MainStay MacKay Intermediate Tax Free Bond Fund

Message from the President and Annual Report

April 30, 2020

New York Life Investments

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Message from the President

The recent reporting period was one that few will forget, marked as it was by the emergence of the novel coronavirus, which causes the disease known as COVID-19. In barely three months, the virus spread into a global pandemic that sharply curtailed global economic activity in March and April 2020.

Before the virus appeared, financial markets faced challenges, but despite international trade tensions and the ongoing drama of the U.K.'s slow movement toward an exit from the European Union, the longest bull market in U.S. history charged ahead to the end of 2019 with most other market sectors enjoying gains as well. The new year appeared to start on a similarly positive note with the signing of both an initial United States-China trade agreement and the United States-Mexico-Canada Agreement on regional trade. However, in late December and early January, ominous indications of the new viral outbreak in Wuhan, China began to emerge.

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 cases 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 to near zero and announced unlimited quantitative easing. Municipal market volatility surged as liquidity declined, with high-yield municipal bonds experiencing extreme price swings. 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.

The municipal bond market generally lost ground during the reporting period, with higher-grade securities tending to outperform their lower-grade counterparts. While we believe that some industry sectors are likely to suffer continuing distress as a result of the pandemic, we also believe that the impact will vary from sector to sector and region to region, heightening the importance of informed security selection in the months ahead.

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 MainStay investors with world class investment solutions in the current 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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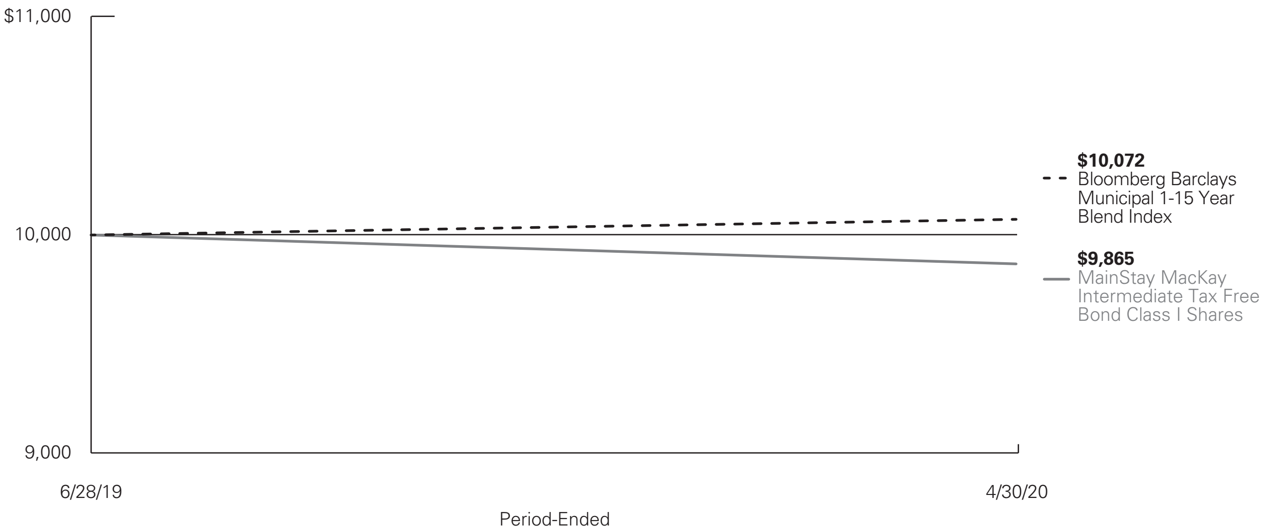
Investors should refer to the Fund's Summary Prospectus and/or Prospectus and consider the Fund's investment objectives, strategies, risks, charges and expenses carefully before investing. The Summary Prospectus and/or Prospectus contain this and other information about the Fund. You may obtain copies 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 Comparison[1] (Unaudited)

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



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

Class	Sales Charge		Inception Date	Since Inception	Gross Expense Ratio[2]
Class A Shares	Maximum 4.50% Initial Sales Charge	With sales charges	6/28/2019	–5.88%	0.88%
		Excluding sales charges		–1.44	0.88
Investor Class Shares	Maximum 4.50% Initial Sales Charge	With sales charges	6/28/2019	–5.99	1.03
		Excluding sales charges		–1.56	1.03
Class C Shares	Maximum 1% CDSC	With sales charges	6/28/2019	–2.73	1.28
	if Redeemed Within One Year of Purchase	Excluding sales charges		–1.76	1.28
Class I Shares	No Sales Charge		6/28/2019	–1.35	0.63
Class R6 Shares	No Sales Charge		6/28/2019	–1.32	0.53

1. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on distributions or Fund share redemptions. Total returns reflect maximum applicable sales charges as indicated in the table above, if any, changes in share price, and reinvestment of dividend and capital gain distributions. The graph assumes the initial investment amount shown above and reflects the deduction of all sales charges that would have applied for the period of investment. Performance figures may reflect certain fee waivers and/or expense limitations, without which total returns may have been lower. For more information on share classes and current fee waivers and/or expense limitations (if any), please refer to the Notes to Financial Statements.
2. The gross expense ratios presented reflect the Fund's "Total Annual Fund Operating Expenses" from the most recent Prospectus, as supplemented, 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	Since Inception
Bloomberg Barclays Municipal 1-15 Yr Blend Index[3]	0.72%
Morningstar Municipal National Intermediate Category Average[4]	–1.06

3. The Bloomberg Barclays Municipal 1-15 Yr Blend Index is the Fund's primary broad-based securities-market index for comparison purposes. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly into an index.
4. The Morningstar Municipal National Intermediate Category Average is representative of funds that invest in bonds issued by various state and local governments to fund public projects. The income from these bonds is generally free from federal taxes. To lower risk, these portfolios spread their assets across many states and sectors. These portfolios have durations of 4.0 to 6.0 years (or average maturities of five to 12 years). 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 Intermediate Tax Free 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	$968.40	$3.77	$1,021.03	$3.87	0.77%
Investor Class Shares	$1,000.00	$967.60	$3.82	$1,020.93	$3.97	0.79%
Class C Shares	$1,000.00	$966.40	$5.04	$1,019.74	$5.17	1.03%
Class I Shares	$1,000.00	$968.50	$2.59	$1,022.23	$2.66	0.53%
Class R6 Shares	$1,000.00	$968.70	$2.45	$1,022.38	$2.51	0.50%

1. Expenses are equal to the Fund's annualized expense ratio of each class multiplied by the average account value over the period, divided by 366 and multiplied by 182 (to reflect the six-month period). The table above represents the actual expenses incurred during the six-month period.
2. Expenses are equal to the Fund's annualized expense ratio to reflect the six-month period.

Portfolio Composition as of April 30, 2020 (Unaudited)

Illinois	11.6%
California	6.7
Texas	5.2
Pennsylvania	4.9
Florida	4.6
Georgia	4.3
New Jersey	4.1
New Mexico	3.9
New York	3.8
Washington	3.7
Utah	3.4
Connecticut	3.1
Nevada	3.1
Minnesota	3.0
Mississippi	3.0
Michigan	2.9
Missouri	2.6
Massachusetts	2.3
Louisiana	2.1
Ohio	2.1%
Indiana	2.0
Maryland	2.0
Nebraska	1.9
Guam	1.7
Kansas	1.4
Arizona	1.3
Idaho	1.3
Puerto Rico	1.2
New Hampshire	1.0
North Carolina	1.0
Oklahoma	1.0
Colorado	0.8
Alabama	0.5
Virginia	0.2
Other Assets, Less Liabilities	2.3
	100.0%

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 as of April 30, 2020 (excluding short-term investment) (Unaudited)

1. Mississippi Hospital Equipment & Facilities Authority, Forrest County General Hospital Refunding Project, Revenue Bonds, 5.00%, due 1/1/34
2. State of Minnesota, Unlimited General Obligation, 5.00%, due 10/1/29
3. Shenandoah Valley School District, Limited General Obligation, 4.00%, due 8/1/27
4. Village of Mundelein IL, Unlimited General Obligation, 4.00%, due 12/15/25–12/15/39
5. Commonwealth Of Massachusetts, Limited General Obligation, 5.00%, due 12/1/36
6. Etowah Water & Sewer Authority, Revenue Bonds, 4.00%, due 3/1/34
7. City of Shreveport LA, Water & Sewer, Revenue Bonds, 5.00%, due 12/1/32
8. California Municipal Finance Authority, West Village Student Housing Project, Revenue Bonds, 5.00%, due 5/15/36
9. Nevada Housing Division, Single Family Mortgage Program, Revenue Bonds, 4.00%, due 10/1/49
10. New Mexico Mortgage Finance Authority, Single Family Mortgage Program, Revenue Bonds, 3.75%, due 1/1/50

Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by portfolio managers John Loffredo, CFA, Robert DiMella, CFA, Michael Petty, David Dowden, Scott Sprauer, Frances Lewis and John Lawlor of MacKay Shields LLC, the Fund's Subadvisor.

How did MainStay MacKay Intermediate Tax Free Bond Fund perform relative to its benchmark and peer group from its inception June 28, 2019, through April 30, 2020?

From June 28, 2019, through April 30, 2020, Class I shares of MainStay MacKay Intermediate Tax Free Bond Fund returned –1.35%, underperforming the 0.72% return of the Fund's primary benchmark, the Bloomberg Barclays Municipal Bond Index 1–15 Year Blend. Over the same period, Class I shares also underperformed the –1.06% return of the Morningstar Muni National Intermediate Category Average.[1]

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

During the reporting period, the Fund underperformed the Bloomberg Barclays Municipal Bond Index 1–15 Year Blend primarily due credit positioning, including an underweight allocation to bonds rated AAA,[2] and credit selection among bonds from Washington and California. Across sectors, the largest detractor from relative performance was security selection in the special tax sector.

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

The rapid expansion of the COVID-19 pandemic in March 2020 resulted in a significant risk-off reaction in global financial markets. The municipal bond market's response to the crisis reflected the significant disruption the virus caused to our economy, the financial markets and, of course, our personal lives. In March and April, municipal volatility surged and credit spreads widened. The extreme volatility in the municipal market was primarily due to a liquidity squeeze exacerbated by a sharp repricing of credit risk. Market technical conditions were upended as investors in municipal bond mutual funds and exchange-traded funds sought to exit a market that offered little liquidity, resulting in severe price declines. During this time, yields of variable-rate demand notes spiked to over 9% and the new issue market was shut down. Credit spreads[3] widened as market participants attempted to discount the impact of an abrupt shutdown of the U.S. economy. Notably, high-yield municipal bonds experienced extreme price swings exceeding 10 points in a day for some bonds. (A point represents one percent of a bond's face value.) In our view, leveraged open-end mutual funds that were ill-prepared to meet shareholder redemptions contributed to municipal market volatility as they resorted to forced sales.

The pandemic produced a significant credit shift in the municipal market. With mandatory stay-at-home requirements and the closing of large segments of the economy, including travel, leisure and retail, the economic conditions of state and local governments and related entities came into question. Fortunately, the municipal market's credit condition at the start of 2020 was at an all-time high as state governments had accumulated large reserves due to record tax revenues in the wake of the Great Recession of 2007–2009. Nevertheless, as of the end of the reporting period, we believe that several municipal "front-line" sectors, including infrastructure, hospitals, state and local governments and higher education, are likely to be the most immediately impacted by the pandemic-related economic slowdown. We expect the magnitude of the impact to be a function of the duration and the severity of the crisis, as well as the specific geographic location of the credits.

As always, the team continues to assess the ability of each municipal issuer to manage through these times. We continue to believe there will be limited defaults in the municipal market, reflective of historical market trends.

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

During the reporting period, the Fund used U.S. Treasury futures to maintain a neutral duration[4] relative to the Bloomberg Barclays Municipal Bond Index 1–15 Year Blend. The hedge detracted from the Fund's relative performance.

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

As mentioned above, the Fund used an interest rate hedge employing U.S. Treasury futures to help remain within a tight band of the benchmark's duration. As of April 30, 2020, the Fund's modified duration to worst[5] was 4.45 years while the benchmark's modified duration to worst was 4.25 years.

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 'AAA' has the highest rating assigned by Standard & Poor's ("S&P"), and in the opinion of S&P, the obligor's capacity to meet its financial commitment on the obligation is extremely strong. When applied to Fund holdings, ratings are based solely on the creditworthiness of the bonds in the portfolio and are not meant to represent the security or safety of the Fund.
3. The terms "spread" and "yield spread" may refer to the difference in yield between a security or type of security and comparable U.S. Treasury issues. The terms may also refer to the difference in yield between two specific securities or types of securities at a given time.
4. Duration is a measure of the price sensitivity of a fixed-income investment to changes in interest rates. Duration is expressed as a number of years and is considered a more accurate sensitivity gauge than average maturity.
5. Modified duration is inversely related to the approximate percentage change in price for a given change in yield. Duration to worst is the duration of a bond computed using the bond's nearest call date or maturity, whichever comes first. This measure ignores future cash flow fluctuations due to embedded optionality.

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

During the reporting period, bonds in the local general obligation, water/sewer and appropriation sectors made positive contributions to the Fund's performance relative to the Bloomberg Barclays Municipal Bond Index. (Contributions take weightings and total returns into account.) Conversely, investments in the special tax, state general obligation and education sectors detracted from relative returns.

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

The Fund remains focused on diversification and liquidity, so no individual transaction was considered significant.

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

The Fund made no significant sector weighting changes during the reporting period.

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 Bloomberg Barclays Municipal Bond Index 1–15 Year Blend in the local general obligation, hospital and housing sectors, and relatively underweight exposure to the state general obligation, transportation and prerefunded/ETM (escrowed to maturity) sectors. In addition, the Fund held overweight exposure to bonds from Illinois, and underweight exposure to bonds from New York and California. Regarding credit quality, the Fund held moderate exposure to bonds rated below investment grade. Finally the Fund maintained a barbell strategy with respect to the yield curve,[6] holding greater-than-benchmark weights at both the short end of the maturity spectrum and beyond ten years, while holding less-than-benchmark exposure to bonds maturing between two and ten years.

6. The yield curve is a line that plots the yields of various securities of similar quality—typically U.S. Treasury issues—across a range of maturities. The U.S. Treasury yield curve serves as a benchmark for other debt and is used in economic forecasting.

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Portfolio of Investments April 30, 2020

	Principal Amount	Value
Municipal Bonds 97.7%†		
Long-Term Municipal Bonds 97.2%		
Alabama 0.5%		
Chilton County Health Care Authority, Chilton County Hospital Project, Revenue Bonds		
Series A		
5.00%, due 11/1/28	$ 200,000	$ 230,004
Arizona 1.3%		
Arizona Industrial Development Authority, Equitable School Revolving Fund, Revenue Bonds		
Series A		
5.00%, due 11/1/23	250,000	280,425
Series A		
5.00%, due 11/1/25	340,000	400,605
		681,030
California 6.7%		
ABAG Finance Authority for Nonprofit Corp., Windemere Ranch Infrastructure Financing Program, Special Tax		
Series A, Insured: AGM		
5.00%, due 9/2/30	70,000	85,640
California Municipal Finance Authority, UCR North District Phase 1 Student Housing Project, Revenue Bonds		
Insured: BAM		
5.00%, due 5/15/26	500,000	557,395
California Municipal Finance Authority, West Village Student Housing Project, Revenue Bonds		
Insured: BAM		
5.00%, due 5/15/36	1,000,000	1,083,070
City of Los Angeles, Department of Airports, Los Angeles International Airport, Revenue Bonds		
Series D		
5.00%, due 5/15/32 (a)	650,000	762,957
South Bay Union School District / San Diego County, Unlimited General Obligation		
(zero coupon), due 8/1/22	1,000,000	971,380
		3,460,442
Colorado 0.8%		
Colorado Health Facilities Authority, CommonSpirit Health Obligated Group, Revenue Bonds		
Series A-2		
5.00%, due 8/1/32	110,000	123,239
Series A-2		
5.00%, due 8/1/33	90,000	100,262

	Principal Amount	Value
Colorado (continued)		
Colorado Health Facilities Authority, CommonSpirit Health Obligated Group, Revenue Bonds (continued)		
Series A-1		
5.00%, due 8/1/34	$ 75,000	$ 83,258
Series A-1		
5.00%, due 8/1/35	105,000	116,020
		422,779
Connecticut 3.1%		
City of Waterbury CT, Unlimited General Obligation		
Series A		
5.00%, due 2/1/33	500,000	628,645
Connecticut Housing Finance Authority, Housing Mortgage Finance Program, Revenue Bonds		
Series D-1		
4.00%, due 11/15/49	500,000	541,565
University of Connecticut, Revenue Bonds		
Series A, Insured: BAM		
5.00%, due 1/15/37	385,000	439,431
		1,609,641
Florida 4.6%		
County of Osceola FL, Transportation, Revenue Bonds		
Series A-1		
5.00%, due 10/1/31	350,000	414,330
Harbor Bay Community Development District, Special Assessment		
Series A-1		
3.10%, due 5/1/24	445,000	434,690
Series A-2		
3.10%, due 5/1/24	365,000	357,207
Pinellas County Industrial Development Authority, Foundation for Global Understanding Project, Revenue Bonds		
5.00%, due 7/1/29	600,000	606,990
State of Florida, State Board of Education, Public Education Capital Outlay, Unlimited General Obligation		
Series C		
4.00%, due 6/1/30	500,000	525,450
		2,338,667
Georgia 4.3%		
Brookhaven Development Authority, Children's Healthcare of Atlanta, Revenue Bonds		
Series A		
5.00%, due 7/1/22	500,000	537,885
Etowah Water & Sewer Authority, Revenue Bonds		
Insured: BAM		
4.00%, due 3/1/34	1,000,000	1,115,070

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

	Principal Amount	Value
Long-Term Municipal Bonds (continued)		
Georgia (continued)		
Municipal Electric Authority of Georgia, Revenue Bonds Series A		
5.00%, due 1/1/38	$ 500,000	$ 539,630
		2,192,585
Guam 1.7%		
Guam Government, Business Privilege Tax, Revenue Bonds Series D		
5.00%, due 11/15/27	365,000	373,713
Guam Government, Waterworks Authority, Revenue Bonds		
5.25%, due 7/1/33	500,000	511,215
		884,928
Idaho 0.8%		
Idaho Health Facilities Authority, Madison Memorial Hospital, Revenue Bonds		
5.00%, due 9/1/37	370,000	394,583
Illinois 11.6%		
Chicago Park District, Limited General Obligation Series C		
5.00%, due 1/1/23	500,000	526,845
Chicago Park District, Limited Tax, Limited General Obligation Series B		
5.00%, due 1/1/24	500,000	535,000
City of Chicago IL, Unlimited General Obligation Series A		
5.00%, due 12/1/21	500,000	502,545
City of Chicago IL, Wastewater Transmission, Revenue Bonds Insured: AGM		
5.00%, due 1/1/31	500,000	544,605
City of Monmouth IL, Unlimited General Obligation Insured: BAM		
4.00%, due 12/1/27	300,000	314,061
Kankakee County School District No. 111, Limited General Obligation Insured: BAM		
4.00%, due 1/1/23	265,000	280,659
Peoria County Community Unit School District No. 323, Unlimited General Obligation		
4.00%, due 4/1/28	250,000	289,215
Regional Transportation Authority, Revenue Bonds Series A, Insured: NATL-RE		
5.50%, due 7/1/24	160,000	182,058

	Principal Amount	Value
Illinois (continued)		
Sales Tax Securitization Corp., Revenue Bonds Series A		
5.00%, due 1/1/29	$ 500,000	$ 570,915
Sangamon County School District, Unlimited General Obligation Series C, Insured:AGM		
5.00%, due 6/1/29	555,000	688,672
Southwestern Illinois Development Authority, Revenue Bonds		
4.00%, due 4/15/33	250,000	285,497
Village of Mundelein IL, Unlimited General Obligation		
Insured: AGM 4.00%, due 12/15/25	210,000	236,298
Insured: AGM 4.00%, due 12/15/26	345,000	394,221
Insured: AGM 4.00%, due 12/15/27	300,000	346,257
Insured: AGM 4.00%, due 12/15/39	250,000	272,608
		5,969,456
Indiana 2.0%		
City of Fort Wayne IN, Waterworks Utility Revenue, Revenue Bonds Series A		
0.05%, due 12/1/39	1,275,000	713,057
Indiana Finance Authority, King's Daughters Hospital & Healthcare, Revenue Bonds		
5.125%, due 8/15/27	300,000	302,304
		1,015,361
Kansas 1.4%		
Wichita Health Care Facilities, Presbyterian Manors Obligated Group, Revenue Bonds		
4.00%, due 5/15/20	250,000	249,905
4.00%, due 5/15/21	450,000	444,465
		694,370
Louisiana 2.1%		
City of Shreveport LA, Water & Sewer, Revenue Bonds Series B, Insured: BAM		
5.00%, due 12/1/32	920,000	1,090,163
Maryland 2.0%		
Maryland Community Development Administration, Department of Housing & Community Development, Revenue Bonds Series C		
3.50%, due 3/1/50	500,000	522,625

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

	Principal Amount	Value
Long-Term Municipal Bonds (continued)		
Maryland (continued)		
Montgomery County Housing Opportunities Commission Program, Revenue Bonds Series A 4.00%, due 7/1/49	$ 490,000	$ 525,275
		1,047,900
Massachusetts 2.3%		
Commonwealth of Massachusetts, Limited General Obligation Series J 5.00%, due 12/1/36	1,000,000	1,193,910
Michigan 2.9%		
Great Lakes Water Authority, Water Supply System, Revenue Bonds Series A 5.00%, due 7/1/28	800,000	979,384
Leland Public School District, Unlimited General Obligation Insured: AGM 4.00%, due 5/1/25	355,000	396,354
Michigan Finance Authority, Local Government Loan Program, Revenue Bonds Series B 5.00%, due 7/1/31	100,000	107,324
		1,483,062
Minnesota 3.0%		
State of Minnesota, Unlimited General Obligation Series A 5.00%, due 10/1/29	1,220,000	1,522,597
Mississippi 3.0%		
Mississippi Hospital Equipment & Facilities Authority, Forrest County General Hospital Refunding Project, Revenue Bonds Series A 5.00%, due 1/1/34	1,310,000	1,527,132
Missouri 2.6%		
Missouri Public Utilities Commission, Interim Construction Notes, Revenue Notes Series 2019 1.50%, due 3/1/21	500,000	500,610
St. Louis Airport Revenue, St. Louis Lambert International Airport, Revenue Bonds Series B 5.00%, due 7/1/36 (a)	725,000	812,319
		1,312,929

	Principal Amount	Value
Nebraska 1.9%		
Central Plains Energy, Project No. 4, Revenue Bonds 5.00%, due 3/1/50 (b)	$ 900,000	$ 971,397
Nevada 3.1%		
Nevada Housing Division, Single Family Mortgage Program, Revenue Bonds Series B, Insured: GNMA/FNMA/FHLMC 4.00%, due 10/1/49	995,000	1,066,043
Sparks Tourism Improvement District No. 1, Revenue Bonds Series A 2.75%, due 6/15/28 (c)	600,000	548,454
		1,614,497
New Hampshire 1.0%		
New Hampshire Business Finance Authority, Pennichuck Water Works, Inc. Project, Revenue Bonds Series A 4.00%, due 4/1/30 (a)	500,000	529,630
New Jersey 4.1%		
New Jersey Economic Development Authority, Continental Airlines, Inc. Project, Revenue Bonds 5.125%, due 9/15/23 (a)	250,000	249,102
New Jersey Economic Development Authority, School Facilities Construction, Revenue Bonds Series K, Insured: AMBAC 5.25%, due 12/15/20	750,000	758,880
State of New Jersey, General Obligation Unlimited Notes Series A 4.00%, due 9/25/20 (c)	500,000	500,015
State of New Jersey, Unlimited General Obligation 5.00%, due 6/1/39	500,000	577,315
		2,085,312
New Mexico 3.9%		
New Mexico Hospital Equipment Loan Council, First Mortgage Entrance Fee, La Vida Expansion Project, Revenue Bonds Series C 2.25%, due 7/1/23	750,000	698,295
New Mexico Mortgage Finance Authority, Single Family Mortgage Program, Revenue Bonds Class I, Series D, Insured: GNMA/FNMA/FHLMC 3.75%, due 1/1/50	995,000	1,055,655

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

	Principal Amount	Value
Long-Term Municipal Bonds (continued)		
New Mexico (continued)		
Santa Fe Retirement Facilities Revenue, El Castillo Retirement Project, Revenue Bonds Series B-2		
2.25%, due 5/15/24	$ 300,000	$ 271,545
		2,025,495
New York 3.8%		
Albany Capital Resource Corp., Albany Leadership Charter School for Girls Project, Revenue Bonds		
4.00%, due 6/1/29	500,000	470,835
City of Yonkers, General Obligation Limited Notes		
2.00%, due 6/29/20	500,000	500,315
Metropolitan Transportation Authority, Climate Bond Certified, Revenue Bonds Series A-1		
5.00%, due 11/15/29	500,000	502,575
New York Liberty Development Corp., Bank of America Tower at One Bryant Park Project, Revenue Bonds Class 1		
2.45%, due 9/15/69	500,000	468,270
		1,941,995
North Carolina 1.0%		
North Carolina State Housing Finance Agency, Revenue Bonds Series 42, Insured: GNMA/FNMA		
4.00%, due 1/1/50	500,000	536,050
Ohio 2.1%		
Ohio Air Quality Development Authority, Ohio Valley Electric Corp. Project, Revenue Bonds Series D		
2.875%, due 2/1/26	250,000	234,675
Ohio Higher Educational Facility Commission, Ohio Wesleyan University 2019 Project, Revenue Bonds		
5.00%, due 10/1/21	550,000	579,887
West Carrollton City School District, Unlimited General Obligation Series A		
4.00%, due 12/1/21	250,000	261,970
		1,076,532
Oklahoma 1.0%		
Oklahoma Housing Finance Agency, Single Family Mortgage Program, Revenue Bonds Series A Insured: GNMA/FNMA/FHLMC		
4.00%, due 9/1/49	490,000	525,295

	Principal Amount	Value
Pennsylvania 4.9%		
County of Beaver PA, Unlimited General Obligation Insured: BAM		
5.00%, due 4/15/25	$ 350,000	$ 395,829
Franklin County Industrial Development Authority, Menno-Haven, Inc. Project, Revenue Bonds		
5.00%, due 12/1/29	190,000	183,954
Shenandoah Valley School District, Limited General Obligation Insured: AGM		
4.00%, due 8/1/27	1,185,000	1,373,332
Stroudsburg Area School District, Limited General Obligation Series B, Insured: AGM		
4.00%, due 6/1/30	250,000	283,730
Warrior Run School District, Montour Northumberland Union County, Limited General Obligation Insured: AGM		
4.00%, due 9/1/36	255,000	274,541
		2,511,386
Puerto Rico 1.2%		
Commonwealth of Puerto Rico, Public Improvement, Unlimited General Obligation Series A, Insured: AGM		
5.00%, due 7/1/35	100,000	100,920
Puerto Rico Sales Tax Financing Corp., Revenue Bonds Series A-1		
4.50%, due 7/1/34	500,000	488,270
		589,190
Texas 5.2%		
Alpine Independent School District, Unlimited General Obligation Insured: PSF-GTD		
4.00%, due 2/15/31	570,000	659,114
Arlington Higher Education Finance Corp., Revenue Bonds Series A, Insured: PSF-GTD		
5.00%, due 8/15/26	200,000	239,774
City of Irving TX, Hotel Occupancy Tax, Revenue Bonds		
5.00%, due 8/15/24	200,000	204,130
City of San Antonio Electric & Gas Systems, Revenue Bonds		
4.00%, due 2/1/34	250,000	273,645
Lancaster Independent School District / TX, Unlimited General Obligation Insured: BAM		
5.00%, due 2/15/26	250,000	290,305

	Principal Amount	Value
Long-Term Municipal Bonds (continued)		
Texas (continued)		
Texas Department of Housing & Community Affairs, Revenue Bonds		
Series A Insured: GNMA		
4.00%, due 3/1/50	$ 900,000	$ 974,673
		2,641,641
Utah 3.4%		
Utah Charter School Finance Authority, Summit Academy, Inc., Revenue Bonds		
Series A, Insured: UT CSCE		
5.00%, due 4/15/25	135,000	156,661
Series A, Insured: UT CSCE		
5.00%, due 4/15/28	200,000	247,522
Series A, Insured: UT CSCE		
5.00%, due 4/15/29	185,000	232,645
Utah Housing Corp., Revenue Bonds		
Series G-G2, Insured: GNMA		
4.50%, due 7/21/49	3,491	3,704
Utah Infrastructure Agency, Revenue Bonds		
Series A		
5.00%, due 10/15/28	460,000	473,809
Utah Infrastructure Agency, Telecommunication, Revenue Bonds		
5.00%, due 10/15/27	250,000	258,747
Utah Transit Authority, Sales Tax, Revenue Bonds		
Series C, Insured: AGM		
5.25%, due 6/15/27	300,000	371,052
		1,744,140
Virginia 0.2%		
Virgin Islands Public Finance Authority, Gross Receipts Taxes Loan, Revenue Bonds		
Series C, Insured: AGM		
5.00%, due 10/1/30	100,000	107,544
Washington 3.7%		
Lewis County School District No. 226, Unlimited General Obligation		
Insured: School Bond Guaranty		
4.00%, due 12/1/28	390,000	442,833
Washington State Convention Center Public Facilities District, Lodging Tax, Revenue Bonds		
5.00%, due 7/1/37	1,000,000	1,033,770
Washington (continued)		
Washington State Housing Finance Commission, Transforming Age Projects, Revenue Bonds		
Series B		
2.375%, due 1/1/26 (c)	$ 500,000	$ 435,315
		1,911,918
Total Long-Term Municipal Bonds (Cost $51,097,346)		49,883,561
Short-Term Municipal Note 0.5%		
Idaho 0.5%		
Idaho Health Facilities Authority, Trinity Health Credit Group, Revenue Bonds		
Series 2013ID		
1.05%, due 12/1/48 (d)	250,000	250,000
Total Short-Term Municipal Notes (Cost $250,000)		250,000
Total Investments (Cost $51,347,346)	97.7%	50,133,561
Other Assets, Less Liabilities	2.3	1,198,145
Net Assets	100.0%	$51,331,706

† Percentages indicated are based on Fund net assets.

(a) Interest on these securities was subject to alternative minimum tax.

(b) Floating rate—Rate shown was the rate in effect as of April 30, 2020.

(c) 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.

(d) Variable-rate demand notes (VRDNs)—Provide the right to sell the security at face value on either that day or within the rate-reset period. VRDNs will normally trade as if the maturity is the earlier put date, even though stated maturity is longer. The interest rate is reset on the put date at a stipulated daily, weekly, monthly, quarterly, or other specified time interval to reflect current market conditions. These securities do not indicate a reference rate and spread in their description. The maturity date shown is the final maturity.

Futures Contracts

As of April 30, 2020, the Portfolio held the following futures contracts[1]:

Type	Number of Contracts	Expiration Date	Value at Trade Date	Current Notional Amount	Unrealized Appreciation (Depreciation)[2]
Short Contracts					
10-Year United States Treasury Note	(40)	June 2020	$(5,308,658)	$(5,562,500)	$(253,842)

1. As of April 30, 2020, cash in the amount of $80,000 was on deposit with a broker or futures commission merchant for futures transactions.
2. Represents the difference between the value of the contracts at the time they were opened and the value as of April 30, 2020.

The following abbreviations are used in the preceding pages:

AGM—Assured Guaranty Municipal Corp.

AMBAC—Ambac Assurance Corp.

BAM—Build America Mutual Assurance Co.

FHLMC—Federal Home Loan Mortgage Corp.

FNMA—Federal National Mortgage Association

GNMA—Government National Mortgage Association

NATL-RE—National Public Finance Guarantee Corp.

PSF-GTD—Permanent School Fund Guaranteed

UT CSCE—Utah Charter School Credit Enhancement Program

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 and liabilities:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Asset Valuation Inputs				
Investments in Securities (a)				
Municipal Bonds				
Long-Term Municipal Bonds	$ —	$49,883,561	$ —	$49,883,561
Short-Term Municipal Notes	—	250,000	—	250,000
Total Investments in Securities	$ —	$50,133,561	$ —	$50,133,561
Liability Valuation Inputs				
Other Financial Instruments				
Futures Contracts (b)	$(253,842)	$ —	$ —	$ (253,842)

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

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

Statement of Assets and Liabilities as of April 30, 2020

Assets

Investment in securities, at value	
(identified cost $51,347,346)	$50,133,561
Cash	1,207,006
Cash collateral on deposit at broker for futures contracts	80,000
Receivables:	
Interest	603,153
Investment securities sold	376,309
Manager (See Note 3)	15,935
Other assets	31,472
Total assets	52,447,436

Liabilities

Payables:	
Investment securities purchased	1,071,807
Fund shares redeemed	12,302
Shareholder communication	8,365
Transfer agent (See Note 3)	8,182
Professional fees	4,969
Custodian	4,617
Variation margin on futures contracts	3,750
Trustees	169
NYLIFE Distributors (See Note 3)	66
Accrued expenses	1,503
Total liabilities	1,115,730
Net assets	$51,331,706

Composition of Net Assets

Shares of beneficial interest outstanding (par value of $.001 per share) unlimited number of shares authorized	$ 5,319
Additional paid-in capital	53,165,526
	53,170,845
Total distributable earnings (loss)	(1,839,139)
Net assets	$51,331,706

Class A	
Net assets applicable to outstanding shares	$ 135,780
Shares of beneficial interest outstanding	14,066
Net asset value per share outstanding	$ 9.65
Maximum sales charge (4.50% of offering price)	0.46
Maximum offering price per share outstanding	$ 10.11
Investor Class	
Net assets applicable to outstanding shares	$ 33,519
Shares of beneficial interest outstanding	3,473
Net asset value per share outstanding	$ 9.65
Maximum sales charge (4.50% of offering price)	0.46
Maximum offering price per share outstanding	$ 10.11
Class C	
Net assets applicable to outstanding shares	$ 78,727
Shares of beneficial interest outstanding	8,157
Net asset value and offering price per share outstanding	$ 9.65
Class I	
Net assets applicable to outstanding shares	$51,059,009
Shares of beneficial interest outstanding	5,290,714
Net asset value and offering price per share outstanding	$ 9.65
Class R6	
Net assets applicable to outstanding shares	$ 24,671
Shares of beneficial interest outstanding	2,556
Net asset value and offering price per share outstanding	$ 9.65

Statement of Operations for the period June 28, 2019 (inception date) through April 30, 2020

Investment Income (Loss)

Income	
Interest	$ 898,882
Expenses	
Manager (See Note 3)	171,891
Offering (See Note 2)	77,531
Professional fees	62,022
Custodian	16,214
Registration	15,352
Shareholder communication	11,203
Transfer agent (See Note 3)	9,611
Trustees	1,127
Distribution/Service—Class A (See Note 3)	96
Distribution/Service—Investor Class (See Note 3)	53
Distribution/Service—Class C (See Note 3)	150
Miscellaneous	11,766
Total expenses before waiver/reimbursement	377,016
Expense waiver/reimbursement from Manager (See Note 3)	(150,406)
Net expenses	226,610
Net investment income (loss)	672,272

Realized and Unrealized Gain (Loss) on Investments and Futures Contracts

Net realized gain (loss) on:	
Investment transactions	148,854
Futures transactions	(51,802)
Net realized gain (loss) on investments and futures transactions	97,052
Net change in unrealized appreciation (depreciation) on:	
Investments	(1,213,785)
Futures contracts	(253,842)
Net change in unrealized appreciation (depreciation) on investments and futures contracts	(1,467,627)
Net realized and unrealized gain (loss) on investments and futures transactions	(1,370,575)
Net increase (decrease) in net assets resulting from operations	$ (698,303)

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

Statements of Changes in Net Assets

for the period June 28, 2019 (inception date) through April 30, 2020

	2020
Increase (Decrease) in Net Assets	
Operations:	
Net investment income (loss)	$ 672,272
Net realized gain (loss) on investments and futures transactions	97,052
Net change in unrealized appreciation (depreciation) on investments and futures contracts	(1,467,627)
Net increase (decrease) in net assets resulting from operations	(698,303)
Distributions to shareholders:	
Class A	(902)
Investor Class	(515)
Class C	(599)
Class I	(1,138,280)
Class R6	(568)
Total distributions to shareholders	(1,140,864)
Capital share transactions:	
Net proceeds from sale of shares	52,586,140
Net asset value of shares issued to shareholders in reinvestment of distributions	1,140,649
Cost of shares redeemed	(555,916)
Increase (decrease) in net assets derived from capital share transactions	53,170,873
Net increase (decrease) in net assets	51,331,706
Net Assets	
Beginning of period	—
End of period	$51,331,706

Financial Highlights selected per share data and ratios

Class A	June 28, 2019^ through April 30, 2020
Net asset value at beginning of period	$ 10.00
Net investment income (loss)	0.14
Net realized and unrealized gain (loss) on investments	(0.29)
Total from investment operations	(0.15)
Less distributions:	
From net investment income	(0.14)
From net realized gain on investments	(0.06)
Total distributions	(0.20)
Net asset value at end of period	$ 9.65
Total investment return (a)	(1.44%)
Ratios (to average net assets)/Supplemental Data:	
Net investment income (loss)††	1.39%
Net expenses††	0.77%
Expenses (before waiver/reimbursement)††	1.12%
Portfolio turnover rate (b)	108%
Net assets at end of period (in 000's)	$ 136

^ Inception date.
†† Annualized.
(a) 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.
(b) The portfolio turnover rate includes variable rate demand notes.

Investor Class	June 28, 2019^ through April 30, 2020
Net asset value at beginning of period	$ 10.00
Net investment income (loss)	0.14
Net realized and unrealized gain (loss) on investments	(0.29)
Total from investment operations	(0.15)
Less distributions:	
From net investment income	(0.14)
From net realized gain on investments	(0.06)
Total distributions	(0.20)
Net asset value at end of period	$ 9.65
Total investment return (a)	(1.56%)
Ratios (to average net assets)/Supplemental Data:	
Net investment income (loss)††	1.30%
Net expenses††	0.79%
Expenses (before waiver/reimbursement)††	1.14%
Portfolio turnover rate (b)	108%
Net assets at end of period (in 000's)	$ 34

^ Inception date.
†† Annualized.
(a) 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.
(b) The portfolio turnover rate includes variable rate demand notes.

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Financial Highlights selected per share data and ratios

Class C	June 28, 2019^ through April 30, 2020
Net asset value at beginning of period	$ 10.00
Net investment income (loss)	0.12
Net realized and unrealized gain (loss) on investments	(0.29)
Total from investment operations	(0.17)
Less distributions:	
From net investment income	(0.12)
From net realized gain on investments	(0.06)
Total distributions	(0.18)
Net asset value at end of period	$ 9.65
Total investment return (a)	(1.76%)
Ratios (to average net assets)/Supplemental Data:	
Net investment income (loss)††	1.11%
Net expenses††	1.03%
Expenses (before waiver/reimbursement)††	1.38%
Portfolio turnover rate (b)	108%
Net assets at end of period (in 000's)	$ 79

^ Inception date.
†† Annualized.
(a) 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.
(b) The portfolio turnover rate includes variable rate demand notes.

Class I	June 28, 2019^ through April 30, 2020
Net asset value at beginning of period	$ 10.00
Net investment income (loss)	0.16
Net realized and unrealized gain (loss) on investments	(0.29)
Total from investment operations	(0.13)
Less distributions:	
From net investment income	(0.16)
From net realized gain on investments	(0.06)
Total distributions	(0.22)
Net asset value at end of period	$ 9.65
Total investment return (a)	(1.35%)
Ratios (to average net assets)/Supplemental Data:	
Net investment income (loss)††	1.57%
Net expenses††	0.53%
Expenses (before waiver/reimbursement)††	0.88%
Portfolio turnover rate (b)	108%
Net assets at end of period (in 000's)	$ 51,059

^ Inception date.
†† Annualized.
(a) 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.
(b) The portfolio turnover rate includes variable rate demand notes.

Financial Highlights selected per share data and ratios

Class R6	June 28, 2019^ through April 30, 2020
Net asset value at beginning of period	$ 10.00
Net investment income (loss)	0.17
Net realized and unrealized gain (loss) on investments	(0.29)
Total from investment operations	(0.12)
Less distributions:	
From net investment income	(0.17)
From net realized gain on investments	(0.06)
Total distributions	(0.23)
Net asset value at end of period	$ 9.65
Total investment return (a)	(1.32%)
Ratios (to average net assets)/Supplemental Data:	
Net investment income (loss)††	1.60%
Net expenses††	0.50%
Expenses (before waiver/reimbursement)††	0.86%
Portfolio turnover rate (b)	108%
Net assets at end of period (in 000's)	$ 25

^ Inception date.
†† Annualized.
(a) 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.
(b) The portfolio turnover rate includes variable rate demand notes.

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Notes to Financial Statements

Note 1–Organization and Business

MainStay Funds Trust (the "Trust") was organized as a Delaware statutory trust on April 28, 2009, and is governed by a Declaration of Trust. The Trust is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and is comprised of thirty-one funds (collectively referred to as the "Funds"). These financial statements and notes relate to the MainStay MacKay Intermediate Tax Free Bond Fund (the "Fund"), a "diversified" fund, as that term is defined in the 1940 Act, as interpreted or modified by regulatory authorities having jurisdiction, from time to time.

The Fund currently has five classes of shares registered for sale. Class A, Investor Class, Class C, Class I and Class R6 shares commenced operations on June 28, 2019.

Class A and Investor Class shares are offered at net asset value ("NAV") per share plus an initial sales charge. No initial sales charge applies to investments of $250,000 or more (and certain other qualified purchases) in Class A and Investor Class shares. A contingent deferred sales charge ("CDSC") of 1.00% may be imposed on certain redemptions of Class A and Investor Class shares 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. Class I and Class R6 shares are offered at NAV without a sales charge. 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 C shares are subject to higher distribution and/or service fees than Class A and Investor Class shares. Class I and Class R6 shares are not subject to a distribution and/or service fee.

The Fund's investment objective is to seek current income exempt from regular federal income tax.

Note 2–Significant Accounting Policies

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

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

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

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

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

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

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

The level of an asset or liability within the fair value hierarchy is based on the lowest level of an input, both individually and in the aggregate, that is significant to the fair value measurement. The aggregate value by input level of the Fund's assets and liabilities as of 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 period ended April 30, 2020, there were no material changes to the fair value methodologies.

Securities which may be valued in this manner include, but are not limited to: (i) a security for which trading has been halted or suspended; (ii) a debt security that has recently gone into default and for which there is not a current market quotation; (iii) a security of an issuer that has entered into a restructuring; (iv) a security that has been delisted from a national exchange; (v) a security for which the market price is not readily available from a third-party pricing source or, if so provided, does not, in the opinion of the Manager or the Subadvisor, reflect the security's market value; (vi) a security subject to trading collars for which no or limited trading takes place; and (vii) a security whose principal market has been temporarily closed at a time when, under normal conditions, it would be open. Securities valued in this manner are generally categorized as Level 3 in the hierarchy. As of April 30, 2020, no securities held by the Fund were fair valued in such a manner.

Futures contracts are valued at the last posted settlement price on the market where such futures are primarily traded. Investments in mutual funds, including money market funds, are valued at their respective NAVs as of the close of the Exchange on the valuation date. These securities are generally categorized as Level 1 in the hierarchy.

Debt securities are valued at the evaluated mean prices 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 are generally categorized as Level 2 in the hierarchy.

Temporary cash investments acquired in excess of 60 days to maturity at the time of purchase are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services. Temporary cash investments that mature in 60 days or less at the time of purchase ("Short-Term Investments") are valued using the amortized cost method of valuation, unless the use of such method would be inappropriate. These securities are generally categorized as Level 2 in the hierarchy.

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

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

The Manager evaluates the Fund's tax positions to determine if the tax positions taken meet the minimum recognition threshold in connection with accounting for uncertainties in income tax positions taken or expected to be taken for the purposes of measuring and recognizing tax liabilities in the financial statements. Recognition of tax benefits of an uncertain tax position is permitted only to the extent the position is "more likely than not" to be sustained assuming examination by taxing authorities. The Manager will analyze the Fund's tax positions to be taken at the Fund's first fiscal period end of April 30, 2020 on federal, state and local income tax returns period. 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 will be 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 dividends from net investment income, if any, daily and intends to pay them at least monthly and declares and pays distributions from net realized capital 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. 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, other than Short-Term Investments, for the Fund are accreted and amortized, respectively, on the effective interest rate method.

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

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

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

(F) Offering Costs. Costs were incurred by the Fund in connection with the commencement of the Fund's operations. These costs are being amortized on a straight line basis over 12 months.

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

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

The use of futures contracts involves, to varying degrees, elements of market risk in excess of the amount recognized in the Statement of Assets and Liabilities. The contract or notional amounts and variation margin reflect the extent of the Fund's involvement in open futures positions. There are several risks associated with the use of futures contracts as hedging techniques. There can be no assurance that a liquid market will exist at the time when the Fund seeks to close out a futures contract. If no liquid market exists, the Fund would remain obligated to meet margin requirements until the position is closed. Futures contracts may involve a small initial investment relative to the risk assumed, which could result in losses greater than if the Fund did not invest in futures contracts. Futures contracts may be more volatile than direct investments in the instrument underlying the futures and may not correlate to the underlying instrument, causing a given hedge not to achieve its objectives. The Fund's activities in futures contracts have minimal counterparty risk as they are conducted through regulated exchanges that guarantee the futures against default by the counterparty. In the event of a bankruptcy or insolvency of a futures commission merchant that holds margin on behalf of the Fund, the Fund may not be entitled to the return of the entire margin owed to the Fund, potentially resulting in a loss. The Fund's investment in futures contracts and other derivatives may increase the volatility of the Fund's NAVs and may result in a loss to the Fund. Open futures contracts held as of April 30, 2020, are shown in the Portfolio of Investments.

(I) Municipal Bond Risk. The Fund may invest more heavily in municipal bonds from certain cities, states or regions than others, which may increase the Fund's exposure to losses resulting from economic, political, or regulatory occurrences impacting these particular cities, states or regions. In addition, many state and municipal governments that issue securities are under significant economic and financial stress and may not be able to satisfy their obligations. The Fund may invest a substantial amount of its assets in municipal bonds whose interest is paid solely from revenues of similar projects, such as tobacco settlement bonds. If the Fund concentrates its investments in this manner, it assumes the legal and economic risks relating to such projects and this may have a significant impact on the Fund's investment performance.

Certain of the issuers in which the Fund may invest have recently experienced, or may experience, significant financial difficulties and repeated credit rating downgrades. On May 3, 2017, the Commonwealth of Puerto Rico began proceedings pursuant to the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA") to seek bankruptcy-type protections from approximately $74 billion in debt and approximately $48 billion in unfunded pension obligations. Puerto Rico has reached agreements with certain bondholders to restructure outstanding debt issued by certain of Puerto Rico's instrumentalities and is negotiating the restructuring of its debt with certain other bondholders. Any agreement to restructure such outstanding debt must be approved by the judge overseeing the debt restructuring. Puerto Rico's debt restructuring process and other economic, political, social, environmental or health factors or developments could occur rapidly and may significantly affect the value of municipal securities of Puerto Rico. The Fund's vulnerability to potential losses associated with such developments may be reduced through investing in municipal securities that feature credit enhancements (such as bond insurance). The bond insurance provider pays both principal and interest when due to the bond holder. The magnitude of Puerto Rico's debt restructuring or other adverse economic developments could pose significant strains on the ability of municipal securities insurers to meet all future claims. As of April 30, 2020, 50.0% of the Puerto Rico municipal securities held by the Fund were insured.

In light of the spread of the novel coronavirus in early 2020 to Puerto Rico and globally, the presiding judge has adjourned most of the Commonwealth's PROMESA proceedings for public health reasons.

(J) 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.

(K) Quantitative Disclosure of Derivative Holdings. The following tables show additional disclosures related to the Fund's derivative and hedging activities, including how such activities are accounted for and their effect on the Fund's financial positions, performance and cash flows. The Fund entered into futures contracts to help manage the duration and yield curve positioning of the portfolio. These derivatives are not accounted for as hedging instruments.

Fair value of derivative instruments as of April 30, 2020:

Liability Derivatives

	Statement of Assets and Liabilities Location	Interest Rate Contracts Risk	Total
Futures Contracts	Net Assets—Net unrealized depreciation on investments and futures contracts (a)	$(253,842)	$(253,842)
Total Fair Value		$(253,842)	$(253,842)

(a) Includes cumulative appreciation (depreciation) of futures contracts as reported in the Portfolio of Investments. Only current day's variation margin is reported within the Statement of Assets and Liabilities.

The effect of derivative instruments on the Statement of Operations for the period ended April 30, 2020:

Realized Gain (Loss)

	Statement of Operations Location	Interest Rate Contracts Risk	Total
Futures Contracts	Net realized gain (loss) on futures transactions	$(51,802)	$(51,802)
Total Realized Gain (Loss)		$(51,802)	$(51,802)

Change in Unrealized Appreciation (Depreciation)

	Statement of Operations Location	Interest Rate Contracts Risk	Total
Futures Contracts	Net change in unrealized appreciation (depreciation) on futures contracts	$(253,842)	$(253,842)
Total Change in Unrealized Appreciation (Depreciation)		$(253,842)	$(253,842)

Average Notional Amount

	Interest Rate Contracts Risk	Total
Futures Contracts Short (a)	$(5,312,734)	$(5,312,734)

(a) Positions were open eight months during the reporting period.

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: 0.40% on all 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) do not exceed: Class A, 0.77% and Class R6, 0.50% of its average daily net assets. New York Life Investments will apply an equivalent waiver or reimbursement, in an equal number of basis points of the Class A shares waiver/reimbursement, to Investor Class, Class C and Class I shares. This agreement will remain in effect until August 31, 2021, and shall renew automatically for one-year terms unless New York Life Investments provides written notice of termination prior to the start of the next term or upon approval of the Board.

During the period ended April 30, 2020, New York Life Investments earned fees from the Fund in the amount of $171,891 and waived its fees and/or reimbursed certain class specific expenses in the amount of $150,406 and paid the Subadvisor in the amount of $10,743.

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 and 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 and Investor Class Plans, the Distributor receives a monthly distribution fee from Class A and Investor Class shares at an annual rate of 0.25% of the average daily net assets of the Class A and Investor Class shares for distribution and/or service activities as designated by the Distributor. Pursuant to the Class C Plan, Class C shares pay the Distributor a monthly distribution fee at an annual rate of 0.25% of the average daily net assets of the Class C shares, along with a service fee at an annual rate of 0.25% of the average daily net assets of the Class C shares, for a total 12b-1 fee of 0.50%. Class I and Class R6 shares are not subject to a distribution and/or service fee.

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

(C) Sales Charges. The Fund was advised that the Distributor retained CDSCs on redemptions of Class C shares during the period ended April 30, 2020, of $200.

(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 August 31, 2021, and shall renew automatically for one-year terms unless New York Life Investments provides written notice of termination prior to the start of the next term or upon approval of the Board. During the period ended April 30, 2020, transfer agent expenses incurred by the Fund and any applicable waivers were as follows:

Class	Expense	Waived
Class A	$ 6	$—
Investor Class	7	—
Class C	7	—
Class I	9,591	—

(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 A	$ 24,599	18.1%
Investor Class	24,570	73.3
Class C	24,524	31.2
Class I	49,138,392	96.2
Class R6	24,623	99.8

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:

	Federal Tax Cost	Gross Unrealized Appreciation	Gross Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)
Investments in Securities	$51,481,102	$187,029	$(1,534,570)	$(1,347,541)

As of April 30, 2020, the components of accumulated gain (loss) on a tax basis were as follows:

Ordinary Income	Accumulated Capital and Other Gain (Loss)	Other Temporary Differences	Unrealized Appreciation (Depreciation)	Total Accumulated Gain (Loss)
$—	$(491,598)	$—	$(1,347,541)	$(1,839,139)

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is primarily due to mark to market of futures contracts, premium amortization and late year loss deferrals.

The following table discloses the current year reclassifications between total distributable earnings (loss) and additional paid-in capital arising from permanent differences; net assets as of April 30, 2020 were not affected.

Total Distributable Earnings (Loss)	Additional Paid-In Capital
28	(28)

The reclassifications for the Portfolio is primarily due to different book and tax treatment of reclassification of distributions and accretion on debt securities.

During the period ended April 30, 2020, the tax character of distributions paid as reflected in the Statements of Changes in Net Assets were as follows:

	2020
Distributions paid from:	
Ordinary Income	$ 261,895
Long-Term Capital Gain	28,147
Exempt Interest Dividends	850,822
Total	$1,140,864

Note 5–Custodian

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

Note 6–Line of Credit

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

Effective July 30, 2019, under the credit agreement (the "Credit Agreement"), the aggregate commitment amount is $600,000,000 with an additional uncommitted amount of $100,000,000. The commitment fee is an annual rate of 0.15% of the average commitment amount payable quarterly, regardless of usage, to State Street, who serves as the agent to the syndicate. The commitment fee is allocated among the Fund and certain other funds managed by New York Life Investments based upon their respective net assets and other factors. Interest on any revolving credit loan is charged based upon the Federal Funds Rate or the one-month London Interbank Offered Rate ("LIBOR"), whichever is higher. The Credit Agreement expires on July 28, 2020, although the Fund, certain other funds managed by New York Life Investments and the syndicate of banks may renew the Credit Agreement for an additional year on the same or different terms. Prior to July 30, 2019, the aggregate commitment amount and the commitment fee were the same as those under the current Credit Agreement. During the period ended April 30, 2020, there were no borrowings made or outstanding with respect to the Fund under the Credit Agreement.

Note 7–Interfund Lending Program

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

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

During the period ended April 30, 2020, purchases and sales of securities, other than short-term securities, were $105,974 and $55,475, respectively.

Note 9–Capital Share Transactions

Transactions in capital shares for the period ended April 30, 2020 were as follows:

Class A	Shares	Amount
Period ended April 30, 2020 (a):		
Shares sold	16,092	$ 158,821
Shares issued to shareholders in reinvestment of distributions	90	894
Shares redeemed	(2,116)	(20,465)
Net increase (decrease)	14,066	$ 139,250

Investor Class	Shares	Amount
Period ended April 30, 2020 (a):		
Shares sold	3,423	$ 33,850
Shares issued to shareholders in reinvestment of distributions	51	515
Shares redeemed	(1)	(10)
Net increase (decrease)	3,473	$ 34,355

Class C	Shares	Amount
Period ended April 30, 2020 (a):		
Shares sold	10,042	$ 102,660
Shares issued to shareholders in reinvestment of distributions	60	599
Shares redeemed	(1,945)	(20,010)
Net increase (decrease)	8,157	$ 83,249

Class I	Shares	Amount
Period ended April 30, 2020 (a):		
Shares sold	5,228,676	$52,265,799
Shares issued to shareholders in reinvestment of distributions	112,987	1,138,073
Shares redeemed	(50,949)	(515,421)
Net increase (decrease)	5,290,714	$52,888,451

Class R6	Shares	Amount
Period ended April 30, 2020 (a):		
Shares sold	2,501	$ 25,010
Shares issued to shareholders in reinvestment of distributions	56	568
Shares redeemed	(1)	(10)
Net increase (decrease)	2,556	$ 25,568

(a) The inception date of the Fund was June 28, 2019.

Note 10–Recent Accounting Pronouncement

To improve the effectiveness of fair value disclosure requirements, the Financial Accounting Standards Board issued Accounting Standards Update 2018-13, Fair Value Measurement Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement ("ASU 2018-13"), which adds, removes, and modifies certain fair value measurement disclosure requirements. ASU 2018-13 is effective for interim and annual reporting periods beginning after December 15, 2019. The Manager evaluated the implications of certain provisions of ASU 2018-13 and determined to early adopt aspects related to the removal and modifications of certain fair value measurement disclosures, which are currently in place as of April 30, 2020. The Manager is evaluating the implications of certain other provisions of ASU 2018-13 related to new disclosure requirements and has not yet determined the impact of those provisions on the financial statement disclosures, if any.

Note 11–Subsequent Events

In connection with the preparation of the financial statements of the Fund as of and for the 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 12–Other Matters

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

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Trustees
MainStay Funds Trust:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of MainStay MacKay Intermediate Tax Free Bond Fund (the Fund), one of the funds constituting MainStay Funds Trust, including the portfolio of investments, as of April 30, 2020, the related statements of operations and changes in net assets for the period June 28, 2019 (commencement of operations) through April 30, 2020, and the related notes (collectively, the financial statements) and the financial highlights for the period June 28, 2019 through April 30, 2020. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of April 30, 2020, the results of its operations, the changes in its net assets, and the financial highlights for the period June 28, 2019 through April 30, 2020, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Such procedures also included confirmation of securities owned as of April 30, 2020, by correspondence with the custodian and brokers or by other appropriate auditing procedures when replies from brokers were not received. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audit provides a reasonable basis for our opinion.

KPMG LLP

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

Philadelphia, Pennsylvania
June 24, 2020

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

The Management Agreement with respect to the MainStay MacKay Intermediate Tax Free 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 Shields") with respect to the Fund (together, "Advisory Agreements") must be approved initially and, following an initial term of up to two years, are subject to annual review and approval by the Board of Trustees of MainStay Funds Trust ("Board" of the "Trust") in accordance with Section 15 of the Investment Company Act of 1940, as amended ("1940 Act"). At its June 18-20, 2019 in-person meeting, the Board, including the Trustees who are not "interested persons" (as such term is defined in the 1940 Act) of the Trust ("Independent Trustees") voting separately, unanimously approved each of the Advisory Agreements for an initial two-year period.

In reaching the decision to approve each of the Advisory Agreements, the Board considered information furnished by New York Life Investments and MacKay Shields in connection with a contract review process undertaken by the Board that took place at meetings of the Board and its Contracts Committee between March 2019 and June 2019, as well as other information furnished to the Board throughout the year, as deemed relevant by the Trustees. The Board also considered information on the fees charged to other investment advisory clients of New York Life Investments and/or MacKay Shields (including institutional separate accounts) that follow investment strategies similar to those proposed for the Fund, and, when applicable, the rationale for any differences in the Fund's proposed management and subadvisory fees and the fees charged to those other investment advisory clients. In addition, the Board considered information previously provided to the Board in connection with its review of the management and subadvisory agreements for other funds in the MainStay Group of Funds, including those subadvised by MacKay Shields, as deemed relevant to each Trustee. The Board also considered information furnished by New York Life Investments and MacKay Shields in response to requests prepared on behalf of, and in consultation with, the Board 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 advance of and during its meetings throughout the year, including, among other items, information regarding the legal standards and fiduciary obligations applicable to its consideration of each of the Advisory Agreements and investment performance reports on other funds in the MainStay Group of Funds prepared by the Investment Consulting Group of New York Life Investments as well as presentations from New York Life Investments and MacKay Shields personnel, such as portfolio managers. 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 and brokerage commissions, sales and marketing activity, and non-advisory services provided to other funds in the MainStay Group of Funds 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 session with their independent legal counsel, and met with senior management of New York Life Investments without other representatives of New York Life Investments present. In addition, the Board considered information regarding the Fund's proposed distribution arrangements and information previously provided to the Board in connection with its review of the distribution arrangements for other funds in the MainStay Group of Funds, as deemed relevant to each Trustee.

In considering the approval of each of the Advisory Agreements, the Trustees reviewed and evaluated all of the information and factors they believed to be relevant and appropriate in light of legal advice furnished to them by independent legal counsel and through the exercise of their own business judgment. The broad factors considered by the Board are described in greater detail below and included, among other factors: (i) the nature, extent and quality of the services to be provided to the Fund by New York Life Investments and MacKay Shields; (ii) the qualifications of the proposed portfolio managers of the Fund and the historical investment performance of products managed by such portfolio managers with investment strategies similar to those of the Fund; (iii) the anticipated costs of the services to be provided, and profits expected to be realized, by New York Life Investments and MacKay Shields from their relationships with the Fund; (iv) the extent to which economies of scale may be realized if the Fund grows and the extent to which economies of scale may benefit Fund shareholders; and (v) the reasonableness of the Fund's proposed management and subadvisory fees and estimated overall total ordinary operating expenses, particularly as compared to similar funds and accounts managed by New York Life Investments and/or MacKay Shields. Although the Board recognized that the comparisons between the Fund's anticipated 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 proposed management fee and estimated overall total ordinary operating expenses as compared to the peer funds identified by New York Life Investments. Throughout their considerations, the Trustees acknowledged the overall 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.

Although individual Trustees may have weighed certain factors or information differently, the Board's decision to approve each of the Advisory Agreements was based on a consideration of the information provided to the Trustees throughout the year, as well as information furnished specifically in connection with the contract review process for the Fund. The Trustees noted that, throughout the year, the Trustees would be afforded an opportunity to ask questions of and request additional information or materials from New York Life Investments and MacKay Shields with respect to the Fund. The Board's conclusions with respect to each of the Advisory Agreements was based, in part, on the Board's knowledge of New York Life Investments and MacKay Shields resulting from, among other things, the Board's consideration of the management and subadvisory agreements for other funds in the MainStay Group of Funds in prior years, 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 investors and that the Fund's shareholders, having had the opportunity to consider other investment options, would have chosen to invest in the Fund. The factors that figured prominently in the Board's decision to approve each of the Advisory Agreements are summarized in more detail below.

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

Nature, Extent and Quality of Services to be Provided by New York Life Investments and MacKay Shields

The Board examined the nature, extent and quality of the services that New York Life Investments proposed to provide to the Fund. The Board evaluated New York Life Investments' experience and capabilities in serving as manager of mutual funds and managing fund operations in a manager-of-managers structure, noting 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 with overseeing mutual fund service providers, including subadvisors. The Board considered the experience of senior personnel at New York Life Investments proposed to provide 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 would devote 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 Shields and ongoing analysis of, and interactions with, MacKay Shields with respect to, among other things, Fund investment performance and risk as well as MacKay Shields' investment capabilities and subadvisory services with respect to the Fund.

The Board also considered the full range of services that New York Life Investments would provide to the Fund under the terms of the proposed Management Agreement, including: (i) fund accounting and ongoing supervisory services to be provided by New York Life Investments' Fund Administration and Accounting Group; (ii) investment supervisory and analytical services to be provided by New York Life Investments' Investment Consulting Group; (iii) compliance services to be 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 to be provided by New York Life Investments' Office of the General Counsel; and (v) risk management and portfolio trading monitoring and analysis to be provided by compliance and investment personnel. The Board noted that certain non-advisory services to be provided by New York Life Investments are set forth in the proposed Management Agreement. 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 MainStay Group of Funds, 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 of being part of the MainStay Group of Funds, including the privilege of exchanging investments between the same class of shares without the imposition of a sales charge, as described more fully in the Fund's prospectus.

The Board also examined the nature, extent and quality of the investment advisory services that MacKay Shields proposed to provide to the Fund. The Board evaluated MacKay Shields' experience in serving as subadvisor to other funds in the MainStay Group of Funds and managing other portfolios, including a mandate with investment strategies similar to those of the Fund, and MacKay Shields' track record and experience in providing investment advisory services, the experience of investment advisory, senior management and administrative personnel at MacKay Shields, and MacKay Shields' 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 New York Life Investments and MacKay Shields believe the compliance policies, procedures and systems are reasonably designed to prevent violation of the federal securities laws, and acknowledged their continued commitment to further developing and strengthening compliance programs relating to the MainStay Group of Funds. In addition, the Board 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 Shields. The Board reviewed MacKay Shields' 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 proposed portfolio managers, including with respect to investment strategies similar to those of the Fund, the number of accounts managed by the portfolio managers and the method for compensating the portfolio managers.

Based on these considerations, the Board concluded, within the context of its overall determinations regarding each of the Advisory Agreements, that the Fund would likely benefit from the nature, extent and quality of these services as a result of New York Life Investments' and MacKay Shields' experience, personnel, operations and resources.

Investment Performance

In connection with the Board's consideration of each of the Advisory Agreements, the Board noted that the Fund had no investment performance track record because the Fund had not yet commenced investment operations. The Board discussed with management the Fund's proposed investment process, strategies and risks. Additionally, the Board considered the historical performance of an investment mandate with similar investment strategies as those of the Fund and other portfolios managed by the proposed portfolio managers for the Fund. Based on these considerations, the Board concluded that the Fund was likely to be subadvised responsibly and capably by MacKay Shields.

Costs of the Services to be Provided, and Profits to be Realized, by New York Life Investments and MacKay Shields

The Board considered the anticipated costs of the services to be provided by New York Life Investments and MacKay Shields under each of the Advisory Agreements and the profits expected to be realized by New York Life Investments and its affiliates, including MacKay Shields, due to their relationships with the Fund. Because MacKay Shields is an affiliate of New York Life Investments whose subadvisory fee would be paid directly by New York Life Investments, not the Fund, the Board considered the anticipated costs and profitability for New York Life Investments and MacKay Shields 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 anticipated costs of the services to be provided by New York Life Investments and MacKay Shields and the expected profits to be realized by New York Life Investments and its affiliates, including MacKay Shields, the Board considered, among other factors, each party's continuing investments in personnel, systems, equipment and other resources and infrastructure to support and further enhance the anticipated management of the Fund, and that New York Life Investments would be responsible for paying the subadvisory fee for the Fund. The Board considered the financial resources of New York Life Investments and MacKay Shields and acknowledged that New York Life Investments and MacKay Shields 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 Shields to be able to provide high-quality services to the Fund. The Board also recognized that the Fund would benefit 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 annual fund profitability analysis presented to the Board. In 2014, the Board engaged Bobroff Consulting, Inc., an independent third-party consultant, to review the methods used to allocate costs to and among the funds in the MainStay Group of Funds. As part of this engagement, the consultant analyzed: (i) the various New York Life Investments business units and affiliated subadvisors that provide services to the funds in the MainStay Group of Funds; (ii) how costs are allocated to the funds in the MainStay Group of Funds and to other lines of businesses; and (iii) how New York Life Investments' cost allocation methods and profitability reports compare to industry practices. 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 its relationship with the funds in the MainStay Group of Funds are reasonable, consistent with industry practice and likely to produce reasonable profitability estimates. Although the Board recognized the difficulty in evaluating a manager's expected profitability with respect to the Fund and noted that other profitability methodologies may also be reasonable, the Board concluded that the profitability methodology presented by New York Life Investments to the Board was reasonable in all material respects.

In considering anticipated costs and profitability, the Board also considered certain fall-out benefits that may be realized by New York Life Investments and its 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 subadvised by MacKay Shields that would serve 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 to be provided to the Fund. The Board observed that, in addition to fees to be earned by New York Life Investments for managing the Fund, New York Life Investments' affiliates would 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 anticipated profitability of the Fund to New York Life Investments and its affiliates, which was furnished to the Board as part of the annual contract renewal process for other funds in the MainStay Group of Funds.

After evaluating the information deemed relevant by the Trustees, the Board concluded, within the context of its overall determinations regarding each of the Advisory Agreements, that any profits expected to be realized by New York Life Investments and its affiliates, including MacKay Shields, 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 fees to be paid under each of the Advisory Agreements and the Fund's estimated total ordinary operating expenses. The Board primarily considered the reasonableness of the management fee to be paid by the Fund to New York Life Investments, because the subadvisory fee to be paid to MacKay Shields would be paid by New York Life Investments, not the Fund. The Board also considered the reasonableness of the subadvisory fee to be paid by New York Life Investments and the amount of the management fee expected to be retained by New York Life Investments.

In assessing the reasonableness of the Fund's proposed fees and estimated expenses, the Board primarily considered comparative data provided by New York Life Investments 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 Shields on fees charged to other investment advisory clients, including institutional separate accounts and/or other funds that follow investment strategies similar to those of the Fund. The Board considered the similarities and differences in the contractual management fee schedules of the Fund and these similarly-managed funds, taking into account New York Life Investments' 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 to be provided to registered investment companies, such as the Fund, as compared with other investment advisory clients. Additionally, the Board considered that New York Life Investments was not proposing any contractual breakpoints and took into account the potential impact of voluntary waivers and expense limitation arrangements on the Fund's net expenses. The Board also considered that in proposing fees for the Fund, New York Life Investments considers the competitive marketplace for financial products.

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 would be charged to the Fund based on the number of shareholder accounts (a "per-account" fee) as compared with certain other fees (e.g., management fees) that are charged based on the Fund's average net assets. The Board took into account information from New York Life Investments regarding the reasonableness of the Fund's proposed 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 proposed transfer agent, would charge 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 funds in the MainStay Group of Funds. 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 funds in the MainStay Group of Funds.

The Board considered that, because the Fund's transfer agent fees would be 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 accounts with limited assets (i.e., small accounts). The Board considered the extent to which transfer agent fees may comprise total expenses of the Fund's share classes. 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 MainStay 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 MainStay Fund share classes. 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 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 five years.

After considering all of the factors outlined above deemed relevant by the Trustees, the Board concluded that the Fund's proposed management fees and estimated total ordinary operating expenses were within a range that is competitive and, within the context of the Board's overall conclusions regarding each of the Advisory Agreements, support a conclusion that these fees and expenses are reasonable.

Economies of Scale

The Board considered whether the Fund's proposed expense structure would permit economies of scale to be shared with Fund 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 in the mutual fund business generally, the changing economics of the mutual fund business and the various ways in which the benefits of economies of scale may be shared with the Fund and other 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 shareholder services. The Board reviewed information from New York Life Investments showing how the Fund's proposed management fee compared to fee schedules of other funds and accounts managed by New York Life Investments or its affiliates.

Based on this information, the Board concluded, within the context of its overall determinations regarding each of the Advisory Agreements, that the Fund's proposed expense structure appropriately reflects economies of scale for the benefit of Fund shareholders. The Board noted, however, that it would continue to evaluate the reasonableness of the Fund's expense structure over time.

Conclusion

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

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

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

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

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

Each Fund portfolio investment is classified into one of four liquidity categories. The classification is based on a determination of the number of days it is reasonably expected to take to convert the investment into cash, or sell or dispose of the investment, in current market conditions without significantly changing the market value of the investment. The Administrator has delegated liquidity classification determinations to the Fund's subadvisor, 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.

Federal Income Tax Information
(Unaudited)

The Fund is required under the Internal Revenue Code to advise shareholders in a written statement as to the federal tax status of dividends paid by the Fund during such fiscal years. Accordingly, the Fund paid $28,147 as long term capital gain distributions.

For Federal individual income tax purposes, the Fund designated 74.6% of the ordinary income dividends paid during its fiscal period ended April 30, 2020 as attributable to interest income from Tax Exempt Municipal Bonds. Such dividends are currently exempt from Federal income taxes under Section 103(a) of the Internal Revenue Code.

In February 2020, shareholders will receive an IRS Form 1099-DIV or substitute Form 1099, which will show the federal tax status of the distributions received by shareholders in calendar year 2019. The amounts that will be reported on such 1099-DIV or substitute Form 1099 will be the amounts you are to use on your federal income tax return and will differ from the amounts which we must report for the Fund's fiscal period ended April 30, 2020.

The Fund is required under the Internal Revenue Code to advise shareholders in a written statement as to the federal tax status of dividends paid by the Fund during such fiscal years.

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.

Board of Trustees and Officers (Unaudited)

The Trustees and officers of the Funds are listed below. The Board oversees the MainStay Group of Funds (which consists of MainStay Funds and MainStay Funds Trust), MainStay VP Funds Trust, MainStay MacKay DefinedTerm Municipal Opportunities Fund, the Manager and the Subadvisors, and elects the officers of the Funds who are responsible for the day-to-day operations of the Funds. Information pertaining to the Trustees and officers is set forth below. Each Trustee serves until his or her successor is elected and qualified or until his or her resignation, death or removal. Under the Board's retirement policy, unless an exception is made, a Trustee must tender his or her resignation by the end of the calendar year during which he or she reaches the age of 75. Officers are elected annually by the Board. The business address of each Trustee and officer listed below is 51 Madison Avenue, New York, New York 10010. A majority of the Trustees are not "interested persons" (as defined by the 1940 Act and rules adopted by the SEC thereunder) of the Fund ("Independent Trustees").

	Name and Year of Birth	Term of Office, Position(s) Held and Length of Service	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee
Interested Trustee	**Yie-Hsin Hung*** 1962	***MainStay Funds:*** Trustee since 2017; ***MainStay Funds Trust:*** Trustee since 2017.	Senior Vice President of New York Life since joining in 2010, Member of the Executive Management Committee since 2017, Chief Executive Officer, New York Life Investment Management Holdings LLC & New York Life Investment Management LLC since 2015. Senior Managing Director and Co-President of New York Life Investment Management LLC from 2014 to May 2015. Previously held positions of increasing responsibility, including head of NYLIM International, Alternative Growth Businesses, and Institutional investments since joining New York Life in 2010.	75	*MainStay VP Funds Trust:* Trustee since 2017 (31 portfolios); and *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2017.

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

Independent Trustees

Name and Year of Birth	Term of Office, Position(s) Held and Length of Service	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee
David H. Chow 1957	***MainStay Funds:*** Trustee since 2016, Advisory Board Member (June 2015 to December 2015); ***MainStay Funds Trust:*** Trustee since 2016, Advisory Board Member (June 2015 to December 2015).	Founder and CEO, DanCourt Management, LLC since 1999	75	*MainStay VP Funds Trust:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (31 portfolios); *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015); *Market Vectors Group of Exchange-Traded Funds:* Independent Chairman of the Board of Trustees since 2008 and Trustee since 2006 (56 portfolios); and *Berea College of Kentucky:* Trustee since 2009.
Susan B. Kerley 1951	***MainStay Funds:*** Chairman since 2017 and Trustee since 2007; ***MainStay Funds Trust:*** Chairman since 2017 and Trustee since 1990.**	President, Strategic Management Advisors LLC since 1990	75	*MainStay VP Funds Trust:* Chairman since 2017 and Trustee since 2007 (31 portfolios)***; *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Chairman since 2017 and Trustee since 2011; and *Legg Mason Partners Funds:* Trustee since 1991 (45 portfolios).
Alan R. Latshaw 1951	***MainStay Funds:*** Trustee; ***MainStay Funds Trust:*** Trustee and Audit Committee Financial Expert since 2007.**	Retired; Partner, Ernst & Young LLP (2002 to 2003); Partner, Arthur Andersen LLP (1989 to 2002); Consultant to the MainStay Funds Audit and Compliance Committee (2004 to 2006)	75	*MainStay VP Funds Trust:* Trustee and Audit Committee Financial Expert since 2007 (31 portfolios)***; *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee and Audit Committee Financial Expert since 2011; and *State Farm Associates Funds Trusts:* Trustee since 2005 (4 portfolios).
Richard H. Nolan, Jr. 1946	***MainStay Funds:*** Trustee since 2007; ***MainStay Funds Trust:*** Trustee since 2007.**	Managing Director, ICC Capital Management since 2004; President—Shields/Alliance, Alliance Capital Management (1994 to 2004)	75	*MainStay VP Funds Trust:* Trustee since 2006 (31 portfolios)***; and *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2011.
Jacques P. Perold 1958	***MainStay Funds:*** Trustee since 2016, Advisory Board Member (June 2015 to December 2015); ***MainStay Funds Trust:*** Trustee since 2016, Advisory Board Member (June 2015 to December 2015).	Retired; President, Fidelity Management & Research Company (2009 to 2014); Founder, President and Chief Executive Officer, Geode Capital Management, LLC (2001 to 2009)	75	*MainStay VP Funds Trust:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (31 portfolios); *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015); *Allstate Corporation:* Director since 2015; *MSCI, Inc.:* Director since 2017 and *Boston University:* Trustee since 2014.

Independent Trustees

Name and Year of Birth	Term of Office, Position(s) Held and Length of Service	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee
Richard S. Trutanic 1952	***MainStay Funds:*** Trustee since 1994; ***MainStay Funds Trust:*** Trustee since 2007.**	Chairman and Chief Executive Officer, Somerset & Company (financial advisory firm) since 2004; Managing Director, The Carlyle Group (private investment firm) (2002 to 2004); Senior Managing Director, Partner and Board Member, Groupe Arnault S.A. (private investment firm) (1999 to 2002)	75	*MainStay VP Funds Trust:* Trustee since 2007 (31 portfolios)***; and *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2011.

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

*** Includes prior service as a Director of MainStay VP Series Fund, Inc., the predecessor to MainStay VP Funds Trust.

Officers of the Trust (Who are not Trustees)*

Name and Year of Birth	Position(s) Held and Length of Service	Principal Occupation(s) During Past Five Years
Kirk C. Lehneis 1974	President, MainStay Funds, MainStay Funds Trust since 2017	Chief Operating Officer and Senior Managing Director since 2016, New York Life Investment Management LLC and New York Life Investment Management Holdings LLC; Member of the Board of Managers since 2017 and Senior Managing Director since 2018, NYLIFE Distributors LLC; Chairman of the Board and Senior Managing Director, NYLIM Service Company LLC since 2017; Trustee, President and Principal Executive Officer of IndexIQ Trust, IndexIQ ETF Trust and IndexIQ Active ETF Trust since 2018; President, MainStay MacKay DefinedTerm Municipal Opportunities Fund and MainStay VP Funds Trust since 2017**; Senior Managing Director, Global Product Development (2015 to 2016); Managing Director, Product Development (2010 to 2015), New York Life Investment Management LLC
Jack R. Benintende 1964	Treasurer and Principal Financial and Accounting Officer, MainStay Funds since 2007, MainStay Funds Trust since 2009	Managing Director, New York Life Investment Management LLC since 2007; Treasurer and Principal Financial and Accounting Officer, MainStay MacKay DefinedTerm Municipal Opportunities Fund since 2011 and MainStay VP Funds Trust since 2007**; and Assistant Treasurer, New York Life Investment Management Holdings LLC (2008 to 2012)
Yi-Chia Kuo 1981	Vice President and Chief Compliance Officer, MainStay Funds and MainStay Funds Trust since January 2020	Chief Compliance Officer, Index IQ Trust, Index IQ ETF Trust and Index IQ Active ETF Trust since January 2020; Vice President and Chief Compliance Officer, MainStay MacKay DefinedTerm Municipal Opportunities Fund and MainStay VP Funds Trust since January 2020; Director and Associate General Counsel, New York Life Insurance Company (2015 to 2019)
J. Kevin Gao 1967	Secretary and Chief Legal Officer, MainStay Funds and MainStay Funds Trust since 2010	Managing Director and Associate General Counsel, New York Life Investment Management LLC since 2010; Secretary and Chief Legal Officer, MainStay MacKay DefinedTerm Municipal Opportunities Fund since 2011 and MainStay VP Funds Trust since 2010**
Scott T. Harrington 1959	Vice President—Administration, MainStay Funds since 2005, MainStay Funds Trust since 2009	Managing Director, New York Life Investment Management LLC (including predecessor advisory organizations) since 2000; Member of the Board of Directors, New York Life Trust Company since 2009; Vice President—Administration, MainStay MacKay DefinedTerm Municipal Opportunities Fund since 2011 and MainStay VP Funds Trust since 2005**

* The officers listed above are considered to be "interested persons" of the MainStay Group of Funds, MainStay VP Funds Trust and MainStay MacKay DefinedTerm Municipal Opportunities Fund within the meaning of the 1940 Act because of their affiliation with the MainStay Group of Funds, New York Life Insurance Company and/or its affiliates, including New York Life Investment Management LLC, NYLIM Service Company LLC, NYLIFE Securities LLC and/or NYLIFE Distributors LLC, as described in detail in the column captioned "Principal Occupation(s) During Past Five Years." Officers are elected annually by the Board.

** Includes prior service as an Officer of MainStay VP Series Fund, Inc., the predecessor to MainStay VP Funds Trust.

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MainStay Funds

Equity

U.S. Equity

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

International Equity

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

Emerging Markets Equity

MainStay Candriam Emerging Markets Equity Fund

Global Equity

MainStay Epoch Capital Growth Fund
MainStay Epoch Global Equity Yield Fund

Fixed Income

Taxable Income

MainStay Candriam Emerging Markets Debt Fund[2]
MainStay Floating Rate Fund
MainStay MacKay High Yield Corporate Bond Fund
MainStay MacKay Infrastructure Bond Fund[3]
MainStay MacKay Short Duration High Yield Fund
MainStay MacKay Total Return Bond Fund
MainStay MacKay Unconstrained Bond Fund
MainStay Short Term Bond Fund[4]

Tax-Exempt Income

MainStay MacKay California Tax Free Opportunities Fund[5]
MainStay MacKay High Yield Municipal Bond Fund
MainStay MacKay Intermediate Tax Free Bond Fund
MainStay MacKay New York Tax Free Opportunities Fund[6]
MainStay MacKay Short Term Municipal Fund
MainStay MacKay Tax Free Bond Fund

Money Market

MainStay Money Market Fund

Mixed Asset

MainStay Balanced Fund
MainStay Income Builder Fund
MainStay MacKay Convertible Fund

Speciality

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

Asset Allocation

MainStay Conservative Allocation Fund
MainStay Growth Allocation Fund[7]
MainStay Moderate Allocation Fund
MainStay Moderate Growth Allocation Fund[8]

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 LLC[9]
New York, New York

Markston International LLC
White Plains, New York

NYL Investors LLC[9]
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

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