

MainStay MacKay High Yield Corporate Bond Fund

Message from the President and Semiannual Report

Unaudited | April 30, 2020

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

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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.

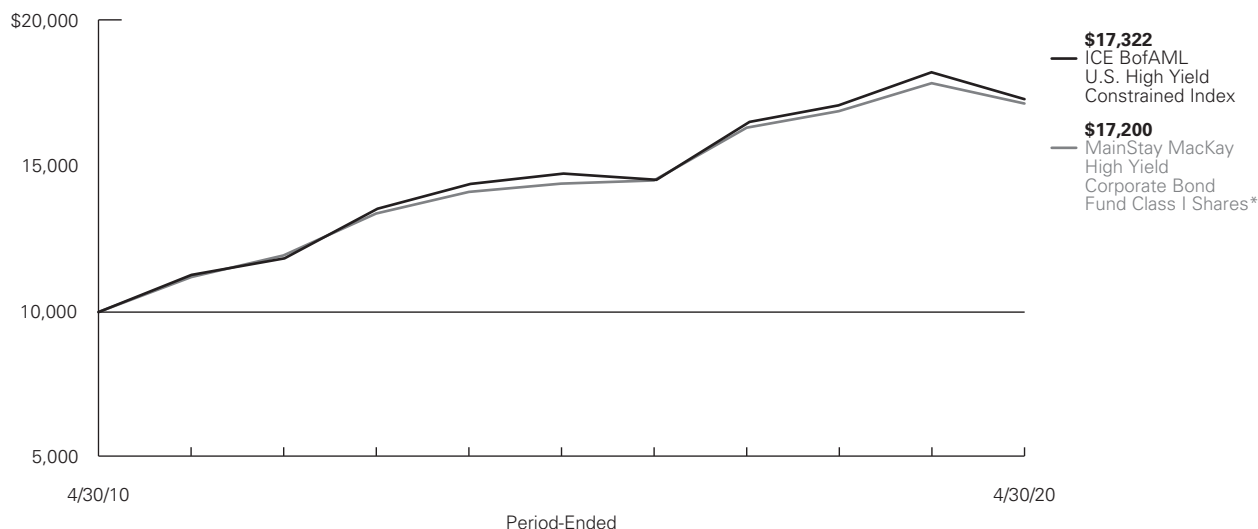
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Investors should refer to the Fund's Summary Prospectus and/or Prospectus and consider the Fund's investment objectives, strategies, risks, charges and expenses carefully before investing. The Summary Prospectus and/or Prospectus contain this and other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

Investment and Performance Comparison¹ (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 nyinvestments.com/funds.



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

Class	Sales Charge		Inception Date	Six Months	One Year	Five Years or Since Inception	Ten Years or Since Inception	Gross Expense Ratio ³
Class A Shares	Maximum 4.5% Initial Sales Charge	With sales charges	1/3/1995	-10.95%	-8.40%	2.34%	4.84%	0.99%
		Excluding sales charges		-6.75	-4.08	3.29	5.33	0.99
Investor Class Shares	Maximum 4.5% Initial Sales Charge	With sales charges	2/28/2008	-10.90	-8.54	2.30	4.79	1.05
		Excluding sales charges		-6.70	-4.23	3.25	5.27	1.05
Class B Shares ²	Maximum 5% CDSC if Redeemed Within the First Six Years of Purchase	With sales charges	5/1/1986	-11.55	-9.44	2.15	4.49	1.80
		Excluding sales charges		-7.01	-4.91	2.47	4.49	1.80
Class C Shares	Maximum 1% CDSC if Redeemed Within One Year of Purchase	With sales charges	9/1/1998	-8.08	-5.82	2.47	4.49	1.80
		Excluding sales charges		-7.18	-4.91	2.47	4.49	1.80
Class I Shares	No Sales Charge		1/2/2004	-6.62	-3.99	3.56	5.57	0.74
Class R1 Shares	No Sales Charge		6/29/2012	-6.68	-4.10	3.45	4.54	0.84
Class R2 Shares	No Sales Charge		5/1/2008	-6.79	-4.17	3.19	5.21	1.09
Class R3 Shares	No Sales Charge		2/29/2016	-6.75	-4.41	5.32	5.32	1.34
Class R6 Shares	No Sales Charge		6/17/2013	-6.57	-3.69	3.68	4.01	0.59

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

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

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

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

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

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

Benchmark Performance	Six Months	One Year	Five Years	Ten Years
ICE BofAML U.S. High Yield Constrained Index ⁴	-7.69%	-5.27%	3.20%	5.65%
Morningstar High Yield Bond Category Average ⁵	-7.78	-5.67	2.15	4.68

4. The ICE BofAML U.S. High Yield Constrained Index is the Fund's primary broad-based securities market index for comparison purposes. The ICE BofAML U.S. High Yield Constrained Index is a market value-weighted index of all domestic and Yankee high-yield bonds, including deferred interest bonds and payment-in-kind securities. Issuers included in the Index have maturities of one year or more and have a credit rating lower than BBB-/Baa3, but are not in default. No single issuer may constitute greater than 2% of the Index. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly in an index.

5. The Morningstar High Yield Bond Category Average is representative of funds that concentrate on lower-quality bonds, which are riskier than those of higher-quality companies. These portfolios primarily invest in U.S. high-income debt securities where at least 65% or more of bond assets are not rated or are rated by a major agency such as Standard & Poor's or Moody's at the level of BB and below. 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 High Yield Corporate Bond 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

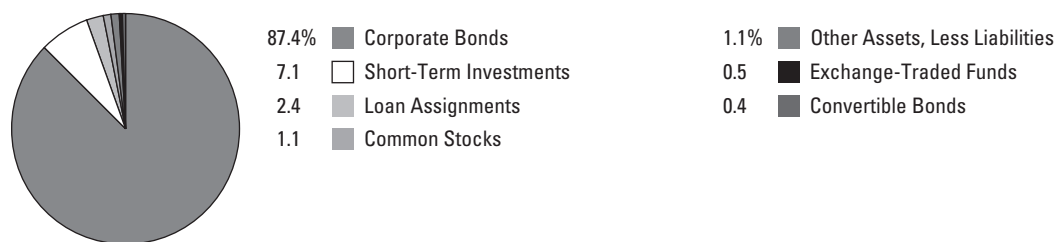
The fourth and fifth data columns in the table below provide information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values 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 ¹	Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 4/30/20	Expenses Paid During Period ¹	Net Expense Ratio During Period ²
Class A Shares	\$1,000.00	\$932.50	\$4.76	\$1,019.94	\$4.97	0.99%
Investor Class Shares	\$1,000.00	\$933.00	\$5.14	\$1,019.54	\$5.37	1.07%
Class B Shares	\$1,000.00	\$929.90	\$8.73	\$1,015.81	\$9.12	1.82%
Class C Shares	\$1,000.00	\$928.20	\$8.73	\$1,015.81	\$9.12	1.82%
Class I Shares	\$1,000.00	\$933.80	\$3.56	\$1,021.18	\$3.72	0.74%
Class R1 Shares	\$1,000.00	\$933.20	\$4.04	\$1,020.69	\$4.22	0.84%
Class R2 Shares	\$1,000.00	\$932.10	\$5.24	\$1,019.44	\$5.47	1.09%
Class R3 Shares	\$1,000.00	\$932.50	\$6.44	\$1,018.20	\$6.72	1.34%
Class R6 Shares	\$1,000.00	\$934.30	\$2.79	\$1,021.98	\$2.92	0.58%

- 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.

Portfolio Composition as of April 30, 2020 (Unaudited)



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

Top Ten Holdings or Issuers Held as of April 30, 2020 (excluding short-term investments) (Unaudited)

- | | |
|---|---|
| 1. T-Mobile USA, Inc., 4.00%–6.50%, due 4/15/22–4/15/50 | 6. Sprint Capital Corp., 6.875%, due 11/15/28 |
| 2. CCO Holdings LLC / CCO Holdings Capital Corp., 4.50%–5.875%, due 4/1/24–5/1/32 | 7. MSCI, Inc., 3.625%–5.75%, due 8/15/25–9/1/30 |
| 3. HCA, Inc., 3.50%–8.36%, due 5/1/23–11/6/33 | 8. Equinix, Inc., 5.375%–5.875%, due 1/15/26–5/15/27 |
| 4. TransDigm, Inc., 6.25%–8.00%, due 7/15/24–3/15/27 | 9. MGM Growth Properties Operating Partnership, L.P. / MGP Finance Co-Issuer, Inc., 5.625%–5.75%, due 5/1/24–2/1/27 |
| 5. Netflix, Inc., 3.625%–5.875%, due 2/15/22–6/15/30 | 10. Hilton Domestic Operating Co., Inc., 4.875%–5.75%, due 5/1/25–1/15/30 |
-

Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by portfolio manager Andrew Susser of MacKay Shields LLC, the Fund's Subadvisor.

How did MainStay MacKay High Yield Corporate Bond Fund perform relative to its benchmark 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 High Yield Corporate Bond Fund returned -6.62%, outperforming the -7.69% return of the Fund's primary benchmark, the ICE BofAML U.S. High Yield Constrained Index. Over the same period, Class I shares also outperformed the -7.78% return of the Morningstar High Yield Bond Category Average.¹

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

In the first quarter of 2020, the U.S. high-yield market experienced volatility not seen since the financial crisis of 2008 as the COVID-19 pandemic continued to spread fear, wreak havoc on the global economy and shake investor sentiment. The ICE BofAML U.S. High Yield Constrained Index declined nearly 18% in the first three weeks of March before rebounding almost 7% in the final week of March. The market then continued to gain ground in April.

The U.S. Federal Reserve ("Fed") played a significant role in the recovery of credit markets through unprecedented actions. Through the first three weeks of March, liquidity worsened as an intense sell-off in equities and stress in the investment-grade bond market pressured high-yield securities. A reversal in the market began on March 23, triggered by the Fed's announcement that it would begin buying investment-grade corporate bonds and exchange-traded funds ("ETFs"). The easing of stress in the investment-grade market carried over to the high-yield sector. On April 9, the Fed announced more wide-ranging measures, including extending loans to companies and a further expansion of its direct purchase program to include recent "fallen angels" (credits downgraded from investment grade to high yield), syndicated loans and high-yield ETFs.

During the reporting period, the Fund outperformed the benchmark largely due to favorable security selection in the energy sector, the weakest performing sector of the market. Security selection within transportation and leisure also enhanced relative returns, as did underweight exposure to relatively risky CCC-rated credits.² Conversely, underweight exposure to health care and security selection in the capital goods sector detracted from returns relative to the benchmark.

What was the Fund's duration³ strategy during the reporting period?

The Fund is not managed to a duration strategy. Instead, the Fund's bottom-up investment process drives its duration positioning. During the reporting period, the Fund's duration remained lower than that of the ICE BofAML U.S. High Yield Constrained Index.

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

As mentioned above, the strongest positive contribution to the Fund's performance relative to the benchmark came from favorable security selection in the lagging energy sector. (Contributions take weightings and total returns into account.) Security selection in the transportation and leisure sectors also contributed positively to relative performance, as did underweight exposure to credits rated CCC. Underweight exposure to the health care sector and security selection in the capital goods sector detracted from relative performance over the reporting period.

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

During the reporting period, the Fund focused on purchases of crossover investment-grade and fallen angel credits that traded at what we viewed as attractive spreads.⁴ For example, the Fund purchased bonds from packaged food & beverage company Kraft Heinz after the issuer was downgraded from investment grade. The Fund also purchased bonds issued by oil & gas exploration and production company Occidental Petroleum late in the reporting period after prices had fallen to levels we considered attractive. During the same period, the Fund trimmed positions in areas deeply affected by the pandemic, such as automotive (American Axle & Manufacturing) and aerospace/defense (Triumph Group).

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

There were no material changes to the Fund's sector weightings during the reporting period. Relatively minor changes included a decrease in exposure to telecommunications due to a large issuer's bond being called, as well as a decrease in retail

1. See page 5 for other share class returns, which may be higher or lower than Class I share returns. See page 6 for more information on benchmark and peer group returns.
2. An obligation rated 'CCC' by Standard & Poor's ("S&P") is deemed by S&P to be currently vulnerable to nonpayment and is dependent upon favorable business, financial and economic conditions for the obligor to meet its financial commitment on the obligation. It is the opinion of S&P that in the event of adverse business, financial or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation. When applied to Fund holdings, ratings are based solely on the creditworthiness of the bonds in the portfolio and are not meant to represent the security or safety of the Fund.
3. Duration is a measure of the price sensitivity of a fixed-income investment to changes in interest rates. Duration is expressed as a number of years and is considered a more accurate sensitivity gauge than average maturity.
4. The terms "spread" and "yield spread" may refer to the difference in yield between a security or type of security and comparable U.S. Treasury issues. The terms may also refer to the difference in yield between two specific securities or types of securities at a given time.

exposure. During the same period, the Fund marginally increased its exposure to the health care and technology sectors.

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

As of April 30, 2020, the Fund held overweight positions relative to the ICE BofAML U.S. High Yield Constrained Index in the

basic industry and leisure sectors. As of the same date, the Fund held underweight positions relative to its benchmark in the health care and services sectors. From a credit-rating perspective, as of the end of the reporting period the Fund held relatively underweight exposure to CCC-rated credits and overweight exposure to higher quality issuers.

The opinions expressed are those of the portfolio manager 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)

	Principal Amount	Value
Long-Term Bonds 90.2%†		
Convertible Bonds 0.4%		
Investment Companies 0.1%		
Ares Capital Corp.		
3.75%, due 2/1/22	\$ 6,000,000	\$ 5,769,000
4.625%, due 3/1/24	4,500,000	4,221,562
		<u>9,990,562</u>
Media 0.3%		
Dish Network Corp.		
2.375%, due 3/15/24	27,889,000	23,552,850
DISH Network Corp.		
3.375%, due 8/15/26	10,000,000	8,131,000
		<u>31,683,850</u>
Mining 0.0%‡		
Aleris International, Inc.		
6.00%, due 6/1/20 (a)(b)(c)(d)	11,797	11,779
Total Convertible Bonds (Cost \$42,332,925)		
		<u>41,686,191</u>
Corporate Bonds 87.4%		
Advertising 1.3%		
Lamar Media Corp.		
3.75%, due 2/15/28 (e)	21,000,000	19,333,125
4.00%, due 2/15/30 (e)	13,000,000	11,895,000
5.75%, due 2/1/26	46,042,000	46,829,318
Outfront Media Capital LLC / Outfront Media Capital Corp.		
4.625%, due 3/15/30 (e)	5,305,000	4,854,075
5.00%, due 8/15/27 (e)	26,000,000	24,827,400
5.625%, due 2/15/24	23,906,000	23,726,705
		<u>131,465,623</u>
Aerospace & Defense 2.0%		
F-Brasile S.p.A. / F-Brasile U.S. LLC		
7.375%, due 8/15/26 (e)	25,280,000	17,253,600
Howmet Aerospace, Inc.		
6.875%, due 5/1/25	8,300,000	8,464,048
Spirit AeroSystems, Inc.		
7.50%, due 4/15/25 (e)	17,000,000	16,745,000
SSL Robotics LLC		
9.75%, due 12/31/23 (e)	5,000,000	5,310,000
TransDigm UK Holdings PLC		
6.875%, due 5/15/26	18,100,000	15,475,500
TransDigm, Inc.		
6.25%, due 3/15/26 (e)	82,875,000	81,113,906
6.50%, due 7/15/24	31,441,000	29,043,624
6.50%, due 5/15/25	5,000,000	4,475,000
7.50%, due 3/15/27	11,350,000	10,331,905
8.00%, due 12/15/25 (e)	11,000,000	11,440,000
Triumph Group, Inc.		
7.75%, due 8/15/25	4,175,000	2,708,531
		<u>202,361,114</u>

	Principal Amount	Value
Apparel 0.2%		
Levi Strauss & Co.		
5.00%, due 5/1/25 (e)	\$ 20,000,000	\$ 20,183,000
Auto Manufacturers 1.6%		
Allison Transmission, Inc.		
5.00%, due 10/1/24 (e)	7,550,000	7,248,000
BCD Acquisition, Inc.		
9.625%, due 9/15/23 (e)	20,955,000	17,366,456
Ford Holdings LLC		
9.30%, due 3/1/30	18,195,000	16,693,913
Ford Motor Co.		
7.45%, due 7/16/31	11,800,000	9,853,000
9.00%, due 4/22/25	5,000,000	4,868,750
9.625%, due 4/22/30	7,000,000	6,973,890
9.98%, due 2/15/47	980,000	946,660
Ford Motor Credit Co. LLC		
5.584%, due 3/18/24	1,500,000	1,410,000
General Motors Financial Co., Inc.		
4.20%, due 3/1/21	5,800,000	5,760,505
4.35%, due 4/9/25	7,410,000	7,018,853
5.10%, due 1/17/24	1,900,000	1,870,340
5.25%, due 3/1/26	14,220,000	13,651,320
J.B. Poindexter & Company, Inc.		
7.125%, due 4/15/26 (e)	25,480,000	24,715,600
McLaren Finance PLC		
5.75%, due 8/1/22 (e)	26,535,000	18,555,925
Navistar International Corp. (e)		
6.625%, due 11/1/25	5,000,000	4,288,500
9.50%, due 5/1/25	5,000,000	5,250,000
Wabash National Corp.		
5.50%, due 10/1/25 (e)	20,824,000	17,075,680
		<u>163,547,392</u>
Auto Parts & Equipment 2.3%		
Adient Global Holdings, Ltd.		
4.875%, due 8/15/26 (e)	19,560,000	14,591,760
Adient U.S. LLC (e)		
7.00%, due 5/15/26	17,905,000	17,815,475
9.00%, due 4/15/25	6,000,000	6,255,000
Allison Transmission, Inc.		
4.75%, due 10/1/27 (e)	5,000,000	4,650,000
American Axle & Manufacturing, Inc.		
6.25%, due 4/1/25 (f)	2,676,000	2,037,774
Dana Financing Luxembourg S.A.R.L.		
5.75%, due 4/15/25 (e)	9,090,000	8,249,175
Exide International Holdings, L.P.		
10.75% (6.25% Cash and 4.50% PIK), due 10/31/21 (a)(b)(c)(e)(g)	33,665,746	29,120,870
Exide Technologies (a)(b)(c)(e)(g)		
11.00% (3.00% Cash and 8.00% PIK), due 10/31/24	84,194,575	37,887,559

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)

	Principal Amount	Value
Corporate Bonds (continued)		
Auto Parts & Equipment (continued)		
Exide Technologies (continued)		
11.00% (3.00% Cash and 8.00% PIK), due 10/31/24	\$ 34,978,592	\$ 1,923,823
IHO Verwaltungs GmbH (e)(g)		
4.75% (4.75% Cash or 5.50% PIK), due 9/15/26	33,725,000	28,666,250
6.00% (6.00% Cash or 6.75% PIK), due 5/15/27	28,184,000	24,238,240
6.375% (6.375% Cash or 7.125% PIK), due 5/15/29	29,620,000	25,769,400
Meritor, Inc.		
6.25%, due 2/15/24	5,000,000	4,852,000
Nexteer Automotive Group, Ltd.		
5.875%, due 11/15/21 (e)	24,020,000	24,022,934
Tenneco, Inc.		
5.00%, due 7/15/26	7,453,000	3,334,472
5.375%, due 12/15/24	8,800,000	3,831,520
		<u>237,246,252</u>
Banks 0.1%		
Freedom Mortgage Corp.		
8.125%, due 11/15/24 (e)	8,000,000	6,640,000
Building Materials 1.2%		
Griffon Corp.		
5.75%, due 3/1/28	2,500,000	2,381,250
James Hardie International Finance DAC (e)		
4.75%, due 1/15/25	13,000,000	12,680,200
5.00%, due 1/15/28	31,840,000	30,168,400
Patrick Industries, Inc.		
7.50%, due 10/15/27 (e)	17,820,000	16,750,800
Summit Materials LLC / Summit Materials Finance Corp.		
5.125%, due 6/1/25 (e)	5,730,000	5,543,775
6.125%, due 7/15/23	38,660,000	38,696,727
6.50%, due 3/15/27 (e)	19,500,000	19,305,000
		<u>125,526,152</u>
Chemicals 2.2%		
Blue Cube Spinco LLC		
9.75%, due 10/15/23	29,031,000	30,264,817
10.00%, due 10/15/25	23,400,000	24,796,980
Innophos Holdings, Inc.		
9.375%, due 2/15/28 (e)	15,250,000	14,640,000
Neon Holdings, Inc.		
10.125%, due 4/1/26 (e)	18,442,000	16,597,800
NOVA Chemicals Corp.		
4.875%, due 6/1/24 (e)	8,810,000	7,906,975
Olin Corp.		
5.50%, due 8/15/22	18,319,000	18,639,583

	Principal Amount	Value
Chemicals (continued)		
Olin Corp. (continued)		
5.625%, due 8/1/29	\$ 25,990,000	\$ 23,488,463
PolyOne Corp.		
5.25%, due 3/15/23	26,406,000	27,462,240
5.75%, due 5/15/25 (e)	8,150,000	8,251,875
TPC Group, Inc.		
10.50%, due 8/1/24 (e)	55,497,000	45,368,797
		<u>217,417,530</u>
Coal 0.1%		
Natural Resource Partners LP / NRP Finance Corp.		
9.125%, due 6/30/25 (e)	10,000,000	8,400,000
Commercial Services 4.2%		
Allied Universal Holdco LLC / Allied Universal Finance Corp.		
9.75%, due 7/15/27 (e)	13,705,000	13,842,050
AMN Healthcare, Inc.		
4.625%, due 10/1/27 (e)	10,112,000	9,808,640
Ashtead Capital, Inc. (e)		
4.00%, due 5/1/28	9,000,000	8,595,000
4.25%, due 11/1/29	11,500,000	11,014,335
4.375%, due 8/15/27	13,500,000	13,157,505
5.25%, due 8/1/26	17,120,000	17,162,800
Cimpress PLC		
7.00%, due 6/15/26 (e)	30,585,000	22,207,768
Gartner, Inc.		
5.125%, due 4/1/25 (e)	49,417,000	50,961,281
Graham Holdings Co.		
5.75%, due 6/1/26 (e)	36,145,000	36,506,450
Harsco Corp.		
5.75%, due 7/31/27 (e)	17,630,000	16,619,801
IHS Markit, Ltd. (e)		
4.75%, due 2/15/25	3,000,000	3,247,170
5.00%, due 11/1/22	42,545,000	45,580,619
Jaguar Holding Co. II / Pharmaceutical Product Development LLC		
6.375%, due 8/1/23 (e)	14,976,000	15,163,200
Korn Ferry		
4.625%, due 12/15/27 (e)	14,675,000	13,787,163
Nielsen Co. Luxembourg S.A.R.L. (e)		
5.00%, due 2/1/25	21,887,000	21,120,955
5.50%, due 10/1/21	4,850,000	4,795,438
Nielsen Finance LLC / Nielsen Finance Co.		
5.00%, due 4/15/22 (e)	42,890,000	42,251,368
Ritchie Bros. Auctioneers, Inc.		
5.375%, due 1/15/25 (e)	21,925,000	22,144,250
United Rentals North America, Inc.		
3.875%, due 11/15/27	14,735,000	14,403,462

	Principal Amount	Value
Corporate Bonds (continued)		
Commercial Services (continued)		
United Rentals North America, Inc. (continued)		
4.00%, due 7/15/30	\$ 8,000,000	\$ 7,560,000
4.875%, due 1/15/28	8,300,000	8,318,260
5.25%, due 1/15/30	8,050,000	8,070,125
5.50%, due 7/15/25	5,000,000	5,062,500
6.50%, due 12/15/26	12,270,000	12,699,450
		<u>424,079,590</u>
Computers 0.1%		
NCR Corp.		
8.125%, due 4/15/25 (e)	6,500,000	6,890,000
Cosmetics & Personal Care 0.5%		
Edgewell Personal Care Co.		
4.70%, due 5/19/21	20,000,000	20,107,000
4.70%, due 5/24/22	27,458,000	27,859,985
		<u>47,966,985</u>
Distribution & Wholesale 0.2%		
Performance Food Group, Inc. (e)		
5.50%, due 10/15/27	9,375,000	8,906,438
6.875%, due 5/1/25	8,100,000	8,241,750
		<u>17,148,188</u>
Diversified Financial Services 1.2%		
Allied Universal Holdco LLC / Allied Universal Finance Corp.		
6.625%, due 7/15/26 (e)	5,000,000	5,140,500
Credit Acceptance Corp.		
5.125%, due 12/31/24 (e)	10,725,000	9,411,187
6.625%, due 3/15/26	27,725,000	24,952,500
Jefferies Finance LLC / JFIN Co-Issuer Corp. (e)		
6.25%, due 6/3/26	11,500,000	10,378,750
7.25%, due 8/15/24	12,850,000	11,243,750
LPL Holdings, Inc. (e)		
4.625%, due 11/15/27	10,000,000	9,550,000
5.75%, due 9/15/25	30,430,000	29,973,550
Oxford Finance LLC / Oxford Finance Co-Issuer II, Inc.		
6.375%, due 12/15/22 (e)	16,500,000	15,943,455
		<u>116,593,692</u>
Electric 0.5%		
Keystone Power Pass-Through Holders LLC / Conemaugh Power Pass- Through Holders		
13.00% (7.625% Cash or 8.375% PIK), due 6/1/24 (b)(e)(g)	9,836,966	9,836,966
NextEra Energy Operating Partners, L.P.		
3.875%, due 10/15/26 (e)	12,740,000	12,592,216

	Principal Amount	Value
Electric (continued)		
NRG Energy, Inc.		
5.75%, due 1/15/28	\$ 6,000,000	\$ 6,450,000
6.625%, due 1/15/27	7,000,000	7,472,500
Vistra Operations Co. LLC		
5.00%, due 7/31/27 (e)	16,000,000	16,318,400
		<u>52,670,082</u>
Electrical Components & Equipment 0.5%		
Energizer Holdings, Inc. (e)		
5.50%, due 6/15/25	4,515,000	4,567,374
6.375%, due 7/15/26	15,300,000	15,910,470
7.75%, due 1/15/27	16,055,000	17,042,383
WESCO Distribution, Inc.		
5.375%, due 12/15/21	11,549,000	11,375,765
		<u>48,895,992</u>
Electrical Equipment 0.0%†		
Resideo Funding, Inc.		
6.125%, due 11/1/26 (e)	5,130,000	4,488,750
Electronics 0.2%		
Itron, Inc.		
5.00%, due 1/15/26 (e)	18,066,000	18,156,330
Energy—Alternate Sources 0.1%		
Terraform Power Operating LLC		
4.75%, due 1/15/30 (e)	5,000,000	5,125,000
Engineering & Construction 0.5%		
Great Lakes Dredge & Dock Corp.		
8.00%, due 5/15/22	11,874,000	12,112,786
Weekley Homes LLC / Weekley Finance Corp.		
6.00%, due 2/1/23	26,379,000	25,323,840
6.625%, due 8/15/25	13,399,000	12,064,460
		<u>49,501,086</u>
Entertainment 1.8%		
Allen Media LLC / Allen Media Co-Issuer, Inc.		
10.50%, due 2/15/28 (e)	22,750,000	16,891,875
Boyne USA, Inc.		
7.25%, due 5/1/25 (e)	11,000,000	11,000,000
Churchill Downs, Inc. (e)		
4.75%, due 1/15/28	15,830,000	14,737,730
5.50%, due 4/1/27	32,727,000	31,489,265
Eldorado Resorts, Inc.		
6.00%, due 4/1/25	6,765,000	6,494,400
International Game Technology PLC		
6.25%, due 1/15/27 (e)	22,700,000	22,068,713
Jacobs Entertainment, Inc.		
7.875%, due 2/1/24 (e)	10,359,000	7,846,942

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)

	Principal Amount	Value
Corporate Bonds (continued)		
Entertainment (continued)		
Live Nation Entertainment, Inc.		
4.75%, due 10/15/27 (e)	\$ 7,625,000	\$ 6,443,125
Merlin Entertainments PLC		
5.75%, due 6/15/26 (e)	32,900,000	31,090,500
Motion Bondco DAC		
6.625%, due 11/15/27 (e)	9,575,000	7,564,250
Twin River Worldwide Holdings, Inc.		
6.75%, due 6/1/27 (e)	27,465,000	21,834,675
Vail Resorts, Inc.		
6.25%, due 5/15/25 (e)	8,200,000	8,456,250
		<u>185,917,725</u>
Food 1.6%		
B&G Foods, Inc.		
5.25%, due 4/1/25	24,375,000	24,679,688
Ingles Markets, Inc.		
5.75%, due 6/15/23	3,206,000	3,206,000
Kraft Heinz Foods Co.		
3.95%, due 7/15/25	67,000	70,141
6.50%, due 2/9/40	18,014,000	21,033,222
6.875%, due 1/26/39	32,150,000	38,508,061
7.125%, due 8/1/39 (e)	11,000,000	13,216,291
Land O'Lakes Capital Trust I		
7.45%, due 3/15/28 (e)	16,324,000	16,813,720
Land O'Lakes, Inc.		
6.00%, due 11/15/22 (e)	23,000,000	23,631,580
Nathan's Famous, Inc.		
6.625%, due 11/1/25 (e)	4,000,000	3,860,000
Simmons Foods, Inc.		
7.75%, due 1/15/24 (e)	7,000,000	7,280,000
TreeHouse Foods, Inc.		
6.00%, due 2/15/24 (e)	14,115,000	14,397,300
		<u>166,696,003</u>
Food Services 0.2%		
Aramark Services, Inc.		
6.375%, due 5/1/25 (e)	21,440,000	22,297,600
Forest Products & Paper 1.2%		
Mercer International, Inc.		
5.50%, due 1/15/26	4,000,000	3,550,000
6.50%, due 2/1/24	18,808,000	17,538,460
7.375%, due 1/15/25	21,000,000	20,115,900
Schweitzer-Mauduit International, Inc.		
6.875%, due 10/1/26 (e)	15,605,000	15,452,071
Smurfit Kappa Treasury Funding DAC		
7.50%, due 11/20/25	52,580,000	62,044,400
		<u>118,700,831</u>

	Principal Amount	Value
Gas 0.8%		
AmeriGas Partners, L.P. / AmeriGas Finance Corp.		
5.625%, due 5/20/24	\$ 26,531,000	\$ 27,061,620
5.75%, due 5/20/27	18,505,000	18,828,837
5.875%, due 8/20/26	25,075,000	25,531,365
Rockpoint Gas Storage Canada, Ltd.		
7.00%, due 3/31/23 (e)	17,000,000	13,090,000
		<u>84,511,822</u>
Hand & Machine Tools 0.4%		
Colfax Corp. (e)		
6.00%, due 2/15/24	12,645,000	12,834,675
6.375%, due 2/15/26	20,090,000	20,716,808
Werner FinCo, L.P. / Werner FinCo, Inc.		
8.75%, due 7/15/25 (e)	14,030,000	12,206,100
		<u>45,757,583</u>
Health Care—Products 0.6%		
Avanos Medical, Inc.		
6.25%, due 10/15/22	22,681,000	22,652,649
Hologic, Inc. (e)		
4.375%, due 10/15/25	16,373,000	16,448,316
4.625%, due 2/1/28	5,630,000	5,714,450
Ortho-Clinical Diagnostics, Inc. / Ortho- Clinical Diagnostics S.A.		
7.25%, due 2/1/28 (e)	13,155,000	11,975,917
Teleflex, Inc.		
4.875%, due 6/1/26	6,250,000	6,343,750
		<u>63,135,082</u>
Health Care—Services 4.8%		
Acadia Healthcare Co., Inc.		
5.625%, due 2/15/23	12,490,000	11,959,175
6.50%, due 3/1/24	11,195,000	10,747,200
AHP Health Partners, Inc.		
9.75%, due 7/15/26 (e)	21,000,000	20,790,000
Catalent Pharma Solutions, Inc. (e)		
4.875%, due 1/15/26	10,264,000	10,520,600
5.00%, due 7/15/27	5,000,000	5,100,000
Centene Corp. (e)		
4.25%, due 12/15/27	6,200,000	6,486,750
4.625%, due 12/15/29	24,790,000	27,145,050
4.75%, due 1/15/25	16,000,000	16,495,200
5.25%, due 4/1/25	15,310,000	15,960,675
5.375%, due 6/1/26	3,045,000	3,224,046
5.375%, due 8/15/26	4,255,000	4,532,001
Charles River Laboratories International, Inc.		
5.50%, due 4/1/26 (e)	5,235,000	5,456,964
Encompass Health Corp.		
4.50%, due 2/1/28	11,185,000	11,185,000
4.75%, due 2/1/30	13,290,000	13,291,728
5.75%, due 11/1/24	15,958,000	16,037,790

	Principal Amount	Value
Corporate Bonds (continued)		
Health Care—Services (continued)		
HCA, Inc.		
3.50%, due 9/1/30	\$ 20,920,000	\$ 19,996,449
5.25%, due 4/15/25	15,000,000	16,742,596
5.25%, due 6/15/26	5,000,000	5,574,816
5.375%, due 2/1/25	26,525,000	28,518,088
5.375%, due 9/1/26	4,170,000	4,514,025
5.625%, due 9/1/28	11,000,000	12,188,880
5.875%, due 5/1/23	7,240,000	7,764,900
5.875%, due 2/15/26	25,000,000	27,945,000
5.875%, due 2/1/29	4,565,000	5,230,577
7.50%, due 12/15/23	1,500,000	1,657,500
7.50%, due 11/6/33	18,975,000	21,584,063
7.58%, due 9/15/25	8,520,000	9,712,800
7.69%, due 6/15/25	31,650,000	36,081,000
8.36%, due 4/15/24	4,524,000	5,225,220
IQVIA, Inc. (e)		
5.00%, due 10/15/26	30,113,000	31,016,390
5.00%, due 5/15/27	5,000,000	5,135,950
LifePoint Health, Inc.		
6.75%, due 4/15/25 (e)	9,190,000	9,469,376
Molina Healthcare, Inc.		
5.375%, due 11/15/22	8,180,000	8,456,075
RegionalCare Hospital Partners Holdings, Inc. / LifePoint Health, Inc.		
9.75%, due 12/1/26 (e)	35,490,000	37,974,300
Select Medical Corp.		
6.25%, due 8/15/26 (e)	9,950,000	9,582,845
		<u>483,303,029</u>
Holding Company—Diversified 0.3%		
Stena International S.A.		
6.125%, due 2/1/25 (e)	33,910,000	29,671,250
Home Builders 2.1%		
Adams Homes, Inc.		
7.50%, due 2/15/25 (e)	13,800,000	12,558,000
Ashton Woods USA LLC / Ashton Woods Finance Co. (e)		
6.625%, due 1/15/28	6,000,000	4,890,000
6.75%, due 8/1/25	5,496,000	4,644,120
9.875%, due 4/1/27	10,540,000	10,118,400
Brookfield Residential Properties, Inc. / Brookfield Residential U.S. Corp. (e)		
4.875%, due 2/15/30	5,000,000	4,106,000
6.25%, due 9/15/27	16,740,000	15,317,100
6.375%, due 5/15/25	6,665,000	6,631,675
Century Communities, Inc.		
5.875%, due 7/15/25	4,630,000	4,282,750
6.75%, due 6/1/27	23,305,000	20,042,300

	Principal Amount	Value
Home Builders (continued)		
Installed Building Products, Inc.		
5.75%, due 2/1/28 (e)	\$ 17,080,000	\$ 16,396,800
MI Homes, Inc.		
4.95%, due 2/1/28 (e)	7,500,000	6,562,500
5.625%, due 8/1/25	6,000,000	5,524,200
Meritage Homes Corp.		
5.125%, due 6/6/27	6,015,000	5,744,325
New Home Co., Inc.		
7.25%, due 4/1/22	20,030,000	17,426,100
Pultegroup, Inc.		
6.375%, due 5/15/33	8,125,000	8,613,719
Shea Homes, L.P. / Shea Homes Funding Corp. (e)		
4.75%, due 2/15/28	22,525,000	19,455,968
6.125%, due 4/1/25	24,884,000	23,515,380
Taylor Morrison Communities, Inc. (e)		
5.75%, due 1/15/28	6,620,000	5,991,100
5.875%, due 6/15/27	3,420,000	3,146,400
Williams Scotsman International, Inc.		
6.875%, due 8/15/23 (e)	12,300,000	12,269,250
		<u>207,236,087</u>
Household Products & Wares 0.8%		
Prestige Brands, Inc. (e)		
5.125%, due 1/15/28	22,170,000	22,424,955
6.375%, due 3/1/24	44,988,000	46,225,170
Spectrum Brands, Inc.		
5.75%, due 7/15/25	11,687,000	11,657,782
6.125%, due 12/15/24	5,000,000	4,950,000
		<u>85,257,907</u>
Insurance 1.1%		
American Equity Investment Life Holding Co.		
5.00%, due 6/15/27	26,515,000	25,648,746
Fairfax Financial Holdings, Ltd.		
8.30%, due 4/15/26	5,435,000	6,482,531
Fidelity & Guaranty Life Holdings, Inc.		
5.50%, due 5/1/25 (e)	15,725,000	16,609,531
MGIC Investment Corp.		
5.75%, due 8/15/23	28,580,000	28,008,400
Radian Group, Inc.		
4.875%, due 3/15/27	5,000,000	4,385,250
USI, Inc.		
6.875%, due 5/1/25 (e)	25,170,000	25,232,925
		<u>106,367,383</u>
Internet 2.7%		
Cogent Communications Group, Inc. (e)		
5.375%, due 3/1/22	7,970,000	8,076,798
5.625%, due 4/15/21	35,015,000	34,839,925

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)

	Principal Amount	Value
Corporate Bonds (continued)		
Internet (continued)		
Experia Group, Inc. (e)		
6.25%, due 5/1/25	\$ 8,600,000	\$ 8,770,292
7.00%, due 5/1/25	10,415,000	10,596,680
GrubHub Holdings, Inc.		
5.50%, due 7/1/27 (e)	11,965,000	11,187,275
Netflix, Inc.		
3.625%, due 6/15/25 (e)	10,000,000	10,125,000
4.875%, due 4/15/28	2,000,000	2,126,860
4.875%, due 6/15/30 (e)	10,000,000	10,609,000
5.375%, due 11/15/29 (e)	9,205,000	10,109,852
5.50%, due 2/15/22	22,265,000	23,155,600
5.75%, due 3/1/24	24,961,000	27,142,591
5.875%, due 2/15/25	7,411,000	8,173,147
5.875%, due 11/15/28	32,450,000	36,696,082
Uber Technologies, Inc.		
7.50%, due 9/15/27 (e)	16,460,000	16,790,846
VeriSign, Inc.		
4.625%, due 5/1/23	6,615,000	6,657,998
4.75%, due 7/15/27	12,480,000	13,293,821
5.25%, due 4/1/25	26,661,000	29,236,453
		<u>267,588,220</u>
Investment Companies 1.2%		
Ares Capital Corp.		
4.20%, due 6/10/24	5,000,000	4,774,295
Compass Group Diversified Holdings LLC		
8.00%, due 5/1/26 (e)	15,650,000	16,354,250
FS Energy & Power Fund		
7.50%, due 8/15/23 (e)	65,557,000	42,448,157
Icahn Enterprises L.P. / Icahn Enterprises Finance Corp.		
4.75%, due 9/15/24	9,790,000	9,207,691
Icahn Enterprises, L.P. / Icahn Enterprises Finance Corp.		
5.25%, due 5/15/27	22,370,000	21,251,724
6.25%, due 5/15/26	29,425,000	28,913,593
		<u>122,949,710</u>
Iron & Steel 1.2%		
Allegheny Ludlum LLC		
6.95%, due 12/15/25	22,688,000	20,419,200
Allegheny Technologies, Inc.		
5.875%, due 12/1/27	7,000,000	5,775,000
7.875%, due 8/15/23	4,610,000	4,226,863
Big River Steel LLC / BRS Finance Corp.		
7.25%, due 9/1/25 (e)	65,109,000	61,039,688
Mineral Resources, Ltd.		
8.125%, due 5/1/27 (e)	31,195,000	32,091,856
		<u>123,552,607</u>

	Principal Amount	Value
Leisure Time 1.0%		
Carlson Travel, Inc. (e)		
6.75%, due 12/15/23 (f)	\$ 67,516,000	\$ 44,002,203
9.50%, due 12/15/24	47,475,000	19,939,500
Carnival Corp.		
11.50%, due 4/1/23 (e)	12,600,000	13,165,025
Sabre GLBL, Inc.		
9.25%, due 4/15/25 (e)	5,300,000	5,589,380
Vista Outdoor, Inc.		
5.875%, due 10/1/23	16,327,000	15,469,832
		<u>98,165,940</u>
Lodging 2.4%		
Boyd Gaming Corp.		
4.75%, due 12/1/27 (e)	17,920,000	15,438,080
6.00%, due 8/15/26	29,915,000	27,073,075
6.375%, due 4/1/26	8,300,000	7,475,810
Choice Hotels International, Inc.		
5.75%, due 7/1/22	25,470,000	25,353,093
Hilton Domestic Operating Co., Inc.		
4.875%, due 1/15/30	23,325,000	22,275,375
5.125%, due 5/1/26	40,515,000	40,000,460
5.375%, due 5/1/25 (e)	5,000,000	4,968,750
5.75%, due 5/1/28 (e)	12,500,000	12,595,000
Hyatt Hotels Corp.		
5.375%, due 4/23/25	5,000,000	5,086,200
5.75%, due 4/23/30	8,800,000	9,090,708
Marriott International, Inc.		
2.125%, due 10/3/22	10,550,000	9,950,961
3.75%, due 3/15/25	5,000,000	4,751,795
4.15%, due 12/1/23	5,000,000	4,912,928
5.75%, due 5/1/25	24,575,000	25,682,482
Marriott Ownership Resorts, Inc. / ILG LLC		
6.50%, due 9/15/26	12,406,000	11,754,685
MGM Resorts International		
5.50%, due 4/15/27	15,376,000	14,126,700
5.75%, due 6/15/25	4,996,000	4,796,210
		<u>245,332,312</u>
Machinery—Diversified 0.4%		
Briggs & Stratton Corp.		
6.875%, due 12/15/20	9,000,000	4,590,000
Stevens Holding Co., Inc.		
6.125%, due 10/1/26 (e)	14,965,000	14,997,923
Tennant Co.		
5.625%, due 5/1/25	21,840,000	21,867,300
		<u>41,455,223</u>
Media 6.3%		
Altice Financing S.A.		
7.50%, due 5/15/26 (e)	9,690,000	10,101,825
Block Communications, Inc.		
4.875%, due 3/1/28 (e)	13,000,000	12,935,000

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	Principal Amount	Value
Corporate Bonds (continued)		
Media (continued)		
CCO Holdings LLC / CCO Holdings Capital Corp. (e)		
4.50%, due 8/15/30	\$ 47,430,000	\$ 48,037,104
4.50%, due 5/1/32	23,000,000	22,849,062
4.75%, due 3/1/30	28,935,000	29,432,682
5.00%, due 2/1/28	21,000,000	21,560,438
5.125%, due 5/1/27	41,225,000	42,805,979
5.375%, due 5/1/25	3,025,000	3,101,948
5.375%, due 6/1/29	9,495,000	10,017,320
5.50%, due 5/1/26	825,000	858,091
5.75%, due 2/15/26	31,845,000	33,198,412
5.875%, due 4/1/24	25,215,000	25,908,412
5.875%, due 5/1/27	5,920,000	6,165,310
CSC Holdings LLC (e)		
5.375%, due 7/15/23	9,500,000	9,606,875
5.75%, due 1/15/30	31,435,000	32,682,577
6.50%, due 2/1/29	11,075,000	12,098,330
Diamond Sports Group LLC / Diamond Sports Finance Co. (e)		
5.375%, due 8/15/26	5,490,000	4,172,400
6.625%, due 8/15/27	6,600,000	3,613,500
DISH DBS Corp.		
5.875%, due 7/15/22	24,537,000	24,600,796
6.75%, due 6/1/21	13,200,000	13,147,200
7.75%, due 7/1/26	36,775,000	36,223,375
LCPR Senior Secured Financing DAC		
6.75%, due 10/15/27 (e)	52,230,000	54,298,308
Meredith Corp.		
6.875%, due 2/1/26	55,920,000	47,923,440
Quebecor Media, Inc.		
5.75%, due 1/15/23	31,005,000	32,677,100
Sirius XM Radio, Inc. (e)		
4.625%, due 7/15/24	5,000,000	5,098,000
5.00%, due 8/1/27	15,700,000	16,087,631
5.375%, due 7/15/26	6,000,000	6,225,000
5.50%, due 7/1/29	11,590,000	12,222,814
Sterling Entertainment Enterprises LLC		
10.25%, due 1/15/25 (a)(b)(c)(d)	20,000,000	18,266,000
TEGNA, Inc.		
4.625%, due 3/15/28 (e)	5,000,000	4,481,250
Videotron, Ltd.		
5.00%, due 7/15/22	15,949,000	16,387,598
5.375%, due 6/15/24 (e)	17,850,000	18,921,357
		<u>635,705,134</u>
Metal Fabricate & Hardware 1.6%		
Advanced Drainage Systems, Inc.		
5.00%, due 9/30/27 (e)	8,615,000	8,464,237
Grinding Media, Inc. / Moly-Cop AltaSteel, Ltd.		
7.375%, due 12/15/23 (e)	67,820,000	66,931,558

	Principal Amount	Value
Metal Fabricate & Hardware (continued)		
Novelis Corp.		
5.875%, due 9/30/26 (e)	\$ 63,380,000	\$ 61,624,374
Optimas OE Solutions Holding LLC / Optimas OE Solutions, Inc.		
8.625%, due 6/1/21 (e)	16,445,000	9,620,325
Park-Ohio Industries, Inc.		
6.625%, due 4/15/27	16,990,000	12,997,350
		<u>159,637,844</u>
Mining 1.5%		
Alcoa Nederland Holding B.V. (e)		
6.75%, due 9/30/24	7,910,000	7,829,318
7.00%, due 9/30/26	20,510,000	20,304,900
Arconic Corp. (e)		
6.00%, due 5/15/25	14,435,000	14,597,394
6.125%, due 2/15/28	18,600,000	17,437,500
Compass Minerals International, Inc. (e)		
4.875%, due 7/15/24	7,000,000	6,868,750
6.75%, due 12/1/27	25,500,000	25,245,000
Constellium S.E.		
5.875%, due 2/15/26 (e)	13,000,000	11,992,500
First Quantum Minerals, Ltd. (e)		
7.25%, due 4/1/23	25,027,000	22,714,505
7.50%, due 4/1/25	4,000,000	3,488,400
Hecla Mining Co.		
7.25%, due 2/15/28	4,350,000	4,252,125
Kaiser Aluminum Corp.		
6.50%, due 5/1/25 (e)	6,500,000	6,581,250
Novelis Corp.		
4.75%, due 1/30/30 (e)	16,745,000	14,703,784
		<u>156,015,426</u>
Miscellaneous—Manufacturing 0.8%		
Amsted Industries, Inc. (e)		
4.625%, due 5/15/30	6,000,000	5,520,000
5.625%, due 7/1/27	23,395,000	23,420,734
EnPro Industries, Inc.		
5.75%, due 10/15/26	13,849,000	13,502,775
Foxtrot Escrow Issuer LLC / Foxtrot Escrow Corp.		
12.25%, due 11/15/26 (e)	19,885,000	16,405,125
Koppers, Inc.		
6.00%, due 2/15/25 (e)	26,535,000	21,559,688
		<u>80,408,322</u>
Oil & Gas 6.2%		
Ascent Resources Utica Holdings LLC / ARU Finance Corp. (e)		
7.00%, due 11/1/26	11,790,000	6,602,400
10.00%, due 4/1/22	13,335,000	10,934,700
California Resources Corp.		
8.00%, due 12/15/22 (e)	67,570,000	2,364,950

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

	Principal Amount	Value
Corporate Bonds (continued)		
Oil & Gas (continued)		
Callon Petroleum Co.		
6.125%, due 10/1/24	\$ 23,000,000	\$ 4,427,500
Comstock Resources, Inc.		
9.75%, due 8/15/26	64,495,000	55,788,820
Continental Resources, Inc.		
4.50%, due 4/15/23	27,725,000	24,519,297
5.00%, due 9/15/22	6,750,000	6,345,000
CVR Energy, Inc. (e)		
5.25%, due 2/15/25	7,000,000	5,740,000
5.75%, due 2/15/28	3,500,000	2,959,285
Energy Ventures Gom LLC / EnVen Finance Corp.		
11.00%, due 2/15/23 (e)	16,000,000	9,040,000
EQT Corp.		
6.125%, due 2/1/25	16,099,000	15,334,297
Gulfport Energy Corp.		
6.00%, due 10/15/24	50,754,000	25,250,115
6.375%, due 5/15/25	24,354,000	11,451,251
6.375%, due 1/15/26	11,915,000	5,421,325
6.625%, due 5/1/23	7,192,000	3,883,680
Hess Corp.		
6.00%, due 1/15/40	5,000,000	4,440,937
Indigo Natural Resources LLC		
6.875%, due 2/15/26 (e)	18,620,000	17,316,600
Marathon Oil Corp.		
4.40%, due 7/15/27	21,000,000	16,289,339
6.60%, due 10/1/37	3,100,000	2,444,582
6.80%, due 3/15/32	8,000,000	6,645,557
Matador Resources Co.		
5.875%, due 9/15/26	13,330,000	6,665,000
Moss Creek Resources Holdings, Inc.		
7.50%, due 1/15/26 (e)	12,465,000	4,175,775
Murphy Oil Corp.		
6.875%, due 8/15/24	10,590,000	7,518,900
Noble Energy, Inc.		
3.85%, due 1/15/28	5,560,000	4,441,762
3.90%, due 11/15/24	6,550,000	5,874,150
4.95%, due 8/15/47	10,000,000	7,142,894
5.05%, due 11/15/44	33,000,000	24,222,681
5.25%, due 11/15/43	5,000,000	3,703,859
6.00%, due 3/1/41	3,500,000	2,784,965
Occidental Petroleum Corp.		
2.70%, due 8/15/22	11,350,000	9,874,500
2.70%, due 2/15/23	18,510,000	15,900,090
2.90%, due 8/15/24	8,000,000	6,000,000
3.20%, due 8/15/26	12,000,000	8,640,000
3.40%, due 4/15/26	2,744,000	1,948,240
5.55%, due 3/15/26	30,505,000	23,598,668
6.95%, due 7/1/24	13,950,000	11,991,420

	Principal Amount	Value
Oil & Gas (continued)		
Parkland Fuel Corp. (e)		
5.875%, due 7/15/27	\$ 11,025,000	\$ 10,584,000
6.00%, due 4/1/26	5,705,000	5,491,062
Parsley Energy LLC / Parsley Finance Corp. (e)		
4.125%, due 2/15/28	7,500,000	6,150,000
5.25%, due 8/15/25	6,400,000	5,648,000
5.625%, due 10/15/27	7,475,000	6,391,125
PBF Holding Co. LLC / PBF Finance Corp.		
6.00%, due 2/15/28 (e)	30,895,000	21,994,150
7.25%, due 6/15/25	20,125,000	15,093,750
PDC Energy, Inc.		
6.125%, due 9/15/24	22,880,000	17,960,800
PetroQuest Energy, Inc.		
10.00% (10.00% PIK), due 2/15/24 (a)(b)(c)(g)	21,970,539	2,197
QEP Resources, Inc.		
5.25%, due 5/1/23	4,500,000	1,507,500
5.625%, due 3/1/26	19,790,000	6,332,800
6.875%, due 3/1/21	6,000,000	2,880,000
Range Resources Corp.		
5.875%, due 7/1/22	9,604,000	8,163,400
9.25%, due 2/1/26 (e)	23,300,000	18,756,500
Rex Energy Corp. (Escrow Claim)		
8.00%, due 10/1/20 (b)(d)(h)	124,195,000	931,463
Southwestern Energy Co.		
6.20%, due 1/23/25	25,936,000	22,953,360
7.50%, due 4/1/26	25,845,000	23,195,887
7.75%, due 10/1/27	2,500,000	2,175,500
Sunoco, L.P. / Sunoco Finance Corp.		
6.00%, due 4/15/27	19,965,000	19,465,875
Talos Production LLC / Talos Production Finance, Inc.		
11.00%, due 4/3/22	32,482,348	19,164,585
Transocean Guardian, Ltd.		
5.875%, due 1/15/24 (e)	6,095,500	4,663,058
Transocean Poseidon, Ltd.		
6.875%, due 2/1/27 (e)	8,000,000	6,280,000
Transocean Sentry, Ltd.		
5.375%, due 5/15/23 (e)	10,000,000	7,600,000
Ultra Resources, Inc.		
6.875%, due 4/15/22 (e)(h)(i)	28,880,000	14,440
Viper Energy Partners, L.P.		
5.375%, due 11/1/27 (e)	6,350,000	5,683,250
Whiting Petroleum Corp. (h)(i)		
6.25%, due 4/1/23	9,465,000	922,838
6.625%, due 1/15/26	18,231,000	1,823,100
		<u>623,511,179</u>

	Principal Amount	Value
Corporate Bonds (continued)		
Oil & Gas Services 0.2%		
Forum Energy Technologies, Inc.		
6.25%, due 10/1/21	\$ 44,275,000	\$ 14,168,000
Nine Energy Service, Inc.		
8.75%, due 11/1/23 (e)	18,890,000	3,612,713
		<u>17,780,713</u>
Packaging & Containers 0.4%		
ARD Finance S.A.		
6.50% (6.50% Cash or 7.25% PIK), due 6/30/27 (e)(g)	13,985,000	12,980,877
Cascades, Inc. / Cascades U.S.A., Inc. (e)		
5.125%, due 1/15/26	11,306,000	11,306,000
5.375%, due 1/15/28	9,000,000	9,040,500
Matthews International Corp.		
5.25%, due 12/1/25 (e)	10,000,000	9,050,000
		<u>42,377,377</u>
Pharmaceuticals 1.2%		
Bausch Health Americas, Inc. (e)		
8.50%, due 1/31/27	11,915,000	13,135,096
9.25%, due 4/1/26	14,000,000	15,470,000
Bausch Health Cos., Inc. (e)		
5.00%, due 1/30/28	10,315,000	9,899,177
5.25%, due 1/30/30	8,735,000	8,647,737
6.125%, due 4/15/25	16,000,000	16,200,000
7.00%, due 1/15/28	7,000,000	7,262,500
7.25%, due 5/30/29	5,000,000	5,335,900
Endo Dac / Endo Finance LLC / Endo Finco, Inc. (e)		
6.00%, due 7/15/23	12,521,000	9,385,742
6.00%, due 2/1/25	5,000,000	3,575,000
Par Pharmaceutical, Inc.		
7.50%, due 4/1/27 (e)	22,790,000	23,160,337
Vizient, Inc.		
6.25%, due 5/15/27 (e)	9,000,000	9,456,300
		<u>121,527,789</u>
Pipelines 4.7%		
ANR Pipeline Co.		
7.375%, due 2/15/24	2,555,000	2,956,853
9.625%, due 11/1/21	10,349,000	11,469,684
Antero Midstream Partners, L.P. / Antero Midstream Finance Corp.		
5.375%, due 9/15/24	10,720,000	8,361,600
5.75%, due 1/15/28 (e)	14,110,000	10,370,850
Cheniere Corpus Christi Holdings LLC		
5.875%, due 3/31/25	12,062,000	12,486,245
Cheniere Energy Partners, L.P.		
5.25%, due 10/1/25	14,515,000	13,856,019
5.625%, due 10/1/26	15,530,000	14,840,468

	Principal Amount	Value
Pipelines (continued)		
CNX Midstream Partners, L.P. / CNX Midstream Finance Corp.		
6.50%, due 3/15/26 (e)	\$ 21,066,000	\$ 17,238,308
Enable Midstream Partners, L.P.		
3.90%, due 5/15/24	3,000,000	2,422,150
4.15%, due 9/15/29	2,500,000	1,872,239
4.40%, due 3/15/27	18,530,000	14,359,837
4.95%, due 5/15/28	14,310,000	10,996,507
Hess Midstream Operations L.P.		
5.625%, due 2/15/26 (e)	1,000,000	930,000
Holly Energy Partners, L.P. / Holly Energy Finance Corp.		
5.00%, due 2/1/28 (e)	9,870,000	8,978,739
MPLX, L.P.		
4.875%, due 12/1/24	19,495,000	19,369,062
4.875%, due 6/1/25	14,425,000	14,074,593
6.25%, due 10/15/22 (e)	8,000,000	7,992,574
6.375%, due 5/1/24 (e)	5,000,000	5,102,892
NGPL PipeCo LLC (e)		
4.875%, due 8/15/27	16,630,000	16,946,458
7.768%, due 12/15/37	10,630,000	11,706,587
NuStar Logistics, L.P.		
6.00%, due 6/1/26	15,000,000	13,500,000
6.75%, due 2/1/21	15,215,000	14,682,475
Oneok Partners, L.P.		
6.125%, due 2/1/41	2,000,000	1,826,321
Plains All American Pipeline, L.P.		
6.125%, due 11/15/22 (j)(k)	44,328,000	29,714,388
Plains All American Pipeline, L.P. / PAA Finance Corp.		
3.65%, due 6/1/22	13,175,000	12,914,174
4.90%, due 2/15/45	4,443,000	3,715,940
Rockies Express Pipeline LLC (e)		
3.60%, due 5/15/25	9,000,000	8,122,500
4.80%, due 5/15/30	15,220,000	13,013,100
Ruby Pipeline LLC		
6.50%, due 4/1/22 (e)	3,744,545	3,482,572
Sabine Pass Liquefaction LLC		
5.875%, due 6/30/26	5,000,000	5,336,886
Tallgrass Energy Partners, L.P. / Tallgrass Energy Finance Corp. (e)		
5.50%, due 9/15/24	26,235,000	19,938,600
6.00%, due 3/1/27	19,000,000	12,635,000
Targa Resources Partners, L.P. / Targa Resources Partners Finance Corp.		
5.00%, due 1/15/28	7,000,000	5,845,000
5.50%, due 3/1/30 (e)	22,000,000	18,755,000
5.875%, due 4/15/26	10,090,000	9,045,685
6.50%, due 7/15/27	18,950,000	17,055,000
TransMontaigne Partners, L.P. / TLP Finance Corp.		
6.125%, due 2/15/26	19,738,000	15,794,348

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

	Principal Amount	Value
Corporate Bonds (continued)		
Pipelines (continued)		
Western Midstream Operating L.P.		
5.25%, due 2/1/50	\$ 5,000,000	\$ 3,931,250
Western Midstream Operating, L.P.		
3.10%, due 2/1/25	33,100,000	30,203,750
3.95%, due 6/1/25	3,715,000	3,297,062
4.65%, due 7/1/26	5,000,000	4,425,000
4.75%, due 8/15/28	12,000,000	10,571,400
5.30%, due 3/1/48	10,000,000	7,525,000
5.45%, due 4/1/44	5,000,000	3,737,500
		<u>475,399,616</u>
Real Estate 0.9%		
CBRE Services, Inc.		
5.25%, due 3/15/25	4,405,000	4,819,341
Howard Hughes Corp.		
5.375%, due 3/15/25 (e)	23,000,000	22,294,820
Kennedy-Wilson, Inc.		
5.875%, due 4/1/24	23,805,000	22,768,292
Newmark Group, Inc.		
6.125%, due 11/15/23	31,644,000	29,138,577
Realogy Group LLC / Realogy Co-Issuer Corp.		
9.375%, due 4/1/27 (e)	17,000,000	11,900,000
		<u>90,921,030</u>
Real Estate Investment Trusts 4.1%		
Crown Castle International Corp.		
4.875%, due 4/15/22	2,000,000	2,128,932
5.25%, due 1/15/23	36,935,000	40,312,636
CTR Partnership, L.P. / CareTrust Capital Corp.		
5.25%, due 6/1/25	6,575,000	6,566,781
Equinix, Inc.		
5.375%, due 5/15/27	55,635,000	59,429,307
5.875%, due 1/15/26	47,725,000	49,567,185
GLP Capital, L.P. / GLP Financing II, Inc.		
5.25%, due 6/1/25	10,000,000	9,726,000
5.375%, due 11/1/23	6,000,000	5,820,000
5.375%, due 4/15/26	5,620,000	5,598,925
Ladder Capital Finance Holdings LLLP / Ladder Capital Finance Corp. (e)		
5.25%, due 3/15/22	10,830,000	8,934,750
5.25%, due 10/1/25	4,400,000	3,201,000
5.875%, due 8/1/21	23,834,000	21,093,090
MGM Growth Properties Operating Partnership, L.P. / MGP Finance Co-Issuer, Inc.		
5.625%, due 5/1/24	63,960,000	64,932,832
5.75%, due 2/1/27	25,800,000	26,122,500

	Principal Amount	Value
Real Estate Investment Trusts (continued)		
MPT Operating Partnership, L.P. / MPT Finance Corp.		
4.625%, due 8/1/29	\$ 11,640,000	\$ 11,574,583
5.00%, due 10/15/27	23,925,000	24,403,500
5.25%, due 8/1/26	5,500,000	5,555,000
Ryman Hospitality Properties, Inc.		
4.75%, due 10/15/27 (e)	25,400,000	22,161,500
SBA Communications Corp.		
3.875%, due 2/15/27 (e)	8,000,000	8,170,000
VICI Properties, L.P. / VICI Note Co., Inc. (e)		
3.50%, due 2/15/25	1,840,000	1,729,600
3.75%, due 2/15/27	16,637,000	15,472,410
4.125%, due 8/15/30	13,980,000	12,721,800
4.625%, due 12/1/29	3,800,000	3,534,000
		<u>408,756,331</u>
Retail 2.9%		
1011778 B.C. ULC / New Red Finance, Inc.		
5.75%, due 4/15/25 (e)	6,000,000	6,315,000
Asbury Automotive Group, Inc. (e)		
4.50%, due 3/1/28	20,097,000	16,875,451
4.75%, due 3/1/30	13,199,000	11,058,782
Beacon Roofing Supply, Inc.		
4.875%, due 11/1/25 (e)	19,935,000	17,617,556
Ferrellgas L.P. / Ferrellgas Finance Corp.		
10.00%, due 4/15/25 (e)	6,950,000	7,345,455
Group 1 Automotive, Inc.		
5.00%, due 6/1/22	10,040,000	9,563,100
KFC Holding Co. / Pizza Hut Holdings LLC / Taco Bell of America LLC (e)		
4.75%, due 6/1/27	12,287,000	12,682,519
5.00%, due 6/1/24	27,355,000	28,189,327
5.25%, due 6/1/26	34,750,000	35,531,875
KGA Escrow, LLC		
7.50%, due 8/15/23 (e)	22,555,000	20,468,663
Kohl's Corp.		
9.50%, due 5/15/25	10,650,000	10,949,759
L Brands, Inc.		
6.694%, due 1/15/27	8,087,000	5,660,900
Lithia Motors, Inc.		
4.625%, due 12/15/27 (e)	2,810,000	2,655,450
Murphy Oil USA, Inc.		
4.75%, due 9/15/29	5,000,000	5,148,500
5.625%, due 5/1/27	10,417,000	10,724,822
Nordstrom, Inc.		
8.75%, due 5/15/25 (e)	2,000,000	2,138,231
Penske Automotive Group, Inc.		
5.375%, due 12/1/24	12,840,000	11,808,948

	Principal Amount	Value
Corporate Bonds (continued)		
Retail (continued)		
Penske Automotive Group, Inc. (continued)		
5.50%, due 5/15/26	\$ 15,855,000	\$ 14,507,325
5.75%, due 10/1/22	27,491,000	26,253,905
TPro Acquisition Corp.		
11.00%, due 10/15/24 (e)	3,500,000	3,368,750
Yum! Brands, Inc. (e)		
4.75%, due 1/15/30	31,090,000	31,711,800
7.75%, due 4/1/25	4,500,000	4,926,938
		<u>295,503,056</u>
Software 4.6%		
ACI Worldwide, Inc.		
5.75%, due 8/15/26 (e)	7,500,000	7,462,500
Ascend Learning LLC		
6.875%, due 8/1/25 (e)	27,000,000	26,730,000
Camelot Finance S.A.		
4.50%, due 11/1/26 (e)	14,690,000	14,800,175
CDK Global, Inc.		
4.875%, due 6/1/27	6,000,000	5,985,000
5.25%, due 5/15/29 (e)	14,500,000	14,790,000
5.875%, due 6/15/26	39,397,000	41,268,357
Change Healthcare Holdings LLC / Change Healthcare Finance, Inc.		
5.75%, due 3/1/25 (e)	12,500,000	12,221,500
Fair Isaac Corp. (e)		
4.00%, due 6/15/28	7,500,000	7,436,250
5.25%, due 5/15/26	14,750,000	15,229,375
MSCI, Inc. (e)		
3.625%, due 9/1/30	7,125,000	7,214,063
4.00%, due 11/15/29	30,830,000	32,235,540
4.75%, due 8/1/26	13,290,000	13,891,771
5.375%, due 5/15/27	22,685,000	24,443,088
5.75%, due 8/15/25	41,284,000	43,125,266
Open Text Corp. (e)		
3.875%, due 2/15/28	17,385,000	17,037,300
5.875%, due 6/1/26	30,090,000	31,594,500
Open Text Holdings, Inc.		
4.125%, due 2/15/30 (e)	21,577,000	20,987,948
PTC, Inc.		
3.625%, due 2/15/25 (e)	11,000,000	10,829,500
4.00%, due 2/15/28 (e)	18,969,000	18,589,620
6.00%, due 5/15/24	44,078,000	45,413,563
RP Crown Parent LLC		
7.375%, due 10/15/24 (e)	30,015,000	29,489,738
SS&C Technologies, Inc.		
5.50%, due 9/30/27 (e)	22,095,000	22,647,375
		<u>463,422,429</u>

	Principal Amount	Value
Telecommunications 7.1%		
Altice France S.A.		
7.375%, due 5/1/26 (e)	\$ 28,300,000	\$ 29,573,500
CenturyLink, Inc.		
5.80%, due 3/15/22	28,940,000	29,632,751
6.45%, due 6/15/21	10,000,000	10,234,500
CommScope Technologies LLC		
6.00%, due 6/15/25 (e)	5,514,000	4,906,909
CommScope, Inc.		
8.25%, due 3/1/27 (e)	27,815,000	26,660,678
Connect Finco SARL / Connect U.S. Finco LLC		
6.75%, due 10/1/26 (e)	50,240,000	47,602,400
Frontier Communications Corp. (h)(i)		
6.25%, due 9/15/21	5,000,000	1,300,000
10.50%, due 9/15/22	15,000,000	4,608,000
11.00%, due 9/15/25	5,000,000	1,548,500
Hughes Satellite Systems Corp.		
5.25%, due 8/1/26	21,850,000	23,051,750
6.625%, due 8/1/26	19,275,000	20,547,150
7.625%, due 6/15/21	18,000,000	18,692,820
Level 3 Financing, Inc.		
5.375%, due 5/1/25	31,477,000	31,700,487
QualityTech, L.P. / QTS Finance Corp.		
4.75%, due 11/15/25 (e)	26,321,000	26,485,506
Sprint Capital Corp.		
6.875%, due 11/15/28	104,520,000	125,878,662
Sprint Communications, Inc.		
9.25%, due 4/15/22	3,524,000	3,876,400
Sprint Corp.		
7.25%, due 9/15/21	4,185,000	4,389,019
7.875%, due 9/15/23	46,900,000	52,708,565
T-Mobile USA, Inc.		
4.00%, due 4/15/22	3,000,000	3,067,500
4.50%, due 4/15/50 (e)	30,000,000	35,112,000
4.75%, due 2/1/28	31,435,000	33,007,379
5.125%, due 4/15/25	28,045,000	28,395,562
5.375%, due 4/15/27	33,000,000	34,901,130
6.00%, due 4/15/24	15,315,000	15,615,174
6.375%, due 3/1/25	37,982,000	38,979,027
6.50%, due 1/15/24	16,485,000	16,854,264
6.50%, due 1/15/26	46,900,000	49,538,125
		<u>718,867,758</u>
Textiles 0.2%		
Eagle Intermediate Global Holding B.V. / Ruyi U.S. Finance LLC		
7.50%, due 5/1/25 (e)	33,344,000	18,339,200
Toys, Games & Hobbies 0.8%		
Mattel, Inc. (e)		
5.875%, due 12/15/27	19,550,000	19,026,060

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)

	Principal Amount	Value
Corporate Bonds (continued)		
Toys, Games & Hobbies (continued)		
Mattel, Inc. (continued)		
6.75%, due 12/31/25	\$ 56,645,000	\$ 57,494,675
		<u>76,520,735</u>
Transportation 0.1%		
Teekay Corp.		
9.25%, due 11/15/22 (e)	6,000,000	<u>5,880,000</u>
Trucking & Leasing 0.2%		
Fortress Transportation & Infrastructure Investors LLC		
6.75%, due 3/15/22 (e)	18,100,000	<u>16,356,065</u>
Total Corporate Bonds (Cost \$9,464,657,337)		<u>8,809,129,076</u>
Loan Assignments 2.4%		
Automobile 0.2%		
Dealer Tire LLC		
2020 Term Loan B		
4.654% (1 Month LIBOR + 4.25%), due 12/12/25 (l)	19,451,250	<u>17,019,844</u>
Beverage, Food & Tobacco 0.3%		
United Natural Foods, Inc.		
Term Loan B		
4.654% (1 Month LIBOR + 4.25%), due 10/22/25 (l)	28,345,348	<u>25,520,932</u>
Chemicals, Plastics & Rubber 0.1%		
SCIH Salt Holdings Inc.		
Term Loan B		
5.50% (3 Month LIBOR + 4.50%), due 3/16/27 (l)	13,000,000	<u>12,220,000</u>
Containers, Packaging & Glass 0.1%		
Neenah Foundry Co. (l)		
2017 Term Loan		
7.203% (2 Month LIBOR + 6.50%), due 12/13/22	4,976,639	4,230,143
2017 Term Loan		
7.756% (2 Month LIBOR + 6.50%), due 12/13/22	4,155,398	<u>3,532,088</u>
		<u>7,762,231</u>
Electronics 0.2%		
RP Crown Parent LLC		
2016 Term Loan B		
3.75% (1 Month LIBOR + 2.75%), due 10/12/23 (l)	19,760,048	<u>18,870,846</u>

	Principal Amount	Value
Finance 0.1%		
Jefferies Finance LLC		
2019 Term Loan		
3.688% (1 Month LIBOR + 3.25%), due 6/3/26 (l)	\$ 9,925,000	\$ 8,783,625
Healthcare, Education & Childcare 0.3%		
Ascend Learning LLC		
2017 Term Loan B		
4.00% (1 Month LIBOR + 3.00%), due 7/12/24 (l)	5,941,605	5,523,839
Jaguar Holding Co. II		
2018 Term Loan		
2.904% (1 Month LIBOR + 2.50%), due 8/18/22 (l)	14,815,955	14,505,738
RegionalCare Hospital Partners Holdings, Inc.		
2018 Term Loan B		
4.154% (1 Month LIBOR + 3.75%), due 11/17/25 (l)	10,000,000	<u>9,235,000</u>
		<u>29,264,577</u>
Insurance 0.1%		
USI, Inc.		
2017 Repriced Term Loan		
3.404% (1 Month LIBOR + 3.00%), due 5/16/24 (l)	14,633,778	<u>13,694,772</u>
Iron & Steel 0.0%‡		
Big River Steel LLC		
Term Loan B		
6.45% (3 Month LIBOR + 5.00%), due 8/23/23 (l)	4,000,000	<u>3,460,000</u>
Leisure, Amusement, Motion Pictures & Entertainment 0.1%		
NASCAR Holdings, Inc.		
Term Loan B		
3.375% (1 Month LIBOR + 2.75%), due 10/19/26 (l)	5,661,702	<u>5,242,130</u>
Manufacturing 0.1%		
Adient U.S. LLC (l)		
Term Loan B		
5.45% (3 Month LIBOR + 4.00%), due 5/6/24	5,023,130	4,505,120
Term Loan B		
5.742% (3 Month LIBOR + 4.00%), due 5/6/24	1,668,758	<u>1,496,667</u>
		<u>6,001,787</u>

	Principal Amount	Value
Loan Assignments (continued)		
Media 0.1%		
Allen Media LLC		
2020 Term Loan B		
7.231% (3 Month LIBOR + 5.50%), due 2/10/27 (l)	\$ 10,000,000	\$ 8,750,000
Coral-U.S. Co-Borrower LLC		
2020 Term Loan B5		
2.654% (1 Month LIBOR + 2.25%), due 1/31/28 (l)	5,000,000	4,676,560
		<u>13,426,560</u>
Oil & Gas 0.1%		
PetroQuest Energy, Inc.		
Term Loan Note		
10.013%, due 11/8/23 (a)(b)(c)	16,889,788	13,849,627
Personal, Food & Miscellaneous Services 0.0%†		
1011778 B.C. Unlimited Liability Co.		
Term Loan B4		
2.154% (1 Month LIBOR + 1.75%), due 11/19/26 (l)	4,538,322	4,255,621
Retail Store 0.6%		
Bass Pro Group LLC		
Term Loan B		
6.072% (1 Month LIBOR + 5.00%), due 9/25/24 (l)	70,539,688	58,512,671
Total Loan Assignments (Cost \$262,735,048)		<u>237,885,223</u>
Total Long-Term Bonds (Cost \$9,769,725,310)		<u>9,088,700,490</u>

	Shares	
Common Stocks 1.1%		
Auto Parts & Equipment 0.0%†		
ATD New Holdings, Inc. (b)(c)(m)	142,545	2,084,721
Exide Technologies (a)(b)(c)(d)(m)	24,179,087	0
		<u>2,084,721</u>
Electric Utilities 0.0%†		
Keycon Power Holdings LLC (a)(b)(c)(m)	38,680	439,792
Independent Power & Renewable Electricity Producers 0.7%		
GenOn Energy, Inc. (d)(m)	386,241	71,454,585
PetroQuest Energy, Inc. (a)(b)(c)	2,314,883	0
		<u>71,454,585</u>
Media 0.0%†		
ION Media Networks, Inc. (a)(b)(c)(d)(m)	2,287	862,656

	Shares	Value
Metals & Mining 0.1%		
Neenah Enterprises, Inc. (a)(b)(c)(m)	720,961	\$ 9,235,510
Oil, Gas & Consumable Fuels 0.3%		
Talos Energy, Inc. (m)	2,074,193	23,625,058
Titan Energy LLC (b)(m)	91,174	3,419
		<u>23,628,477</u>
Software 0.0%†		
ASG Corp. (a)(b)(c)(m)	12,502	0
Total Common Stocks (Cost \$239,782,972)		<u>107,705,741</u>
Exchange-Traded Funds (m) 0.5%		
iShares Gold Trust	1,509,000	24,309,990
SPDR Gold Shares	177,786	28,232,417
Total Exchange-Traded Funds (Cost \$41,932,580)		<u>52,542,407</u>
Short-Term Investments 7.1%		
Unaffiliated Investment Company 7.1%		
State Street Institutional U.S.		
Government Money Market Fund, Premier Class, 0.22% (n)	709,786,217	709,786,217
State Street Navigator Securities Lending		
Government Money Market Portfolio, 0.19% (n)(o)	1,093,215	1,093,215
Total Short-Term Investments (Cost \$710,879,432)		<u>710,879,432</u>
Total Investments (Cost \$10,762,320,294)	98.9%	9,959,828,070
Other Assets, Less Liabilities	1.1	113,619,588
Net Assets	100.0%	<u>\$10,073,447,658</u>

† Percentages indicated are based on Fund net assets.

‡ Less than one-tenth of a percent.

- (a) Security in which significant unobservable inputs (Level 3) were used in determining fair value.
- (b) Illiquid security—As of April 30, 2020, the total market value of these securities deemed illiquid under procedures approved by the Board of Trustees was \$124,456,382, which represented 1.2% of the Fund's net assets.
- (c) Fair valued security—Represents fair value as measured in good faith under procedures approved by the Board of Trustees. As of April 30, 2020, the total market value of fair valued securities was \$113,684,534, which represented 1.1% of the Fund's net assets.
- (d) Restricted security. (See Note 5)

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

- (e) May be sold to institutional investors only under Rule 144A or securities offered pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.
- (f) All or a portion of this security was held on loan. As of April 30, 2020, the aggregate market value of securities on loan was \$6,448,504; the total market value of collateral held by the Fund was \$6,554,590. The market value of the collateral held included non-cash collateral in the form of U.S. Treasury securities with a value of \$5,461,375 (See Note 2(H)).
- (g) PIK ("Payment-in-Kind")—issuer may pay interest or dividends with additional securities and/or in cash.
- (h) Issue in non-accrual status.
- (i) Issue in default.
- (j) Fixed to floating rate—Rate shown was the rate in effect as of April 30, 2020.
- (k) Securities are perpetual and, thus, do not have a predetermined maturity date. The date shown, if applicable, reflects the next call date.
- (l) Floating rate—Rate shown was the rate in effect as of April 30, 2020.
- (m) Non-income producing security.
- (n) Current yield as of April 30, 2020.
- (o) Represents a security purchased with cash collateral received for securities on loan.

The following abbreviations are used in the preceding pages:

LIBOR—London Interbank Offered Rate

SPDR—Standard & Poor's Depository Receipt

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
Asset Valuation Inputs				
Investments in Securities (a)				
Long-Term Bonds				
Convertible Bonds (b)	\$ —	\$ 41,674,412	\$ 11,779	\$ 41,686,191
Corporate Bonds (c)	—	8,721,928,627	87,200,449	8,809,129,076
Loan Assignments (d)	—	224,035,596	13,849,627	237,885,223
Total Long-Term Bonds	—	8,987,638,635	101,061,855	9,088,700,490
Common Stocks (e)	23,628,477	73,539,306	10,537,958	107,705,741
Exchange-Traded Funds	52,542,407	—	—	52,542,407
Short-Term Investments				
Unaffiliated Investment Companies	710,879,432	—	—	710,879,432
Total Investments in Securities	<u>\$787,050,316</u>	<u>\$9,061,177,941</u>	<u>\$111,599,813</u>	<u>\$9,959,828,070</u>

- (a) For a complete listing of investments and their industries, see the Portfolio of Investments.
- (b) The Level 3 security valued at \$11,779 is held in Mining within the Convertible Bonds section of the Portfolio of Investments.
- (c) The Level 3 securities valued at \$68,932,252, \$18,266,000 and \$2,197 are held in Auto Parts & Equipment, Media and Oil & Gas, respectively, within the Corporate Bonds section of the Portfolio of Investments.
- (d) The Level 3 security valued at \$13,849,627 is held in Oil and Gas within the Loan Assignments section of the Portfolio Investments.
- (e) The Level 3 securities valued at \$0, \$439,792, \$0, \$862,656, \$9,235,510 and \$0 are held in Auto Parts & Equipment, Electric Utilities, Independent Power & Renewable Electricity Producers, Media, Metals & Mining and Software, respectively, within the Common Stocks section of the Portfolio of Investments.

The following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining value:

Investments in Securities	Balance as of October 31, 2019	Accrued Discounts (Premiums)	Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Purchases	Sales	Transfers in to Level 3	Transfers out of Level 3	Balance as of April 30, 2020	Change in Unrealized Appreciation (Depreciation) from
										Investments Still Held as of April 30, 2020
Long-Term Bonds										
Convertible Bonds	\$ 27,739,709	\$ 334,895	\$—	\$ 2,626,906	\$ 2,577,296	\$(33,267,027)	\$—	\$—	\$ 11,779	\$ (315)
Corporate Bonds	156,761,758	(761,225)	—	(75,170,695)	6,370,611 (a)	—	—	—	87,200,449	(75,170,695)
Loan Assignments	16,636,467	—	—	(3,040,161)	253,321	—	—	—	13,849,627	(3,040,161)
Common Stocks	21,695,317	—	—	(52,407,961)	33,637,862	—	11,604,000	(3,991,260)	10,537,958	(52,407,961)
Total	<u>\$222,833,251</u>	<u>\$(426,330)</u>	<u>\$—</u>	<u>\$(127,991,911)</u>	<u>\$42,839,090</u>	<u>\$(33,267,027)</u>	<u>\$11,604,000</u>	<u>\$(3,991,260)</u>	<u>\$111,599,813</u>	<u>\$(130,619,132)</u>

(a) Purchases include PIK securities.

As of April 30, 2020, a Common Stock with a market value of \$3,991,260 transferred from Level 3 to Level 2 as the the fair value obtained for this Common Stock utilized significant other observable inputs. As of October 31, 2019, the fair value obtained for this Common Stock utilized significant unobservable inputs.

As of April 30, 2020, a Common Stock with a market value of \$11,604,000 transferred from Level 1 to Level 3 as the the fair value obtained for this Common Stock utilized significant unobservable inputs. As of October 31, 2019, the fair value obtained for this Common Stock, as determined by an independent pricing service, utilized significant observable inputs.

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

Assets

Investment in securities, at value	
(identified cost \$10,762,320,294) including securities on loan of \$6,448,504	\$ 9,959,828,070
Due from custodian	461,504
Receivables:	
Interest	159,939,721
Fund shares sold	26,346,476
Investment securities sold	25,853,896
Securities lending	1,241
Other assets	420,692
Total assets	<u>10,172,851,600</u>

Liabilities

Cash collateral received for securities on loan	1,093,215
Payables:	
Investment securities purchased	66,016,780
Fund shares redeemed	20,379,051
Manager (See Note 3)	4,316,794
Transfer agent (See Note 3)	1,922,299
NYLIFE Distributors (See Note 3)	953,243
Shareholder communication	819,278
Professional fees	100,430
Custodian	19,716
Trustees	12,503
Accrued expenses	130,102
Dividend payable	3,640,531
Total liabilities	<u>99,403,942</u>
Net assets	<u>\$10,073,447,658</u>

Composition of Net Assets

Shares of beneficial interest outstanding (par value of \$.01 per share) unlimited number of shares authorized	\$ 19,832,633
Additional paid-in capital	<u>11,160,122,179</u>
	11,179,954,812
Total distributable earnings (loss)	<u>(1,106,507,154)</u>
Net assets	<u>\$10,073,447,658</u>

Class A

Net assets applicable to outstanding shares	<u>\$ 3,138,221,734</u>
Shares of beneficial interest outstanding	<u>617,590,597</u>
Net asset value per share outstanding	\$ 5.08
Maximum sales charge (4.50% of offering price)	<u>0.24</u>
Maximum offering price per share outstanding	<u>\$ 5.32</u>

Investor Class

Net assets applicable to outstanding shares	<u>\$ 144,209,696</u>
Shares of beneficial interest outstanding	<u>28,160,962</u>
Net asset value per share outstanding	\$ 5.12
Maximum sales charge (4.50% of offering price)	<u>0.24</u>
Maximum offering price per share outstanding	<u>\$ 5.36</u>

Class B

Net assets applicable to outstanding shares	<u>\$ 50,279,992</u>
Shares of beneficial interest outstanding	<u>9,939,102</u>
Net asset value and offering price per share outstanding	<u>\$ 5.06</u>

Class C

Net assets applicable to outstanding shares	<u>\$ 315,344,243</u>
Shares of beneficial interest outstanding	<u>62,307,419</u>
Net asset value and offering price per share outstanding	<u>\$ 5.06</u>

Class I

Net assets applicable to outstanding shares	<u>\$ 3,142,554,751</u>
Shares of beneficial interest outstanding	<u>618,141,420</u>
Net asset value and offering price per share outstanding	<u>\$ 5.08</u>

Class R1

Net assets applicable to outstanding shares	<u>\$ 45,504</u>
Shares of beneficial interest outstanding	<u>8,968</u>
Net asset value and offering price per share outstanding	<u>\$ 5.07</u>

Class R2

Net assets applicable to outstanding shares	<u>\$ 11,954,894</u>
Shares of beneficial interest outstanding	<u>2,352,185</u>
Net asset value and offering price per share outstanding	<u>\$ 5.08</u>

Class R3

Net assets applicable to outstanding shares	<u>\$ 1,438,321</u>
Shares of beneficial interest outstanding	<u>283,343</u>
Net asset value and offering price per share outstanding	<u>\$ 5.08</u>

Class R6

Net assets applicable to outstanding shares	<u>\$ 3,269,398,523</u>
Shares of beneficial interest outstanding	<u>644,479,257</u>
Net asset value and offering price per share outstanding	<u>\$ 5.07</u>

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

Investment Income (Loss)

Income

Interest	\$ 298,038,804
Dividends	20,829,977
Securities lending	24,023
Other	<u>254</u>
Total income	<u>318,893,058</u>

Expenses

Manager (See Note 3)	26,174,111
Distribution/Service—Class A (See Note 3)	4,121,593
Distribution/Service—Investor Class (See Note 3)	192,552
Distribution/Service—Class B (See Note 3)	289,850
Distribution/Service—Class C (See Note 3)	1,750,655
Distribution/Service—Class R2 (See Note 3)	16,491
Distribution/Service—Class R3 (See Note 3)	3,504
Transfer agent (See Note 3)	5,842,509
Shareholder communication	879,815
Professional fees	334,971
Registration	187,619
Trustees	114,658
Custodian	42,519
Shareholder service (See Note 3)	7,320
Miscellaneous	<u>181,656</u>
Total expenses	<u>40,139,823</u>

Net investment income (loss) 278,753,235

Realized and Unrealized Gain (Loss) on Investments

Net realized gain (loss) on investments	(8,177,584)
Net change in unrealized appreciation (depreciation) on investments	<u>(856,389,757)</u>
Net realized and unrealized gain (loss) on investments	<u>(864,567,341)</u>
Net increase (decrease) in net assets resulting from operations	<u>\$(585,814,106)</u>

Statements of Changes in Net Assets

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

	2020	2019
Increase (Decrease) in Net Assets		
Operations:		
Net investment income (loss)	\$ 278,753,235	\$ 488,798,531
Net realized gain (loss)		
on investments	(8,177,584)	(93,603,555)
Net change in unrealized appreciation (depreciation)		
on investments	(856,389,757)	274,010,854
Net increase (decrease) in net assets resulting from operations	(585,814,106)	669,205,830
Distributions to shareholders:		
Class A	(96,051,361)	(174,086,103)
Investor Class	(4,435,949)	(8,349,190)
Class B	(1,430,534)	(3,177,793)
Class C	(8,687,035)	(19,959,506)
Class I	(100,133,198)	(180,095,815)
Class R1	(1,419)	(2,575)
Class R2	(375,345)	(634,929)
Class R3	(39,061)	(42,832)
Class R6	(81,125,703)	(106,629,614)
	(292,279,605)	(492,978,357)
Distributions to shareholders from return of capital:		
Class A	—	(14,976,081)
Investor Class	—	(718,255)
Class B	—	(273,376)
Class C	—	(1,717,054)
Class I	—	(15,493,078)
Class R1	—	(221)
Class R2	—	(54,621)
Class R3	—	(3,685)
Class R6	—	(9,173,011)
	—	(42,409,382)
Total distributions to shareholders	(292,279,605)	(535,387,739)
Capital share transactions:		
Net proceeds from sale of shares	3,037,809,870	4,156,205,964
Net asset value of shares issued to shareholders in reinvestment of distributions	268,849,807	485,322,513
Cost of shares redeemed	(2,007,905,423)	(3,830,355,865)
Increase (decrease) in net assets derived from capital share transactions	1,298,754,254	811,172,612
Net increase (decrease) in net assets	420,660,543	944,990,703
Net Assets		
Beginning of period	9,652,787,115	8,707,796,412
End of period	\$10,073,447,658	\$ 9,652,787,115

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	\$ 5.61	\$ 5.52	\$ 5.77	\$ 5.74	\$ 5.57	\$ 5.93
Net investment income (loss) (a)	0.15	0.29	0.29	0.30	0.33	0.31
Net realized and unrealized gain (loss) on investments	(0.52)	0.12	(0.22)	0.09	0.20	(0.31)
Net realized and unrealized gain (loss) on foreign currency transactions	—	—	—	—	0.00 ‡	—
Total from investment operations	(0.37)	0.41	0.07	0.39	0.53	0.00 ‡
Less distributions:						
From net investment income	(0.16)	(0.29)	(0.29)	(0.31)	(0.34)	(0.31)
Return of capital	—	(0.03)	(0.03)	(0.05)	(0.02)	(0.05)
Total distributions	(0.16)	(0.32)	(0.32)	(0.36)	(0.36)	(0.36)
Net asset value at end of period	\$ 5.08	\$ 5.61	\$ 5.52	\$ 5.77	\$ 5.74	\$ 5.57
Total investment return (b)	(6.75%)	7.58%	1.29%	6.91%	9.96%	0.06%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	5.66% ††	5.21%	5.15%	5.25%	5.98%	5.45%
Net expenses (c)	0.99% ††	0.99%	0.99%	0.97%	0.95%	0.96%
Portfolio turnover rate	19%	30%	30%	43%	41%	38%
Net assets at end of period (in 000's)	\$ 3,138,222	\$ 3,405,587	\$ 3,290,659	\$ 3,683,113	\$ 3,551,864	\$ 3,364,517

* 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.

Investor Class	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 5.65	\$ 5.57	\$ 5.82	\$ 5.79	\$ 5.62	\$ 5.99
Net investment income (loss) (a)	0.15	0.29	0.29	0.30	0.33	0.31
Net realized and unrealized gain (loss) on investments	(0.52)	0.11	(0.22)	0.09	0.20	(0.31)
Net realized and unrealized gain (loss) on foreign currency transactions	—	—	—	—	0.00 ‡	—
Total from investment operations	(0.37)	0.40	0.07	0.39	0.53	(0.00)‡
Less distributions:						
From net investment income	(0.16)	(0.29)	(0.29)	(0.31)	(0.34)	(0.32)
Return of capital	—	(0.03)	(0.03)	(0.05)	(0.02)	(0.05)
Total distributions	(0.16)	(0.32)	(0.32)	(0.36)	(0.36)	(0.37)
Net asset value at end of period	\$ 5.12	\$ 5.65	\$ 5.57	\$ 5.82	\$ 5.79	\$ 5.62
Total investment return (b)	(6.70%)	7.33%	1.29%	6.90%	9.91%	(0.07%)
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	5.58% ††	5.15%	5.12%	5.21%	5.90%	5.39%
Net expenses (c)	1.07% ††	1.05%	1.03%	1.02%	1.03%	1.02%
Portfolio turnover rate	19%	30%	30%	43%	41%	38%
Net assets at end of period (in 000's)	\$ 144,210	\$ 162,260	\$ 159,970	\$ 167,139	\$ 287,493	\$ 282,451

* 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.

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

Financial Highlights selected per share data and ratios

Class B	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 5.58	\$ 5.50	\$ 5.74	\$ 5.71	\$ 5.54	\$ 5.90
Net investment income (loss) (a)	0.13	0.24	0.25	0.26	0.28	0.27
Net realized and unrealized gain (loss) on investments	(0.51)	0.11	(0.21)	0.08	0.20	(0.32)
Net realized and unrealized gain (loss) on foreign currency transactions	—	—	—	—	0.00 ‡	—
Total from investment operations	(0.38)	0.35	0.04	0.34	0.48	(0.05)
Less distributions:						
From net investment income	(0.14)	(0.25)	(0.26)	(0.27)	(0.29)	(0.26)
Return of capital	—	(0.02)	(0.02)	(0.04)	(0.02)	(0.05)
Total distributions	(0.14)	(0.27)	(0.28)	(0.31)	(0.31)	(0.31)
Net asset value at end of period	\$ 5.06	\$ 5.58	\$ 5.50	\$ 5.74	\$ 5.71	\$ 5.54
Total investment return (b)	(7.01%)	6.52%	0.64%	6.06%	8.85%	(0.60%)
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	4.85% ††	4.41%	4.37%	4.47%	5.16%	4.64%
Net expenses (c)	1.82% ††	1.80%	1.78%	1.77%	1.78%	1.77%
Portfolio turnover rate	19%	30%	30%	43%	41%	38%
Net assets at end of period (in 000's)	\$ 50,280	\$ 63,517	\$ 81,221	\$ 108,263	\$ 132,509	\$ 139,683

* 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 C	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 5.59	\$ 5.50	\$ 5.74	\$ 5.72	\$ 5.55	\$ 5.90
Net investment income (loss) (a)	0.13	0.24	0.25	0.26	0.28	0.27
Net realized and unrealized gain (loss) on investments	(0.52)	0.12	(0.21)	0.07	0.20	(0.31)
Net realized and unrealized gain (loss) on foreign currency transactions	—	—	—	—	0.00 ‡	—
Total from investment operations	(0.39)	0.36	0.04	0.33	0.48	(0.04)
Less distributions:						
From net investment income	(0.14)	(0.25)	(0.26)	(0.27)	(0.29)	(0.26)
Return of capital	—	(0.02)	(0.02)	(0.04)	(0.02)	(0.05)
Total distributions	(0.14)	(0.27)	(0.28)	(0.31)	(0.31)	(0.31)
Net asset value at end of period	\$ 5.06	\$ 5.59	\$ 5.50	\$ 5.74	\$ 5.72	\$ 5.55
Total investment return (b)	(7.18%)	6.71%	0.64%	5.87%	9.04%	(0.60%)
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	4.84% ††	4.41%	4.36%	4.45%	5.15%	4.64%
Net expenses (c)	1.82% ††	1.80%	1.78%	1.77%	1.78%	1.77%
Portfolio turnover rate	19%	30%	30%	43%	41%	38%
Net assets at end of period (in 000's)	\$ 315,344	\$ 373,760	\$ 550,819	\$ 676,463	\$ 678,364	\$ 679,392

* 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.

Financial Highlights selected per share data and 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	\$ 5.61	\$ 5.53	\$ 5.78	\$ 5.75	\$ 5.58	\$ 5.94
Net investment income (loss) (a)	0.16	0.30	0.31	0.32	0.34	0.33
Net realized and unrealized gain (loss) on investments	(0.52)	0.11	(0.22)	0.08	0.20	(0.31)
Net realized and unrealized gain (loss) on foreign currency transactions	—	—	—	—	0.00 ‡	—
Total from investment operations	(0.36)	0.41	0.09	0.40	0.54	0.02
Less distributions:						
From net investment income	(0.17)	(0.30)	(0.31)	(0.32)	(0.35)	(0.33)
Return of capital	—	(0.03)	(0.03)	(0.05)	(0.02)	(0.05)
Total distributions	(0.17)	(0.33)	(0.34)	(0.37)	(0.37)	(0.38)
Net asset value at end of period	\$ 5.08	\$ 5.61	\$ 5.53	\$ 5.78	\$ 5.75	\$ 5.58
Total investment return (b)	(6.62%)	7.68%	1.57%	7.17%	10.23%	0.32%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	5.91% ††	5.45%	5.40%	5.51%	6.23%	5.70%
Net expenses (c)	0.74% ††	0.74%	0.74%	0.72%	0.70%	0.71%
Portfolio turnover rate	19%	30%	30%	43%	41%	38%
Net assets at end of period (in 000's)	\$ 3,142,555	\$ 3,451,487	\$ 3,709,306	\$ 4,067,560	\$ 5,313,266	\$ 4,844,891

* 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 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.

Class R1	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 5.60	\$ 5.52	\$ 5.77	\$ 5.74	\$ 5.57	\$ 5.93
Net investment income (loss) (a)	0.16	0.30	0.30	0.32	0.34	0.32
Net realized and unrealized gain (loss) on investments	(0.53)	0.11	(0.22)	0.07	0.19	(0.31)
Net realized and unrealized gain (loss) on foreign currency transactions	—	—	—	—	0.00 ‡	—
Total from investment operations	(0.37)	0.41	0.08	0.39	0.53	0.01
Less distributions:						
From net investment income	(0.16)	(0.30)	(0.30)	(0.31)	(0.34)	(0.32)
Return of capital	—	(0.03)	(0.03)	(0.05)	(0.02)	(0.05)
Total distributions	(0.16)	(0.33)	(0.33)	(0.36)	(0.36)	(0.37)
Net asset value at end of period	\$ 5.07	\$ 5.60	\$ 5.52	\$ 5.77	\$ 5.74	\$ 5.57
Total investment return (b)	(6.68%)	7.58%	1.46%	7.07%	10.13%	0.21%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	5.86% ††	5.36%	5.25%	5.48%	6.11%	5.60%
Net expenses (c)	0.84% ††	0.84%	0.84%	0.82%	0.80%	0.81%
Portfolio turnover rate	19%	30%	30%	43%	41%	38%
Net assets at end of period (in 000's)	\$ 46	\$ 53	\$ 72	\$ 37	\$ 59	\$ 39

* 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 R1 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.

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

Financial Highlights selected per share data and ratios

Class R2	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 5.61	\$ 5.52	\$ 5.77	\$ 5.74	\$ 5.57	\$ 5.93
Net investment income (loss) (a)	0.15	0.28	0.29	0.30	0.32	0.31
Net realized and unrealized gain (loss) on investments	(0.52)	0.12	(0.22)	0.08	0.20	(0.31)
Net realized and unrealized gain (loss) on foreign currency transactions	—	—	—	—	0.00 ‡	—
Total from investment operations	(0.37)	0.40	0.07	0.38	0.52	(0.00)‡
Less distributions:						
From net investment income	(0.16)	(0.29)	(0.29)	(0.30)	(0.33)	(0.31)
Return of capital	—	(0.02)	(0.03)	(0.05)	(0.02)	(0.05)
Total distributions	(0.16)	(0.31)	(0.32)	(0.35)	(0.35)	(0.36)
Net asset value at end of period	\$ 5.08	\$ 5.61	\$ 5.52	\$ 5.77	\$ 5.74	\$ 5.57
Total investment return (b)	(6.79%)	7.49%	1.20%	6.80%	9.83%	(0.04%)
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	5.56% ††	5.10%	5.06%	5.16%	5.89%	5.35%
Net expenses (c)	1.09% ††	1.09%	1.09%	1.07%	1.05%	1.06%
Portfolio turnover rate	19%	30%	30%	43%	41%	38%
Net assets at end of period (in 000's)	\$ 11,955	\$ 13,866	\$ 11,116	\$ 9,562	\$ 10,917	\$ 10,084

* 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.

Class R3	Six months ended April 30, 2020*	Year ended October 31,			February 29, 2016^ through October 31, 2016
		2019	2018	2017	
Net asset value at beginning of period	\$ 5.60	\$ 5.52	\$ 5.77	\$ 5.74	\$ 5.17
Net investment income (loss) (a)	0.14	0.27	0.27	0.28	0.20
Net realized and unrealized gain (loss) on investments	(0.51)	0.11	(0.22)	0.09	0.60
Total from investment operations	(0.37)	0.38	0.05	0.37	0.80
Less distributions:					
From net investment income	(0.15)	(0.28)	(0.28)	(0.29)	(0.21)
Return of capital	—	(0.02)	(0.02)	(0.05)	(0.02)
Total distributions	(0.15)	(0.30)	(0.30)	(0.34)	(0.23)
Net asset value at end of period	\$ 5.08	\$ 5.60	\$ 5.52	\$ 5.77	\$ 5.74
Total investment return (b)	(6.75%)	7.03%	0.96%	6.58%	15.59%
Ratios (to average net assets)/Supplemental Data:					
Net investment income (loss)	5.25% ††	4.84%	4.77%	4.81%	5.40% ††
Net expenses (c)	1.34% ††	1.34%	1.34%	1.32%	1.30% ††
Portfolio turnover rate	19%	30%	30%	43%	41%
Net assets at end of period (in 000's)	\$ 1,438	\$ 1,281	\$ 606	\$ 392	\$ 130

* Unaudited.

^ Inception date.

†† Annualized.

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

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

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

Financial Highlights selected per share data and ratios

Class R6	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 5.60	\$ 5.52	\$ 5.77	\$ 5.74	\$ 5.58	\$ 5.94
Net investment income (loss) (a)	0.16	0.31	0.31	0.32	0.35	0.34
Net realized and unrealized gain (loss) on investments	(0.52)	0.11	(0.21)	0.09	0.19	(0.31)
Total from investment operations	(0.36)	0.42	0.10	0.41	0.54	0.03
Less distributions:						
From net investment income	(0.17)	(0.31)	(0.32)	(0.33)	(0.36)	(0.34)
Return of capital	—	(0.03)	(0.03)	(0.05)	(0.02)	(0.05)
Total distributions	(0.17)	(0.34)	(0.35)	(0.38)	(0.38)	(0.39)
Net asset value at end of period	\$ 5.07	\$ 5.60	\$ 5.52	\$ 5.77	\$ 5.74	\$ 5.58
Total investment return (b)	(6.57%)	7.84%	1.71%	7.36%	10.24%	0.50%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	5.98% ††	5.60%	5.54%	5.45%	6.23%	5.84%
Net expenses (c)	0.58% ††	0.58%	0.58%	0.58%	0.58%	0.58%
Portfolio turnover rate	19%	30%	30%	43%	41%	38%
Net assets at end of period (in 000's)	\$ 3,269,399	\$ 2,180,977	\$ 904,028	\$ 1,668,163	\$ 53,712	\$ 15,017

* 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 R6 shares are not subject to sales charges. For periods of less than one year, total return is not annualized.

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

Notes to Financial Statements (Unaudited)

Note 1—Organization and Business

The MainStay Funds (the “Trust”) was organized on January 9, 1986, as a Massachusetts business trust 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 twelve funds (collectively referred to as the “Funds”). These financial statements and notes relate to the MainStay MacKay High Yield Corporate Bond Fund (the “Fund”), a “diversified” fund, as that term is defined in the 1940 Act, as interpreted or modified by regulatory authorities having jurisdiction, from time to time.

The Fund currently has nine classes of shares registered for sale. Class A shares commenced operations on January 3, 1995. Class B shares commenced operations on May 1, 1986. Class C shares commenced operations on September 1, 1998. Class I shares commenced operations on January 2, 2004. Class R2 shares were first offered to the public on December 14, 2007, but did not commence operations until May 1, 2008. Investor Class shares commenced operations on February 28, 2008. Class R1 shares commenced operations on June 29, 2012. Class R6 shares commenced operations on June 17, 2013. Class R3 shares commenced operations on February 29, 2016.

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, Class R1, Class R2, Class R3 and Class R6 shares are offered at NAV without a sales charge. Depending upon eligibility, Class B shares convert to either Class A or Investor Class shares at the end of the calendar quarter eight years after the date they were purchased. In addition, depending upon eligibility, Class C shares convert to either Class A or Investor Class shares at the end of the calendar quarter ten years after the date they were purchased. Additionally, 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 distribution plans pursuant to Rule 12b-1 under the 1940 Act, Class B and Class C shares are subject to higher distribution and/or service fees than Class A, Investor Class, Class R2 and Class R3 shares. Class I, Class R1 and Class R6 shares are not subject to a distribution and/or service fee. Class R1, Class R2 and Class R3 shares are subject to a shareholder service fee, which is in addition to fees paid under the distribution plans for Class R2 and Class R3 shares.

The Fund’s investment objective is to seek maximum current income through investment in a diversified portfolio of high-yield debt securities. Capital appreciation is a secondary objective.

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 tele-conference) on an as-needed basis. The Valuation Committee meets to ensure that actions taken by the Subcommittee were appropriate.

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

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

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

The level of an asset or liability within the fair value hierarchy is based on the lowest level of an input, both individually and in the aggregate, that is significant to the fair value measurement. The aggregate value by input level of the Fund’s assets and liabilities as of 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:

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

An asset or liability for which market values cannot be measured using the methodologies described above is valued by methods deemed reasonable in good faith by the Valuation Committee, following the procedures established by the Board, to represent fair value. Under these procedures, the Fund generally uses a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values and other relevant information. The Fund may also use an income-based valuation approach in which the anticipated future cash flows of the asset or liability are discounted to calculate fair value. Discounts may also be applied due to the nature and/or duration of any restrictions on the disposition of the asset or liability. Fair value represents a good faith approximation of the value of a security. Fair value determinations involve the consideration of a number of subjective factors, an analysis of applicable facts and circumstances and the exercise of judgment. As a result, it is possible that the fair value for a security determined in good faith in accordance with the Fund’s valuation procedures may differ from valuations for the same security determined by other funds using their own valuation procedures. Although the Fund’s valuation procedures are designed to value a security at the price the Fund may reasonably expect to receive upon the security’s sale in an orderly transaction, there can be no assurance that any fair value determination thereunder would, in fact, approximate the amount that the Fund would actually realize upon the sale of the security or the price at which the security would trade if a reliable market price were readily available. During the 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, securities that were fair valued in such a manner are shown in the Portfolio of Investments.

Equity securities, including exchange-traded funds (“ETFs”), are valued at the last quoted sales prices as of the close of regular trading on the

Notes to Financial Statements (Unaudited) (continued)

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.

Debt securities (other than convertible and municipal bonds) are valued at the evaluated bid prices (evaluated mean prices in the case of convertible and municipal bonds) supplied by a pricing agent or broker selected by the Manager, in consultation with the Subadvisor. The evaluations are market-based measurements processed through a pricing application and represents the pricing agent's good faith determination as to what a holder may receive in an orderly transaction under market conditions. The rules based logic utilizes valuation techniques that reflect participants' assumptions and vary by asset class and per methodology, maximizing the use of relevant observable data including quoted prices for similar assets, benchmark yield curves and market corroborated inputs. The evaluated bid or mean prices are deemed by the Manager, in consultation with the Subadvisor, to be representative of market values at the regular close of trading of the Exchange on each valuation date. Debt securities purchased on a delayed delivery basis are marked to market daily until settlement at the forward settlement date. Debt securities, including corporate bonds, U.S. government and federal agency bonds, municipal bonds, foreign bonds, convertible bonds, asset-backed securities and mortgage-backed securities are generally categorized as Level 2 in the hierarchy.

Loan assignments, participations and commitments are valued at the average of bid quotations obtained from the engaged independent pricing service and are generally categorized as Level 2 in the hierarchy. Certain loan assignments, participations and commitments may be valued by utilizing significant unobservable inputs obtained from the pricing service and are generally categorized as Level 3 in the hierarchy. As of April 30, 2020, no securities held by the Fund were fair valued in such a manner.

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

The information above is not intended to reflect an exhaustive list of the methodologies that may be used to value portfolio investments. The valuation procedures permit the use of a variety of valuation

methodologies in connection with valuing portfolio investments. The methodology used for a specific type of investment may vary based on the market data available or other considerations. The methodologies summarized above may not represent the specific means by which portfolio investments are valued on any particular business day.

The valuation techniques and significant amounts of unobservable inputs used in the fair valuation measurement of the Fund's Level 3 securities are outlined in the table below. A significant increase or decrease in any of those inputs in isolation would result in a significantly higher or lower fair value measurement.

Asset Class	Fair Value at 4/30/20*	Valuation Technique	Unobservable Inputs	Inputs/Range
Convertible Bond	\$ 11,779	Income Approach	Spread Adjustment	12.75%
Corporate Bonds	29,120,870	Income Approach	Spread Adjustment	9.93%
	37,887,559	Market Approach	Implied Enterprise Value	\$516.4m–\$634.9m
	1,923,823	Market Approach	Implied Enterprise Value	\$516.4m–\$634.9m
			Median historic recovery rate for all other subordinate bonds	11.00%
	2,197	Market Approach	Implied natural gas price	\$2.00
Loan Assignment	13,849,627	Market Approach	Implied natural gas price	\$2.00
Common Stocks	0	Market Approach	Implied Value Based on Waterfall Coverage Analysis	\$0.00
	439,792	Market Approach	Ownership % of equity interest	16.56%–39.7%
	0	Market Approach	Implied natural gas price	\$2.00
	862,656	Market Approach	EBITDA Multiple	5.50x
	9,235,510	Market Approach	EBITDA Multiple	5.75x
	0	Qualitative Assessment		\$0.00
	<u>\$93,333,813</u>			

* The table above does not include a Level 3 investment that was valued by a broker. As of April 30, 2020, the value of this investment was \$18,266,000. The input for this investment was not readily available or cannot be reasonably estimated.

A portfolio investment may be classified as an illiquid investment under the Trust's written liquidity risk management program and related procedures ("Liquidity Program"). Illiquidity of an investment might prevent the sale of such investment at a time when the Manager or the

Subadvisor might wish to sell, and these investments could have the effect of decreasing the overall level of the Fund's liquidity. Further, the lack of an established secondary market may make it more difficult to value illiquid investments, requiring the Fund to rely on judgments that may be somewhat subjective in measuring value, which could vary materially from the amount that the Fund could realize upon disposition. Difficulty in selling illiquid investments may result in a loss or may be costly to the Fund. An illiquid investment is any investment that the Manager or Subadvisor reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. The liquidity classification of each investment will be made using information obtained after reasonable inquiry and taking into account, among other things, relevant market, trading and investment-specific considerations in accordance with the Liquidity Program. Illiquid investments are often valued in accordance with methods deemed by the Board in good faith to be reasonable and appropriate to accurately reflect their fair value. The liquidity of the Fund's investments, as shown in the Portfolio of Investments, was determined as of April 30, 2020, and can change at any time. Illiquid investments as of April 30, 2020, are shown in the Portfolio of Investments.

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

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

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

(D) Security Transactions and Investment Income. The Fund records security transactions on the trade date. Realized gains and losses on security transactions are determined using the identified cost method. 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. Discounts and premiums on securities purchased for the Fund are accreted and amortized, respectively, on the effective interest rate method over the life of the respective securities. Income from payment-in-kind securities is accreted daily based on the effective interest method.

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

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

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

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

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

The loans in which the Fund may invest are generally readily marketable, but may be subject to some restrictions on resale. For example, the Fund may be contractually obligated to receive approval from the agent bank and/or borrower prior to the sale of these investments. If the Fund purchases an assignment from a lender, the Fund will generally

Notes to Financial Statements (Unaudited) (continued)

have direct contractual rights against the borrower in favor of the lender. If the Fund purchases a participation interest either from a lender or a participant, the Fund typically will have established a direct contractual relationship with the seller of the participation interest, but not with the borrower. Consequently, the Fund is subject to the credit risk of the lender or participant who sold the participation interest to the Fund, in addition to the usual credit risk of the borrower. In the event that the borrower, selling participant or intermediate participants become insolvent or enter into bankruptcy, the Fund may incur certain costs and delays in realizing payment, or may suffer a loss of principal and/or interest.

Unfunded commitments represent the remaining obligation of the Fund to the borrower. At any point in time, up to the maturity date of the issue, the borrower may demand the unfunded portion. Unfunded amounts, if any, are marked to market and any unrealized gains or losses are recorded in the Statement of Assets and Liabilities. As of April 30, 2020, the Fund did not hold any unfunded commitments.

(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 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 had securities on loan with an aggregate market value of \$6,448,504; the total market value of collateral held by the Fund was \$6,554,590. The market value of the collateral held included non-cash collateral, in the form of U.S. Treasury securities, with a value of \$5,461,375 and cash collateral, which was invested into the State Street Navigator Securities Lending Government Money Market Portfolio, with a value of \$1,093,215.

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

high-yield debt securities (commonly referred to as “junk bonds”), which are considered speculative because they present a greater risk of loss, including default, than higher rated debt securities. These securities pay investors a premium—a higher interest rate or yield than investment grade debt securities—because of the increased risk of loss. These securities can also be subject to greater price volatility. In times of unusual or adverse market, economic or political conditions, these securities may experience higher than normal default rates.

The loans in which the Fund invests are usually rated below investment grade, or if unrated, determined by the Subadvisor to be of comparable quality (commonly referred to as “junk bonds”) and are generally considered speculative because they present a greater risk of loss, including default, than higher quality debt securities. Moreover, such securities may, under certain circumstances, be particularly susceptible to liquidity and valuation risks. Although certain loans are collateralized, there is no guarantee that the value of the collateral will be sufficient or available to satisfy the borrower’s obligation. In times of unusual or adverse market, economic or political conditions, loans may experience higher than normal default rates. In the event of a recession or serious credit event, among other eventualities, the value of the Fund’s investments in loans are more likely to decline. The secondary market for loans is limited and, thus, the Fund’s ability to sell or realize the full value of its investment in these loans to reinvest sale proceeds or to meet redemption obligations may be impaired. In addition, loans generally are subject to extended settlement periods that may be longer than seven days. As a result, the Fund may be adversely affected by selling other investments at an unfavorable time and/or under unfavorable conditions or engaging in borrowing transactions, such as borrowing against its credit facility, to raise cash to meet redemption obligations or pursue other investment opportunities.

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

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

The elimination of LIBOR or changes to other reference rates or any other changes or reforms to the determination or supervision of reference rates could have an adverse impact on the market for, or value of, any securities or payments linked to those reference rates, which may adversely affect the Fund’s performance and/or net asset value.

Uncertainty and risk also remain regarding the willingness and ability of issuers and lenders to include revised provisions in new and existing contracts or instruments. Consequently, the transition away from LIBOR to other reference rates may lead to increased volatility and illiquidity in markets that are tied to LIBOR, fluctuations in values of LIBOR-related investments or investments in issuers that utilize LIBOR, increased difficulty in borrowing or refinancing and diminished effectiveness of hedging strategies, adversely affecting the Fund's performance. Furthermore, the risks associated with the expected discontinuation of LIBOR and transition may be exacerbated if the work necessary to effect an orderly transition to an alternative reference rate is not completed in a timely manner. Because the usefulness of LIBOR as a benchmark could deteriorate during the transition period, these effects could occur prior to the end of 2021.

(K) 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: 0.60% up to \$500 million; 0.55% from \$500 million up to \$5 billion; 0.525% from \$5 billion up to \$7 billion; 0.50% from \$7 billion up to \$10 billion; 0.49% from \$10 billion to \$15 billion; and 0.48% in excess of

\$15 billion, plus a fee for fund accounting services previously provided by New York Life Investments under a separate fund accounting agreement furnished at an annual rate of the Fund's average daily net assets as follows: 0.05% up to \$20 million; 0.0333% from \$20 million to \$100 million; and 0.01% in excess of \$100 million.

During the six-month period ended April 30, 2020, the effective management fee rate (exclusive of any applicable waivers/reimbursements) was 0.54% inclusive of a fee for fund accounting services of 0.01% of the Fund's average daily net assets.

New York Life Investments has contractually agreed to waive fees and/or reimburse expenses so that Total Annual Fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase or sale of portfolio investments, and acquired (underlying) fund fees and expenses) of Class R6 do not exceed those of Class I. This agreement will remain in effect until 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, New York Life Investments earned fees from the Fund in the amount of \$26,174,111 and paid the Subadvisor in the amount of \$12,839,786.

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%. Pursuant to the Class R3 Plan, the Distributor receives a

Notes to Financial Statements (Unaudited) (continued)

monthly distribution and/or service fee from the Class R3 shares at an annual rate of 0.50% of the average daily net assets of the Class R3 shares. Class I, Class R1 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 Plans for the Class R1, Class R2 and Class R3 shares, the Manager has agreed to provide, through its affiliates or independent third parties, various shareholder and administrative support services to shareholders of the Class R1, Class R2 and Class R3 shares. For its services, the Manager, its affiliates or independent third-party service providers are entitled to a shareholder service fee accrued daily and paid monthly at an annual rate of 0.10% of the average daily net assets of the Class R1, Class R2 and Class R3 shares. This is in addition to any fees paid under the Class R2 and Class R3 Plans.

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

Class R1	\$ 23
Class R2	6,596
Class R3	701

(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 \$357,647 and \$38,995, respectively.

The Fund was also advised that the Distributor retained CDSCs on redemptions of Class A, Class B and Class C shares during the six-month period ended April 30, 2020, of \$19,091, \$14,250 and \$11,652, respectively.

(D) Transfer, Dividend Disbursing and Shareholder Servicing Agent. NYLIM Service Company LLC, an affiliate of New York Life Investments, is the Fund's transfer, dividend disbursing and shareholder servicing agent pursuant to an agreement between NYLIM Service Company LLC and the Trust. NYLIM Service Company LLC has entered into an agreement with DST Asset Manager Solutions, Inc. ("DST"), pursuant to which DST performs certain transfer agent services on behalf of NYLIM Service Company LLC. 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	\$2,568,696	\$ —
Investor Class	185,018	—
Class B	69,501	—
Class C	420,079	—
Class I	2,538,051	—
Class R1	37	—
Class R2	10,273	—
Class R3	1,094	—
Class R6	49,760	—

(E) Small Account Fee. Shareholders with small accounts adversely impact the cost of providing transfer agency services. In an effort to reduce total transfer agency expenses, the Fund has implemented a small account fee on certain types of accounts. As described in the Fund's prospectus, certain shareholders with an account balance of less than \$1,000 are charged an annual per account fee of \$20 (assessed semi-annually), the proceeds from which offset transfer agent fees as reflected in the Statement of Operations.

(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 I	\$475,299	0.0%‡
Class R1	35,235	77.4

‡ Less than one-tenth of a percent.

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

	Gross Federal Tax Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation/ Depreciation
Investments in Securities	\$10,764,299,398	\$248,092,714	\$(1,052,564,042)	\$(804,471,328)

As of October 31, 2019, for federal income tax purposes, capital loss carryforwards of \$269,666,525 were available as shown in the table below, to the extent provided by the regulations to offset future realized gains of the Fund through the years indicated. To the extent that these capital loss carryforwards are used to offset future capital gains, it is probable that the capital gains so offset will not be distributed to shareholders. No capital gain distributions shall be made until any capital loss carryforwards have been fully utilized or have expired.

Capital Loss Available Through	Short-Term Capital Loss Amounts (000's)	Long-Term Capital Loss Amounts (000's)
Unlimited	\$19,612	\$250,054

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	\$492,978,357
Return of Capital	42,409,382
Total	\$535,387,739

Note 5—Restricted Securities

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

As of April 30, 2020, the Fund held the following restricted securities.

Security	Date(s) of Acquisition	Principal Amount/ Shares	Cost	4/30/20 Value	Percent of Net Assets
Aleris International, Inc. Convertible Bond 6.00%, due 6/1/20	7/6/10	\$ 11,797	\$ 11,705	\$ 11,779	0.0%‡
Exide Technologies Common Stock	4/30/15-12/2/19	24,179,087	93,668,519	—	0.0‡
GenOn Energy, Inc. Common Stock	12/14/2018	386,241	43,250,890	71,454,585	0.7
ION Media Networks, Inc. Common Stock	3/12/10-9/29/17	2,287	13,572	862,656	0.0‡
Rex Energy Corp. (Escrow Claim) Corporate Bond 8.00%, due 10/1/20	10/03/2018	\$124,195,000	—	931,463	0.0‡
Sterling Entertainment Enterprises LLC Corporate Bond 10.25%, due 1/15/25	12/28/17	\$ 20,000,000	19,776,909	18,266,000	0.2
Total			\$156,721,595	\$91,526,483	0.9%

‡ Less than one-tenth of a percent.

Note 6—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 7—Line of Credit

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

Effective July 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 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 8—Interfund Lending Program

Pursuant to an exemptive order issued by the SEC, the Fund, along with certain other funds managed by New York Life Investments, may participate in an interfund lending program. The interfund lending program provides an alternative credit facility that permits the Fund and certain other funds managed by New York Life Investments to lend or borrow money for temporary purposes directly to or from one another subject to the conditions of the exemptive order. During the six-month period ended April 30, 2020, there were no interfund loans made or outstanding with respect to the Fund.

Notes to Financial Statements (Unaudited) (continued)

Note 9—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 \$2,635,002 and \$1,774,401, respectively.

Note 10—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	89,528,372	\$ 469,371,054
Shares issued to shareholders in reinvestment of distributions	15,273,567	82,277,375
Shares redeemed	(95,576,762)	(504,537,460)
Net increase (decrease) in shares outstanding before conversion	9,225,177	47,110,969
Shares converted into Class A (See Note 1)	3,449,865	18,754,702
Shares converted from Class A (See Note 1)	(2,244,445)	(12,527,605)
Net increase (decrease)	10,430,597	\$ 53,338,066
Year ended October 31, 2019:		
Shares sold	109,026,669	\$ 609,230,133
Shares issued to shareholders in reinvestment of distributions	29,125,162	161,795,187
Shares redeemed	(135,631,071)	(754,132,210)
Net increase (decrease) in shares outstanding before conversion	2,520,760	16,893,110
Shares converted into Class A (See Note 1)	11,659,035	64,979,916
Shares converted from Class A (See Note 1)	(2,901,647)	(16,231,977)
Net increase (decrease)	11,278,148	\$ 65,641,049

Investor Class	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	1,961,974	\$ 10,745,651
Shares issued to shareholders in reinvestment of distributions	777,775	4,223,238
Shares redeemed	(2,014,890)	(10,893,153)
Net increase (decrease) in shares outstanding before conversion	724,859	4,075,736
Shares converted into Investor Class (See Note 1)	505,299	2,711,809
Shares converted from Investor Class (See Note 1)	(1,770,383)	(9,758,727)
Net increase (decrease)	(540,225)	\$ (2,971,182)
Year ended October 31, 2019:		
Shares sold	5,791,537	\$ 32,673,618
Shares issued to shareholders in reinvestment of distributions	1,538,599	8,616,122
Shares redeemed	(5,534,938)	(31,190,804)
Net increase (decrease) in shares outstanding before conversion	1,795,198	10,098,936
Shares converted into Investor Class (See Note 1)	2,396,950	13,491,296
Shares converted from Investor Class (See Note 1)	(4,225,489)	(23,777,106)
Net increase (decrease)	(33,341)	\$ (186,874)
Class B	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	71,613	\$ 383,678
Shares issued to shareholders in reinvestment of distributions	244,369	1,313,518
Shares redeemed	(1,141,269)	(6,087,599)
Net increase (decrease) in shares outstanding before conversion	(825,287)	(4,390,403)
Shares converted from Class B (See Note 1)	(611,214)	(3,297,288)
Net increase (decrease)	(1,436,501)	\$ (7,687,691)
Year ended October 31, 2019:		
Shares sold	1,087,084	\$ 6,091,354
Shares issued to shareholders in reinvestment of distributions	566,778	3,131,419
Shares redeemed	(3,842,049)	(21,308,958)
Net increase (decrease) in shares outstanding before conversion	(2,188,187)	(12,086,185)
Shares converted from Class B (See Note 1)	(1,211,970)	(6,700,688)
Net increase (decrease)	(3,400,157)	\$ (18,786,873)

Class C	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	5,305,491	\$ 27,548,300
Shares issued to shareholders in reinvestment of distributions	1,445,305	7,766,751
Shares redeemed	(10,795,233)	(57,360,936)
Net increase (decrease) in shares outstanding before conversion	(4,044,437)	(22,045,885)
Shares converted from Class C (See Note 1)	(554,702)	(2,987,101)
Net increase (decrease)	(4,599,139)	\$ (25,032,986)
Year ended October 31, 2019:		
Shares sold	4,723,186	\$ 26,187,539
Shares issued to shareholders in reinvestment of distributions	3,506,055	19,364,942
Shares redeemed	(35,272,423)	(195,600,323)
Net increase (decrease) in shares outstanding before conversion	(27,043,182)	(150,047,842)
Shares converted from Class C (See Note 1)	(6,213,278)	(34,434,490)
Net increase (decrease)	(33,256,460)	\$ (184,482,332)

Class I	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	180,217,088	\$ 953,751,120
Shares issued to shareholders in reinvestment of distributions	17,053,941	91,991,569
Shares redeemed	(194,424,007)	(1,048,162,784)
Net increase in shares outstanding before conversion	2,847,022	(2,420,095)
Shares converted into Class I (See Note 1)	351,524	1,840,628
Net increase (decrease)	3,198,546	\$ (579,467)
Year ended October 31, 2019:		
Shares sold	369,778,310	\$ 2,055,115,359
Shares issued to shareholders in reinvestment of distributions	31,677,016	176,272,793
Shares redeemed	(349,772,567)	(1,938,607,921)
Net increase (decrease) in shares outstanding before conversion	51,682,759	292,780,231
Shares converted into Class I (See Note 1)	1,803,168	10,045,070
Shares converted from Class I (See Note 1)	(109,697,991)	(600,048,104)
Net increase (decrease)	(56,212,064)	\$ (297,222,803)

Class R1	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	357	\$ 1,950
Shares issued to shareholders in reinvestment of distributions	264	1,419
Shares redeemed	(1,091)	(6,147)
Net increase (decrease)	(470)	\$ (2,778)
Year ended October 31, 2019:		
Shares sold	1,657	\$ 9,192
Shares issued to shareholders in reinvestment of distributions	504	2,796
Shares redeemed	(5,695)	(31,491)
Net increase (decrease)	(3,534)	\$ (19,503)

Class R2	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	223,863	\$ 1,230,643
Shares issued to shareholders in reinvestment of distributions	60,011	323,643
Shares redeemed	(403,122)	(2,165,429)
Net increase (decrease)	(119,248)	\$ (611,143)
Year ended October 31, 2019:		
Shares sold	829,133	\$ 4,598,857
Shares issued to shareholders in reinvestment of distributions	106,098	590,024
Shares redeemed	(476,028)	(2,623,840)
Net increase (decrease)	459,203	\$ 2,565,041

Class R3	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	54,607	\$ 304,988
Shares issued to shareholders in reinvestment of distributions	7,045	37,814
Shares redeemed	(6,856)	(37,929)
Net increase (decrease)	54,796	\$ 304,873
Year ended October 31, 2019:		
Shares sold	121,247	\$ 675,686
Shares issued to shareholders in reinvestment of distributions	7,957	44,264
Shares redeemed	(9,822)	(55,038)
Net increase (decrease) in shares outstanding before conversion	119,382	664,912
Shares converted from Class R3 (See Note 1)	(607)	(3,230)
Net increase (decrease)	118,775	\$ 661,682

Notes to Financial Statements (Unaudited) (continued)

Class R6	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	311,531,061	\$ 1,574,472,486
Shares issued to shareholders in reinvestment of distributions	15,163,477	80,914,480
Shares redeemed	(72,489,811)	(378,653,986)
Net increase (decrease) in shares outstanding before conversion	254,204,727	1,276,732,980
Shares converted into Class R6 (See Note 1)	1,761,091	10,020,609
Shares converted from Class R6 (See Note 1)	(881,608)	(4,757,027)
Net increase (decrease)	255,084,210	\$ 1,281,996,562
Year ended October 31, 2019:		
Shares sold	255,911,222	\$ 1,421,624,226
Shares issued to shareholders in reinvestment of distributions	20,797,362	115,504,966
Shares redeemed	(159,723,301)	(886,805,280)
Net increase (decrease) in shares outstanding before conversion	116,985,283	650,323,912
Shares converted into Class R6 (See Note 1)	109,898,841	600,047,709
Shares converted from Class R6 (See Note 1)	(1,330,027)	(7,368,396)
Net increase (decrease)	225,554,097	\$ 1,243,003,225

Note 11—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 12—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, for possible adjustment and/or disclosure. No subsequent events requiring financial statement adjustment or disclosure have been identified.

Note 13—Other Matters

An outbreak of COVID-19, first detected in December 2019, has developed into a global pandemic and has resulted in travel restrictions, closure of international borders, certain businesses and securities markets, restrictions on securities trading activities, prolonged quarantines, supply chain disruptions, and lower consumer demand, as well as general concern and uncertainty. The 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 High Yield Corporate Bond 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 The MainStay Funds (“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 manager 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 manager, the number of accounts managed by the portfolio manager and the method for compensating the portfolio manager.

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 benchmark, 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 manager 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.

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. 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 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

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

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 The MainStay Funds (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 or visiting the SEC's website at www.sec.gov.

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

Shareholder Reports and Quarterly Portfolio Disclosure

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

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 Fund¹

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 Fund²
MainStay Floating Rate Fund
MainStay MacKay High Yield Corporate Bond Fund
MainStay MacKay Infrastructure Bond Fund³
MainStay MacKay Short Duration High Yield Fund

MainStay MacKay Total Return Bond Fund
MainStay MacKay Unconstrained Bond Fund
MainStay Short Term Bond Fund⁴

Tax-Exempt Income

MainStay MacKay California Tax Free Opportunities Fund⁵
MainStay MacKay High Yield Municipal Bond Fund
MainStay MacKay Intermediate Tax Free Bond Fund
MainStay MacKay New York Tax Free Opportunities Fund⁶
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 Fund⁷
MainStay Moderate Allocation Fund
MainStay Moderate Growth Allocation Fund⁸

Manager

New York Life Investment Management LLC

New York, New York

Subadvisors

Candriam Belgium S.A.⁹

Brussels, Belgium

Candriam Luxembourg S.C.A.⁹

Strassen, Luxembourg

CBRE Clarion Securities LLC

Radnor, Pennsylvania

Cushing Asset Management, LP

Dallas, Texas

Epoch Investment Partners, Inc.

New York, New York

MacKay Shields LLC⁹

New York, New York

Markston International LLC

White Plains, New York

NYL Investors LLC⁹

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

"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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