,563
Shares converted into Class I (See Note 1)	773	26,697
Net increase (decrease)	1,414,454	\$ 45,390,260

<b>Class R2</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares sold	52	\$ 1,836
Shares issued to shareholders in reinvestment of distributions	57	2,047
Shares redeemed	(116)	(4,313)
Net increase (decrease)	(7)	\$ (430)
Year ended October 31, 2019:		
Shares sold	128	\$ 4,290
Shares issued to shareholders in reinvestment of distributions	161	5,344
Shares redeemed	(245)	(8,374)
Net increase (decrease)	44	\$ 1,260

## Note 10—Recent Accounting Pronouncements

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 April 30, 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.

## Note 11—Subsequent Events

In connection with the preparation of the financial statements of the Fund as of and for the six-month period ended April 30, 2020, events and transactions subsequent to April 30, 2020, through the date the financial statements were issued have been evaluated by the Manager,

# Notes to Financial Statements (Unaudited) (continued)

for possible adjustment and/or disclosure. No subsequent events requiring financial statement adjustment or disclosure have been identified.

## **Note 12—Other Matters**

An outbreak of COVID-19, first detected in December 2019, has developed into a global pandemic and has resulted in travel restrictions, closure of international borders, certain businesses and securities markets, restrictions on securities trading activities, prolonged quar-

antines, supply chain disruptions, and lower consumer demand, as well as general concern and uncertainty. The impact of COVID-19 is uncertain and could 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.

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

The continuation of the Management Agreement with respect to the MainStay MacKay Growth Fund ("Fund") and New York Life Investment Management LLC ("New York Life Investments") and the Subadvisory Agreement between New York Life Investments and MacKay Shields LLC ("MacKay") with respect to the Fund (together, "Advisory Agreements"), following an initial term of up to two years, is subject to annual review and approval by the Board of Trustees of MainStay Funds Trust ("Board" of the "Trust") in accordance with Section 15 of the Investment Company Act of 1940, as amended ("1940 Act"). At its December 10-11, 2019 in-person meeting, the Board, including the Trustees who are not an "interested person" (as such term is defined in the 1940 Act) of the Trust ("Independent Trustees") voting separately, unanimously approved the continuation of each of the Advisory Agreements for a one-year period.

In reaching the decision to approve the continuation of each of the Advisory Agreements, the Board considered information furnished by New York Life Investments and MacKay in connection with an annual contract review process undertaken by the Board that took place at meetings of the Board and its Contracts Committee between October 2019 and December 2019, as well as other information furnished to the Board and its Committees throughout the year, as deemed relevant by the Trustees. Information requested by and furnished to the Board for consideration in connection with the contract review process included, among other items, reports on the Fund and "peer funds" prepared by Strategic Insight Mutual Fund Research and Consulting, LLC ("Strategic Insight"), an independent third-party service provider engaged by the Board to report objectively on the Fund's investment performance, management fee and total expenses. The Board also considered information on the fees charged to other investment advisory clients of New York Life Investments and/or MacKay that follow investment strategies similar to the Fund, if any, and, when applicable, the rationale for any differences in the Fund's management and subadvisory fees and the fees charged to those other investment advisory clients. In addition, the Board considered information furnished by New York Life Investments and MacKay in response to requests prepared on behalf of the Board, and in consultation with the Independent Trustees, by independent legal counsel to the Independent Trustees, which encompassed a variety of topics, including those summarized below. The Board took into account information provided in connection with its meetings throughout the year, including, among other items, information regarding the legal standards and fiduciary obligations applicable to its consideration of the continuation of each of the Advisory Agreements and investment performance reports on the Fund prepared by the Investment Consulting Group of New York Life Investments as well as presentations from New York Life Investments and MacKay personnel. The Board also took into account other information received from New York Life Investments throughout the year, including, among other items, periodic reports on legal and compliance matters, risk management, portfolio turnover, brokerage commissions, sales and marketing activity and non-advisory services provided to the Fund by New York Life Investments. The contract review process, including the structure and format for materials provided to the Board, has been developed in consultation with the Board. The Independent Trustees also met in executive sessions with their independent legal counsel and, for a portion thereof, with senior management of New York Life Investments joining.

In addition to information provided to the Board throughout the year, the Board received information in connection with its June 2019 meeting provided specifically in response to requests prepared on behalf of the Board, and in consultation with the Independent Trustees, by independent legal counsel regarding the Fund's distribution arrangements. In addition, the Board received information regarding the Fund's asset levels, share purchase and redemption activity and the payment of Rule 12b-1 and/or other fees by applicable share classes of the Fund. New York Life Investments also provided the Board with information regarding the revenue sharing payments made by New York Life Investments from its own resources to intermediaries that promote the sale or distribution of Fund shares or that provide servicing to the Fund's shareholders.

In considering the continuation of each of the Advisory Agreements, the Trustees reviewed and evaluated all of the information and factors they believed to reasonably be necessary and appropriate in light of legal advice furnished to them by independent legal counsel and through the exercise of their own business judgment. Although individual Trustees may have weighed certain factors or information differently, the factors considered by the Board are described in greater detail below and include, among other factors: (i) the nature, extent and quality of the services provided to the Fund by New York Life Investments and MacKay; (ii) the qualifications of the portfolio managers of the Fund and the historical investment performance of the Fund, New York Life Investments and MacKay; (iii) the costs of the services provided, and profits realized, by New York Life Investments and MacKay from their relationships with the Fund; (iv) the extent to which economies of scale have been realized or may be realized as the Fund grows and the extent to which economies of scale have benefited or may benefit the Fund's shareholders; and (v) the reasonableness of the Fund's management and subadvisory fees and total ordinary operating expenses, particularly as compared to any similar funds and accounts managed by New York Life Investments and/or MacKay. Although the Board recognized that comparisons between the Fund's fees and expenses and those of other funds are imprecise given different terms of agreements, variations in fund strategies and other factors, the Board considered the reasonableness of the Fund's management fee and total ordinary operating expenses as compared to the peer funds identified by Strategic Insight. Throughout their considerations, the Trustees acknowledged the commitment of New York Life Investments and its affiliates to serve the MainStay Group of Funds, as well as their capacity, experience, resources, financial stability and reputations.

The Trustees noted that, throughout the year, the Trustees are also afforded an opportunity to ask questions of, and request additional information or materials from, New York Life Investments and MacKay. The Board's conclusions with respect to each of the Advisory Agreements may have also been based, in part, on the Board's knowledge of New York Life Investments and MacKay resulting from, among other things, the Board's consideration of each of the Advisory Agreements in prior years, the advisory agreements for other funds in the MainStay Group of Funds, the Board's review throughout the year of the performance and operations of other funds in the MainStay Group of Funds and the Board's business judgment and industry experience. In addition to considering the above-referenced factors, the Board observed that in the marketplace there are a range of investment options available to the Fund's shareholders and such shareholders, having had the opportunity

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

to consider other investment options, have chosen to invest in the Fund. The factors that figured prominently in the Board's decision to approve the continuation of each of the Advisory Agreements during its December 10-11, 2019 in-person meeting are summarized in more detail below, and the Board did not consider any factor or information controlling in making such approval.

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

The Board examined the nature, extent and quality of the services that New York Life Investments provides to the Fund. The Board evaluated New York Life Investments' experience and capabilities in serving as manager of the Fund and considered that the Fund operates in a "manager-of-managers" structure. The Board also considered New York Life Investments' responsibilities under this structure, including evaluating the performance of MacKay, making recommendations to the Board as to whether the Subadvisory Agreement should be renewed, modified or terminated and periodically reporting to the Board regarding the results of New York Life Investments' evaluation and monitoring functions. The Board noted that New York Life Investments manages other mutual funds, serves a variety of other investment advisory clients, including other pooled investment vehicles, and has experience overseeing mutual fund service providers, including subadvisors. The Board considered the experience of senior personnel at New York Life Investments providing management and administrative and other non-advisory services to the Fund as well as New York Life Investments' reputation and financial condition. The Board observed that New York Life Investments devotes significant resources and time to providing management and non-advisory services to the Fund, including New York Life Investments' supervision and due diligence reviews of MacKay and ongoing analysis of, and interactions with, MacKay with respect to, among other things, the Fund's investment performance and risks as well as MacKay's investment capabilities and subadvisory services with respect to the Fund.

The Board also considered the range of services that New York Life Investments provides to the Fund under the terms of the Management Agreement, including: (i) fund accounting and ongoing supervisory services provided by New York Life Investments' Fund Administration and Accounting Group; (ii) investment supervisory and analytical services provided by New York Life Investments' Investment Consulting Group; (iii) compliance services provided by the Trust's Chief Compliance Officer as well as New York Life Investments' compliance department, including supervision and implementation of the Fund's compliance program; (iv) legal services provided by New York Life Investments' Office of the General Counsel; and (v) risk management monitoring and analysis by compliance and investment personnel. The Board noted that New York Life Investments provides certain other non-advisory services to the Fund. In addition, the Board considered New York Life Investments' willingness to invest in personnel, infrastructure, technology, operational enhancements, cyber security, information security, shareholder privacy resources and business continuity planning designed to benefit the Fund and noted that New York Life Investments is responsible for compensating the Trust's officers, except for a portion of the salary of the Trust's Chief Compliance Officer. The Board recognized that New York Life Investments has provided an increasingly broad array of non-advisory services to the MainStay Group

of Funds as a result of regulatory and other developments, including in connection with the designation of New York Life Investments as the administrator of the MainStay Group of Funds' liquidity risk management program adopted under the 1940 Act. The Board considered benefits to shareholders from being part of the MainStay Group of Funds, including the privilege of exchanging investments between the same class of shares of funds in the MainStay Group of Funds, including without the imposition of a sales charge (if any).

The Board also examined the nature, extent and quality of the investment advisory services that MacKay provides to the Fund. The Board evaluated MacKay's experience in serving as subadvisor to the Fund and advising other portfolios and MacKay's track record and experience in providing investment advisory services, the experience of investment advisory, senior management and administrative personnel at MacKay, and New York Life Investments' and MacKay's overall legal and compliance environment, resources and history. In addition to information provided in connection with its quarterly meetings with the Trust's Chief Compliance Officer, the Board considered that each of New York Life Investments and MacKay believes its compliance policies and procedures are reasonably designed to prevent violation of the federal securities laws and acknowledged their commitment to further developing and strengthening compliance programs relating to the Fund. The Board also considered the policies and procedures in place with respect to matters that may involve conflicts of interest between the Fund's investments and those of other accounts managed by MacKay. The Board reviewed MacKay's ability to attract and retain qualified investment professionals and willingness to invest in personnel to service and support the Fund. In this regard, the Board considered the experience of the Fund's portfolio managers, the number of accounts managed by the portfolio managers and the method for compensating the portfolio managers.

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

## Investment Performance

In evaluating the Fund's investment performance, the Board considered investment performance results over various periods in light of the Fund's investment objective, strategies and risks, generally placing greater emphasis on the Fund's long-term performance track record. The Board considered investment reports on, and analysis of, the Fund's performance provided to the Board throughout the year by the Investment Consulting Group of New York Life Investments. These reports include, among other items, information on the Fund's gross and net returns, the Fund's investment performance compared to relevant investment categories and the Fund's benchmarks, the Fund's risk-adjusted investment performance and the Fund's investment performance as compared to peer funds, as appropriate, as well as portfolio attribution information and commentary on the effect of current and recent market conditions. The Board also considered information provided by Strategic Insight showing the investment performance of the Fund as compared to peer funds.

The Board also gave weight to its discussions with senior management at New York Life Investments concerning the Fund's investment performance attributable to MacKay as well as discussions between the

Fund's portfolio managers and the members of the Board's Investment Committee, which generally occur on an annual basis. In addition, the Board considered any specific actions that New York Life Investments or MacKay had taken, or had agreed with the Board to take, to seek to enhance Fund investment performance and the results of those actions. In considering the investment performance of the Fund, the Board noted that the Fund underperformed its peer funds for the one-, three-, five- and ten-year periods ended July 31, 2019. The Board considered its discussions with representatives from New York Life Investments and MacKay regarding the Fund's investment performance relative to that of its benchmark index and peer funds.

Based on these considerations, the Board concluded that its review of the Fund's investment performance and related information supported a determination to approve the continuation of each of the Advisory Agreements.

### **Costs of the Services Provided, and Profits Realized, by New York Life Investments and MacKay**

The Board considered information provided by New York Life Investments and MacKay with respect to the costs of the services provided under each of the Advisory Agreements. The Board also considered the profits realized by New York Life Investments and its affiliates, including MacKay, due to their relationships with the Fund. Because MacKay is an affiliate of New York Life Investments whose subadvisory fee is paid by New York Life Investments, not the Fund, the Board considered cost and profitability information for New York Life Investments and MacKay in the aggregate.

In addition, the Board acknowledged the difficulty in obtaining reliable comparative data about mutual fund managers' profitability, because such information generally is not publicly available and may be impacted by numerous factors, including the structure of a fund manager's organization, the types of funds it manages, the methodology used to allocate certain fixed costs to specific funds and the manager's capital structure and costs of capital.

In evaluating the costs of the services provided by New York Life Investments and MacKay and profits realized by New York Life Investments and its affiliates, including MacKay, the Board considered, among other factors, each party's continuing investments in, or willingness to invest in, personnel, systems, equipment and other resources and infrastructure to support and further enhance the management of the Fund, and that New York Life Investments is responsible for paying the subadvisory fee for the Fund. The Board also considered the financial resources of New York Life Investments and MacKay and acknowledged that New York Life Investments and MacKay must be in a position to attract and retain experienced professional personnel and to maintain a strong financial position for New York Life Investments and MacKay to continue to provide high-quality services to the Fund. The Board recognized that the Fund benefits from the allocation of certain fixed costs across the MainStay Group of Funds, among other expected benefits resulting from its relationship with New York Life Investments.

The Board considered information regarding New York Life Investments' methodology for calculating profitability and allocating costs provided by New York Life Investments in connection with the fund profitability analysis presented to the Board. The Board previously engaged an

independent third-party consultant to review the methods used to allocate costs to and among the funds in the MainStay Group of Funds. The Board noted that the independent consultant had concluded that New York Life Investments' methods for allocating costs and procedures for estimating overall profitability of the relationship with the funds in the MainStay Group of Funds are reasonable and that New York Life Investments continued to use the same method of calculating profit and allocating costs since the independent consultant's review. The Board recognized the difficulty in evaluating a manager's profitability with respect to the Fund and noted that other profitability methodologies may also be reasonable.

The Board also considered certain fall-out benefits that may be realized by New York Life Investments and MacKay and their affiliates due to their relationships with the Fund, including reputational and other indirect benefits. The Board recognized, for example, the benefits to MacKay from legally permitted "soft-dollar" arrangements by which brokers provide research and other services to MacKay in exchange for commissions paid by the Fund with respect to trades on the Fund's portfolio securities. In addition, the Board considered its review of a money market fund advised by New York Life Investments and an affiliated subadvisor that serves as an investment option for the Fund, including the potential rationale for and costs associated with investments in this money market fund by the Fund, if any, and considered information from New York Life Investments that the nature and type of specific investment advisory services provided to this money market fund are distinct from, or in addition to, the investment advisory services provided to the Fund.

The Board observed that, in addition to fees earned by New York Life Investments for managing the Fund, New York Life Investments' affiliates also earn revenues from serving the Fund in various other capacities, including as the Fund's transfer agent and distributor. The Board considered information about these other revenues and their impact on the profitability of the relationship with the Fund to New York Life Investments and its affiliates. The Board noted that, although it assessed the overall profitability of the Fund to New York Life Investments and its affiliates as part of the contract review process, when considering the reasonableness of the fee paid to New York Life Investments and its affiliates under each of the Advisory Agreements, the Board considered the profitability of New York Life Investments' relationship with the Fund on a pre-tax basis and without regard to distribution expenses incurred by New York Life Investments from its own resources.

After evaluating the information deemed relevant by the Trustees, the Board concluded that any profits realized by New York Life Investments and its affiliates, including MacKay, due to their relationships with the Fund were not excessive.

### **Management and Subadvisory Fees and Total Ordinary Operating Expenses**

The Board evaluated the reasonableness of the fee paid under each of the Advisory Agreements and the Fund's total ordinary operating expenses. The Board primarily considered the reasonableness of the management fee paid by the Fund to New York Life Investments, because the subadvisory fee paid to MacKay is paid by New York Life Investments, not the Fund. The Board also considered the

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

reasonableness of the subadvisory fee paid by New York Life Investments and the amount of the management fee retained by New York Life Investments.

In assessing the reasonableness of the Fund's fees and expenses, the Board primarily considered comparative data provided by Strategic Insight on the fees and expenses charged by similar mutual funds managed by other investment advisers. In addition, the Board considered information provided by New York Life Investments and MacKay on fees charged to other investment advisory clients, including institutional separate accounts and/or other funds that follow investment strategies similar to those of the Fund, if any. The Board considered the similarities and differences in the contractual management fee schedules of the Fund and these similarly-managed accounts and/or funds, taking into account the rationale for any differences in fee schedules. The Board also took into account explanations provided by New York Life Investments about the more extensive scope of services provided to registered investment companies, such as the Fund, as compared with other investment advisory clients. Additionally, the Board considered the impact of any contractual breakpoints, voluntary waivers and expense limitation arrangements on the Fund's net management fee and expenses. The Board also considered that in proposing fees for the Fund, New York Life Investments considers the competitive marketplace for mutual funds.

The Board noted that, outside of the Fund's management fee and the fees charged under a share class's Rule 12b-1 and/or shareholder services plans, a share class's most significant "other expenses" are transfer agent fees. Transfer agent fees are charged to the Fund based on the number of shareholder accounts (a "per-account" fee). The Board took into account information from New York Life Investments regarding the reasonableness of the Fund's transfer agent fee schedule, including industry data demonstrating that the per-account fees that NYLIM Service Company LLC, an affiliate of New York Life Investments and the Fund's transfer agent, charges the Fund are within the range of per-account fees charged by transfer agents to other mutual funds. In addition, the Board considered NYLIM Service Company LLC's profitability in connection with the transfer agent services it provides to the Fund. The Board also took into account information received from NYLIM Service Company LLC regarding the sub-transfer agency payments it made to intermediaries in connection with the provision of sub-transfer agency services to the Fund.

The Board considered that, because the Fund's transfer agent fees are billed on a per-account basis, the impact of transfer agent fees on a share class's expense ratio may be more significant in cases where the share class has a high number of small accounts. The Board considered the extent to which transfer agent fees comprised total expenses of the Fund. The Board acknowledged the role that the MainStay Group of Funds historically has played in serving the investment needs of New York Life Insurance Company customers, who often maintain smaller account balances than other shareholders of funds, and the impact of small accounts on the expense ratios of Fund share classes. The Board also recognized measures that it and New York Life Investments have taken to mitigate the effect of small accounts on the expense ratios of Fund share classes, including through the imposition of an expense limitation on net transfer agency expenses. The Board noted that, for purposes of allocating transfer agency fees and expenses, each retail

fund in the MainStay Group of Funds combines the shareholder accounts of its Class A, I, R1, R2, and Class R3 shares (as applicable) into one group and the shareholder accounts of its Investor Class and Class B and C shares (as applicable) into another group. The Board also noted that the per-account fees attributable to each group of share classes is then allocated among the constituent share classes based on relative net assets and that a MainStay Fund's Class R6 shares, if any, are not combined with any other share class for this purpose. The Board considered New York Life Investments' rationale with respect to these groupings and received a report from an independent consultant engaged to conduct comparative analysis of these groupings. The Board also considered that NYLIM Service Company LLC had waived its contractual cost of living adjustments during the past six years.

Based on the factors outlined above, the Board concluded that the Fund's management fee and total ordinary operating expenses were within a range that is competitive and support a conclusion that these fees and expenses are reasonable.

## Economies of Scale

The Board considered information regarding economies of scale, including whether the Fund's expense structure permits economies of scale to be appropriately shared with the Fund's shareholders. The Board also considered a report from New York Life Investments, previously prepared at the request of the Board, that addressed economies of scale, including with respect to the mutual fund business generally and the various ways in which the benefits of economies of scale may be shared with the funds in the MainStay Group of Funds. Although the Board recognized the difficulty of determining future economies of scale with precision, the Board acknowledged that economies of scale may be shared with the Fund in a number of ways, including, for example, through the imposition of management fee breakpoints, initially setting management fee rates at scale or making additional investments to enhance services. The Board reviewed information from New York Life Investments showing how the Fund's management fee schedule compared to fee schedules of other funds and accounts managed by New York Life Investments. The Board also reviewed information from Strategic Insight showing how the Fund's management fee schedule compared with fees paid for similar services by peer funds at varying asset levels.

Based on this information, the Board concluded that economies of scale are appropriately reflected for the benefit of the Fund's shareholders through the Fund's expense structure and other methods to share benefits from economies of scale.

## Conclusion

On the basis of the information and factors summarized above and the evaluation thereof, the Board, including the Independent Trustees voting separately, unanimously voted to approve the continuation of each of the Advisory Agreements.

## Discussion of the Operation and Effectiveness of the Fund's Liquidity Risk Management Program (Unaudited)

In compliance with Rule 22e-4 under the Investment Company Act of 1940, as amended (the "Liquidity Rule"), the Fund has adopted and implemented a liquidity risk management program (the "Program"), which New York Life Investment Management LLC believes is reasonably designed to assess and manage the Fund's liquidity risk. The Board of Trustees of MainStay Funds Trust (the "Board") designated New York Life Investment Management LLC as administrator of the Program (the "Administrator"). The Administrator has established a Liquidity Risk Management Committee to assist the Administrator in the implementation and day-to-day administration of the Program and to otherwise support the Administrator in fulfilling its responsibilities under the Program.

At a meeting of the Board held on March 11, 2020, the Administrator provided the Board with a written report addressing the Program's operation, adequacy and effectiveness of implementation for the period from December 1, 2018 through December 31, 2019 (the "Review Period"), as required under the Liquidity Rule. The report noted that the Administrator concluded that (i) the Program operated effectively to assess and manage the Fund's liquidity risk, (ii) the Program has been adequately and effectively implemented to monitor and, as applicable, respond to the Fund's liquidity developments and (iii) the Fund's investment strategy continues to be appropriate for an open-end fund.

In accordance with the Program, the Fund's liquidity risk is assessed no less frequently than annually taking into consideration certain factors, as applicable, such as (i) investment strategy and liquidity of portfolio investments, (ii) short-term and long-term cash flow projections and (iii) holdings of cash and cash equivalents and borrowing arrangements and other funding sources. Certain factors are considered under both normal and reasonably foreseeable stressed conditions.

Each Fund portfolio investment is classified into one of four liquidity categories. The classification is based on a determination of the number of days it is reasonably expected to take to convert the investment into cash, or sell or dispose of the investment, in current market conditions without significantly changing the market value of the investment. The Administrator has delegated liquidity classification determinations to the Fund's sub-advisor, subject to appropriate oversight by the Administrator, and classification determinations are made by taking into account the Fund's reasonably anticipated trade size, various market, trading and investment-specific considerations, as well as market depth, and, in certain cases, third-party vendor data.

The Liquidity Rule requires funds that do not primarily hold assets that are highly liquid investments to adopt a minimum amount of net assets that must be invested in highly liquid investments that are assets (an "HLIM"). In addition, the Liquidity Rule limits a fund's investments in illiquid investments. Specifically, the Liquidity Rule prohibits acquisition of illiquid investments if doing so would result in a fund holding more than 15% of its net assets in illiquid investments that are assets. The Program includes provisions reasonably designed to determine, periodically review and comply with the HLIM requirement, as applicable, and to comply with the 15% limit on illiquid investments.

## 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 [nylinvestments.com/funds](http://nylinvestments.com/funds) or visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

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

## Shareholder Reports and Quarterly Portfolio Disclosure

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

# MainStay Funds

## Equity

### U.S. Equity

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

### International Equity

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

### Emerging Markets Equity

MainStay Candriam Emerging Markets Equity Fund

### Global Equity

MainStay Epoch Capital Growth Fund  
MainStay Epoch Global Equity Yield Fund

## Fixed Income

### Taxable Income

MainStay Candriam Emerging Markets Debt Fund<sup>2</sup>  
MainStay Floating Rate Fund  
MainStay MacKay High Yield Corporate Bond Fund  
MainStay MacKay Infrastructure Bond Fund<sup>3</sup>  
MainStay MacKay Short Duration High Yield Fund

MainStay MacKay Total Return Bond Fund  
MainStay MacKay Unconstrained Bond Fund  
MainStay Short Term Bond Fund<sup>4</sup>

### Tax-Exempt Income

MainStay MacKay California Tax Free Opportunities Fund<sup>5</sup>  
MainStay MacKay High Yield Municipal Bond Fund  
MainStay MacKay Intermediate Tax Free Bond Fund  
MainStay MacKay New York Tax Free Opportunities Fund<sup>6</sup>  
MainStay MacKay Short Term Municipal Fund  
MainStay MacKay Tax Free Bond Fund

### Money Market

MainStay Money Market Fund

## Mixed Asset

MainStay Balanced Fund  
MainStay Income Builder Fund  
MainStay MacKay Convertible Fund

## Speciality

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

## Asset Allocation

MainStay Conservative Allocation Fund  
MainStay Growth Allocation Fund<sup>7</sup>  
MainStay Moderate Allocation Fund  
MainStay Moderate Growth Allocation Fund<sup>8</sup>

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## Manager

### New York Life Investment Management LLC

New York, New York

## Subadvisors

### Candriam Belgium S.A.<sup>9</sup>

Brussels, Belgium

### Candriam Luxembourg S.C.A.<sup>9</sup>

Strassen, Luxembourg

### CBRE Clarion Securities LLC

Radnor, Pennsylvania

### Cushing Asset Management, LP

Dallas, Texas

### Epoch Investment Partners, Inc.

New York, New York

### MacKay Shields LLC<sup>9</sup>

New York, New York

### Markston International LLC

White Plains, New York

### NYL Investors LLC<sup>9</sup>

New York, New York

### Winslow Capital Management, LLC

Minneapolis, Minnesota

## Legal Counsel

### Dechert LLP

Washington, District of Columbia

## Independent Registered Public Accounting Firm

### KPMG LLP

Philadelphia, Pennsylvania

1. Formerly known as MainStay Large Cap Growth Fund.

2. Formerly known as MainStay MacKay Emerging Markets Debt Fund.

3. Effective August 31, 2020, MainStay MacKay Infrastructure Bond Fund will be renamed MainStay MacKay U.S. Infrastructure Bond Fund.

4. Formerly known as MainStay Indexed Bond Fund.

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

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

7. Effective July 31, 2020, MainStay Growth Allocation Fund will be renamed MainStay Equity Allocation Fund.

8. Effective July 31, 2020, MainStay Moderate Growth Allocation Fund will be named MainStay Growth Allocation Fund.

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

**For more information**

800-624-6782

[nylinvestments.com/funds](https://nylinvestments.com/funds)

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

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