MainStay MacKay Short Duration High Yield Fund

Message from the President and Semiannual Report

Unaudited | April 30, 2020

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

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

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

New York Life Investments

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Message from the President

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

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

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

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

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

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

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

Sincerely,

Kirk C. Lehneis
President

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

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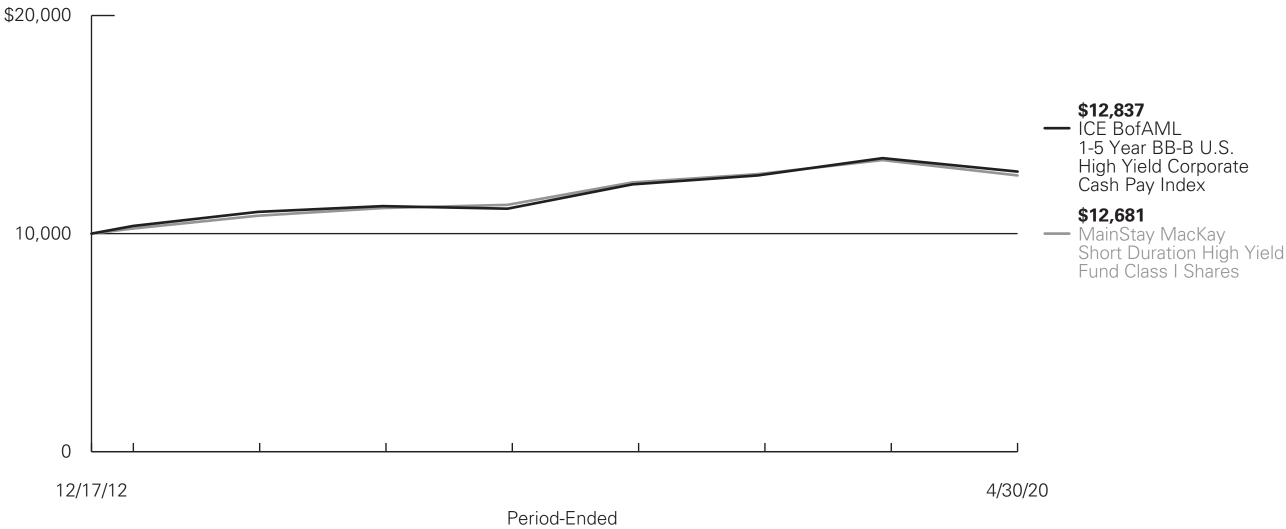
Semiannual Report

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	Six Months	One Year	Five Years or Since Inception	Since Inception	Gross Expense Ratio[2]
Class A Shares	Maximum 3% Initial Sales Charge	With sales charges	12/17/2012	–9.85%	–8.20%	1.66%	2.60%	1.05%
		Excluding sales charges		–7.07	–5.36	2.28	3.03	1.05
Investor Class Shares	Maximum 3% Initial Sales Charge	With sales charges	12/17/2012	–9.89	–8.28	1.58	2.49	1.12
		Excluding sales charges		–7.11	–5.45	2.20	2.92	1.12
Class C Shares	Maximum 1% CDSC	With sales charges	12/17/2012	–8.36	–6.96	1.44	2.17	1.87
	if Redeemed Within 18 months of Purchase	Excluding sales charges		–7.45	–6.06	1.44	2.17	1.87
Class I Shares	No Sales Charge		12/17/2012	–6.95	–5.12	2.54	3.27	0.80
Class R2 Shares	No Sales Charge		12/17/2012	–7.11	–5.35	2.18	2.92	1.15
Class R3 Shares	No Sales Charge		2/29/2016	–7.23	–5.69	3.35	3.35	1.40

1. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on distributions or Fund share redemptions. Total returns reflect maximum applicable sales charges as indicated in the table above, if any, changes in share price, and reinvestment of dividend and capital gain distributions. The graph assumes the initial investment amount shown above and reflects the deduction of all sales charges that would have applied for the period of investment. Performance figures may reflect certain fee waivers and/or expense limitations, without which total returns may have been lower. For more information on share classes and current fee waivers and/or expense limitations (if any), please refer to the Notes to Financial Statements.
2. The gross expense ratios presented reflect the Fund's "Total Annual Fund Operating Expenses" from the most recent Prospectus and may differ from other expense ratios disclosed in this report.

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

Benchmark Performance	Six Months	One Year	Five Years	Since Inception
ICE BofAML 1-5 Year BB-B U.S. High Yield Corporate Cash Pay Index[3]	–6.96%	–4.69%	2.66%	3.45%
Morningstar High Yield Bond Category Average[4]	–7.78	–5.67	2.15	2.95

3. ICE BofAML 1-5 Year BB-B U.S. High Yield Corporate Cash Pay Index is the Fund's primary broad-based securities market index for comparison purposes. The ICE BofAML 1-5 Year BB-B U.S. High Yield Corporate Cash Pay Index generally tracks the performance of BB-B rated U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market with maturities of 1 to 5 years. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly in an index.
4. The Morningstar High Yield Bond Category Average is representative of funds that concentrate on lower-quality bonds, which are riskier than those of higher-quality companies. These portfolios primarily invest in U.S. high-income debt securities where at least 65% or more of bond assets are not rated or are rated by a major agency such as Standard & Poor's or Moody's at the level of BB and below. Results are based on average total returns of similar funds with all dividends and capital gain distributions reinvested.

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

Cost in Dollars of a $1,000 Investment in MainStay MacKay Short Duration High Yield 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

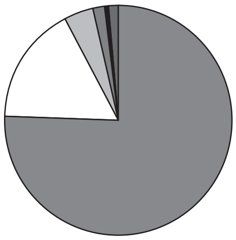
The fourth and fifth data columns in the table below provide information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values 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	$929.30	$4.89	$1,019.79	$5.12	1.02%
Investor Class Shares	$1,000.00	$928.90	$5.28	$1,019.39	$5.52	1.10%
Class C Shares	$1,000.00	$925.50	$8.86	$1,015.66	$9.27	1.85%
Class I Shares	$1,000.00	$930.50	$3.70	$1,021.03	$3.87	0.77%
Class R2 Shares	$1,000.00	$928.90	$5.37	$1,019.29	$5.62	1.12%
Class R3 Shares	$1,000.00	$927.70	$6.57	$1,018.05	$6.87	1.37%

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

Portfolio Composition as of April 30, 2020 (Unaudited)



75.6%	Corporate Bonds	1.7%	Convertible Bonds
16.8	Loan Assignments	0.4	Common Stocks
4.2	Short-Term Investment	1.3	Other Assets, Less Liabilities

See Portfolio of Investments beginning on page 10 for specific holdings within these categories. The Fund's holdings are subject to change.

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

1. Sprint Corp., 7.875%, due 9/15/23
2. HCA, Inc., 5.375%–7.58%, due 5/1/23–9/15/25
3. T-Mobile USA, Inc., 4.00%–6.50%, due 4/15/22–4/15/25
4. MGM Growth Properties Operating Partnership, L.P. / MGP Finance Co-Issuer, Inc., 5.625%, due 5/1/24
5. Grinding Media, Inc. / Moly-Cop AltaSteel, Ltd., 7.375%, due 12/15/23
6. CenturyLink, Inc., 5.80%–6.75%, due 6/15/21–12/1/23
7. Bass Pro Group LLC, 6.072%, due 9/25/24
8. Icahn Enterprises L.P. / Icahn Enterprises Finance Corp., 4.75%–6.75%, due 2/1/22–9/15/24
9. CSC Holdings LLC, 5.25%–5.875%, due 9/15/22–6/1/24
10. Dish Network Corp., 2.375%, due 3/15/24

Portfolio Management Discussion and Analysis (Unaudited)

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

How did MainStay MacKay Short Duration High Yield Fund perform relative to its benchmark and peer group during the six months ended April 30, 2020?

For the six months ended April 30, 2020, Class I shares of MainStay MacKay Short Duration High Yield Fund returned –6.95%, outperforming the -6.96% return of the Fund's primary benchmark, the ICE BofAML 1–5 Year BB-B U.S. High Yield Corporate Cash Pay Index. Over the same period, Class I shares also outperformed the –7.78% return of the Morningstar High Yield Bond Category Average.[1]

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

During the reporting period, the Fund outperformed the benchmark largely due to favorable security selection in the energy sector, the weakest performing sector of the market. Security selection within the transportation, consumer goods and leisure sectors also enhanced relative performance.

In the first quarter of 2020, the U.S. high-yield market experienced volatility not seen since the financial crisis of 2008 as the COVID-19 pandemic continued to spread fear, wreak havoc on the global economy and shake investor sentiment. The ICE BofAML 1–5 Year BB-B U.S. High Yield Corporate Cash Pay Index declined nearly 18% in the first three weeks of March before rebounding almost 7% in the final week. The market then continued to gain ground in April.

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

What was the Fund's duration[2] strategy during the reporting period?

The Fund's duration positioning is the result of our bottom-up investment process. As of April 30, 2020, the Fund's duration was 2.2 years, slightly below that of the ICE BofAML 1–5 Year BB-B U.S. High Yield Corporate Cash Pay Index.

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

As mentioned above, the strongest positive contribution to the Fund's performance relative to the benchmark came from favorable security selection in the lagging energy sector. (Contributions take weightings and total returns into account.) Security selection in the transportation, leisure and consumer goods sectors also contributed positively to relative performance. Conversely, security selection in the capital goods, financial services and automotive sectors detracted from relative performance over the reporting period.

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

During the reporting period the Fund focused on purchases of crossover investment-grade and fallen angel credits that traded at attractive spreads.[3] For example, the Fund purchased bonds from Kraft Heinz after the issuer was downgraded from investment grade. The Fund also purchased bonds issued by natural gas exploration producer EQT late in the reporting period after prices had fallen to levels we considered attractive. Over the same period, the Fund trimmed positions in areas deeply affected by the pandemic, such as American Axle & Manufacturing in the automotive sector and Boyd Gaming in the gaming sector.

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

There were no material changes to the Fund's sector weightings during the reporting period. Relatively minor changes included a decrease in exposure to telecommunications due to a large issuer's bond being called, as well as small decreases in retail and automotive exposure. During the same period, the Fund marginally increased its exposure to the health care and technology sectors.

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

As of April 30, 2020, the Fund held overweight positions relative to the ICE BofAML 1–5 Year BB-B U.S. High Yield Corporate Cash Pay Index in the basic industry, leisure and media sectors. As of the same date, the Fund held underweight positions relative to its benchmark in the automotive, banking and services sectors.

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. 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.
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.

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Portfolio of Investments April 30, 2020 (Unaudited)

	Principal Amount	Value
Long-Term Bonds 94.1%†		
Convertible Bonds 1.7%		
Investment Company 0.2%		
Ares Capital Corp.		
3.75%, due 2/1/22	$ 2,000,000	$ 1,923,000
Media 1.5%		
Dish Network Corp.		
2.375%, due 3/15/24	21,650,000	18,283,882
Total Convertible Bonds (Cost $21,300,436)		20,206,882
Corporate Bonds 75.6%		
Aerospace & Defense 1.1%		
F-Brasile S.p.A. / F-Brasile U.S. LLC		
7.375%, due 8/15/26 (a)	5,500,000	3,753,750
Howmet Aerospace, Inc.		
6.875%, due 5/1/25	1,000,000	1,019,765
Spirit AeroSystems, Inc.		
7.50%, due 4/15/25 (a)	1,700,000	1,674,500
SSL Robotics LLC		
9.75%, due 12/31/23 (a)	1,000,000	1,062,000
TransDigm, Inc.		
6.50%, due 7/15/24	6,545,000	6,045,944
		13,555,959
Apparel 0.1%		
Levi Strauss & Co.		
5.00%, due 5/1/25 (a)	1,500,000	1,513,725
Auto Manufacturers 1.1%		
Aston Martin Capital Holdings, Ltd.		
6.50%, due 4/15/22 (a)	5,680,000	4,333,840
BCD Acquisition, Inc.		
9.625%, due 9/15/23 (a)	4,942,000	4,095,682
McLaren Finance PLC		
5.75%, due 8/1/22 (a)	7,300,000	5,104,890
		13,534,412
Auto Parts & Equipment 1.3%		
Exide International Holdings, L.P.		
10.75% (6.25% Cash and 4.50% PIK), due 10/31/21 (a)(b)(c)(d)(e)	4,080,306	3,529,465
Exide Technologies (a)(b)(c)(d)(e)		
11.00% (3.00% Cash and 8.00% PIK), due 10/31/24	1,653,273	90,930
11.00% (3.00% Cash and 8.00% PIK), due 10/31/24	10,204,428	4,591,992
Meritor, Inc.		
6.25%, due 2/15/24	2,000,000	1,940,800
Nexteer Automotive Group, Ltd.		
5.875%, due 11/15/21 (a)	6,162,000	6,162,753
		16,315,940
Building Materials 0.6%		
Summit Materials LLC / Summit Materials Finance Corp.		
6.125%, due 7/15/23	$ 7,305,000	$ 7,311,940
Chemicals 2.6%		
Blue Cube Spinco LLC		
9.75%, due 10/15/23	9,222,000	9,613,935
Neon Holdings, Inc.		
10.125%, due 4/1/26 (a)	1,600,000	1,440,000
NOVA Chemicals Corp.		
4.875%, due 6/1/24 (a)	1,090,000	978,275
Olin Corp.		
5.50%, due 8/15/22	1,000,000	1,017,500
PolyOne Corp.		
5.75%, due 5/15/25 (a)	1,500,000	1,518,750
PQ Corp.		
6.75%, due 11/15/22 (a)	1,904,000	1,920,660
TPC Group, Inc.		
10.50%, due 8/1/24 (a)	18,863,000	15,420,502
		31,909,622
Coal 0.0%‡		
Natural Resource Partners LP / NRP Finance Corp.		
9.125%, due 6/30/25 (a)	295,000	247,800
Commercial Services 2.0%		
Gartner, Inc.		
5.125%, due 4/1/25 (a)	5,720,000	5,898,750
IHS Markit, Ltd.		
5.00%, due 11/1/22 (a)	1,630,000	1,746,302
Jaguar Holding Co. II / Pharmaceutical Product Development LLC		
6.375%, due 8/1/23 (a)	3,948,000	3,997,350
Nielsen Co. Luxembourg S.A.R.L.		
5.50%, due 10/1/21 (a)	2,845,000	2,812,994
Nielsen Finance LLC / Nielsen Finance Co.		
4.50%, due 10/1/20	1,500,000	1,484,925
5.00%, due 4/15/22 (a)	5,000,000	4,925,550
Ritchie Bros. Auctioneers, Inc.		
5.375%, due 1/15/25 (a)	2,175,000	2,196,750
United Rentals North America, Inc.		
5.50%, due 7/15/25	1,000,000	1,012,500
		24,075,121
Cosmetics & Personal Care 0.4%		
Edgewell Personal Care Co.		
4.70%, due 5/19/21	1,775,000	1,784,496
4.70%, due 5/24/22	3,254,000	3,301,639
		5,086,135

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

	Principal Amount	Value
Corporate Bonds (continued)		
Distribution & Wholesale 0.1%		
Performance Food Group, Inc.		
6.875%, due 5/1/25 (a)	$ 1,500,000	$ 1,526,250
Diversified Financial Services 1.7%		
Credit Acceptance Corp.		
5.125%, due 12/31/24 (a)	10,090,000	8,853,975
Jefferies Finance LLC / JFIN Co-Issuer Corp.		
7.25%, due 8/15/24 (a)	600,000	525,000
LPL Holdings, Inc.		
5.75%, due 9/15/25 (a)	3,825,000	3,767,625
Oxford Finance LLC / Oxford Finance Co-Issuer II, Inc.		
6.375%, due 12/15/22 (a)	8,000,000	7,730,160
		20,876,760
Electric 0.6%		
AES Corp.		
4.875%, due 5/15/23	1,462,000	1,472,673
Vistra Energy Corp.		
5.875%, due 6/1/23	1,496,000	1,510,960
Vistra Operations Co., LLC		
3.55%, due 7/15/24 (a)	4,650,000	4,677,913
		7,661,546
Electrical Components & Equipment 0.1%		
WESCO Distribution, Inc.		
5.375%, due 12/15/21	1,000,000	985,000
Energy 0.1%		
KeyStone Power Pass-Through Holders		
9.00%, due 12/1/23 (d)	810,709	810,709
Energy—Alternate Sources 0.2%		
Pattern Energy Group, Inc.		
5.875%, due 2/1/24 (a)	3,000,000	3,030,000
Engineering & Construction 0.7%		
Great Lakes Dredge & Dock Corp.		
8.00%, due 5/15/22	1,180,000	1,203,730
Weekley Homes LLC / Weekley Finance Corp.		
6.00%, due 2/1/23	5,260,000	5,049,600
6.625%, due 8/15/25	2,278,000	2,051,111
		8,304,441
Entertainment 0.9%		
Eldorado Resorts, Inc.		
6.00%, due 4/1/25	5,955,000	5,716,800
Entertainment (continued)		
International Game Technology PLC (a)		
6.25%, due 2/15/22	$ 1,500,000	$ 1,463,437
6.50%, due 2/15/25	1,400,000	1,371,986
Jacobs Entertainment, Inc.		
7.875%, due 2/1/24 (a)	1,000,000	757,500
Vail Resorts, Inc.		
6.25%, due 5/15/25 (a)	1,500,000	1,546,875
		10,856,598
Environmental Controls 0.1%		
Covanta Holding Corp.		
5.875%, due 7/1/25	1,000,000	967,500
Food 1.0%		
B&G Foods, Inc.		
5.25%, due 4/1/25	1,000,000	1,012,500
Ingles Markets, Inc.		
5.75%, due 6/15/23	1,830,000	1,830,000
Kraft Heinz Foods Co.		
3.50%, due 6/6/22	2,500,000	2,569,198
3.95%, due 7/15/25	3,500,000	3,664,064
TreeHouse Foods, Inc.		
4.875%, due 3/15/22	3,500,000	3,500,000
		12,575,762
Food Services 0.3%		
Aramark Services, Inc.		
6.375%, due 5/1/25 (a)	3,500,000	3,640,000
Forest Products & Paper 0.7%		
Mercer International, Inc.		
6.50%, due 2/1/24	3,740,000	3,487,550
7.375%, due 1/15/25	4,905,000	4,698,500
		8,186,050
Gas 1.1%		
AmeriGas Partners, L.P. / AmeriGas Finance Corp.		
5.625%, due 5/20/24	7,500,000	7,650,000
Rockpoint Gas Storage Canada, Ltd.		
7.00%, due 3/31/23 (a)	6,800,000	5,236,000
		12,886,000
Hand & Machine Tools 0.3%		
Colfax Corp.		
6.00%, due 2/15/24 (a)	3,175,000	3,222,625
Health Care—Products 0.7%		
Avanos Medical, Inc.		
6.25%, due 10/15/22	8,174,000	8,163,783

	Principal Amount	Value
Corporate Bonds (continued)		
Health Care—Services 5.9%		
Acadia Healthcare Co., Inc.		
5.625%, due 2/15/23	$ 7,410,000	$ 7,095,075
AHP Health Partners, Inc.		
9.75%, due 7/15/26 (a)	1,800,000	1,782,000
Centene Corp.		
4.75%, due 1/15/25 (a)	17,250,000	17,783,887
Encompass Health Corp.		
5.125%, due 3/15/23	8,675,000	8,631,625
5.75%, due 11/1/24	4,030,000	4,050,150
HCA, Inc.		
5.375%, due 2/1/25	13,100,000	14,084,334
5.875%, due 5/1/23	9,255,000	9,925,987
7.50%, due 12/15/23	5,160,000	5,701,800
7.58%, due 9/15/25	1,138,000	1,297,320
Molina Healthcare, Inc.		
5.375%, due 11/15/22	1,750,000	1,809,063
		72,161,241
Holding Company—Diversified 0.9%		
Stena International S.A.		
6.125%, due 2/1/25 (a)	12,220,000	10,692,500
Home Builders 1.4%		
Adams Homes, Inc.		
7.50%, due 2/15/25 (a)	4,915,000	4,472,650
Meritage Homes Corp.		
7.00%, due 4/1/22	2,350,000	2,397,000
New Home Co., Inc.		
7.25%, due 4/1/22	3,185,000	2,770,950
Shea Homes, L.P. / Shea Homes Funding Corp.		
6.125%, due 4/1/25 (a)	456,000	430,920
Williams Scotsman International, Inc. (a)		
6.875%, due 8/15/23	4,565,000	4,553,587
7.875%, due 12/15/22	2,245,000	2,275,869
		16,900,976
Household Products & Wares 0.6%		
Prestige Brands, Inc.		
6.375%, due 3/1/24 (a)	4,500,000	4,623,750
Spectrum Brands, Inc.		
6.125%, due 12/15/24	2,800,000	2,772,000
		7,395,750
Insurance 0.3%		
MGIC Investment Corp.		
5.75%, due 8/15/23	4,000,000	3,920,000
Internet 2.4%		
Cogent Communications Group, Inc.		
5.625%, due 4/15/21 (a)	5,630,000	5,601,850

	Principal Amount	Value
Internet (continued)		
Expedia Group, Inc. (a)		
6.25%, due 5/1/25	$ 1,000,000	$ 1,019,801
7.00%, due 5/1/25	1,265,000	1,287,067
Netflix, Inc.		
3.625%, due 6/15/25 (a)	1,000,000	1,012,500
5.375%, due 2/1/21	2,000,000	2,035,000
5.50%, due 2/15/22	6,300,000	6,552,000
5.75%, due 3/1/24	4,980,000	5,415,252
5.875%, due 2/15/25	665,000	733,389
VeriSign, Inc.		
4.625%, due 5/1/23	5,627,000	5,663,575
		29,320,434
Investment Companies 2.9%		
Compass Group Diversified Holdings LLC		
8.00%, due 5/1/26 (a)	4,177,000	4,364,965
FS Energy & Power Fund		
7.50%, due 8/15/23 (a)	18,834,000	12,195,015
Icahn Enterprises L.P. / Icahn Enterprises Finance Corp.		
4.75%, due 9/15/24	15,315,000	14,404,064
6.25%, due 2/1/22	1,700,000	1,717,000
6.75%, due 2/1/24	2,950,000	2,957,375
		35,638,419
Iron & Steel 0.9%		
Allegheny Technologies, Inc.		
7.875%, due 8/15/23	3,000,000	2,750,670
Big River Steel LLC / BRS Finance Corp.		
7.25%, due 9/1/25 (a)	8,935,000	8,376,562
		11,127,232
Leisure Time 0.6%		
Carlson Travel, Inc.		
6.75%, due 12/15/23 (a)	11,665,000	7,602,430
Lodging 1.3%		
Boyd Gaming Corp.		
6.375%, due 4/1/26	1,000,000	900,700
Hilton Domestic Operating Co., Inc.		
4.25%, due 9/1/24	4,390,000	4,258,300
5.375%, due 5/1/25 (a)	2,500,000	2,484,375
Hyatt Hotels Corp.		
5.375%, due 4/23/25	2,000,000	2,034,480
Marriott International, Inc.		
4.15%, due 12/1/23	1,500,000	1,473,878
5.75%, due 5/1/25	4,190,000	4,378,824
		15,530,557
Machinery—Diversified 0.5%		
Briggs & Stratton Corp.		
6.875%, due 12/15/20	3,425,000	1,746,750
Tennant Co.		
5.625%, due 5/1/25	3,754,000	3,758,693
		5,505,443

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	Principal Amount	Value
Corporate Bonds (continued)		
Media 4.4%		
CCO Holdings LLC / CCO Holdings Capital Corp. (a)		
5.375%, due 5/1/25	$ 5,725,000	$ 5,870,630
5.875%, due 4/1/24	3,018,000	3,100,995
CSC Holdings LLC		
5.25%, due 6/1/24	9,250,000	9,619,075
5.375%, due 7/15/23 (a)	5,425,000	5,486,031
5.875%, due 9/15/22	3,250,000	3,384,063
DISH DBS Corp.		
5.875%, due 7/15/22	3,550,000	3,559,230
5.875%, due 11/15/24	2,292,000	2,204,537
Quebecor Media, Inc.		
5.75%, due 1/15/23	6,920,000	7,293,196
Sirius XM Radio, Inc.		
4.625%, due 7/15/24 (a)	5,000,000	5,098,000
Sterling Entertainment Enterprises LLC		
10.25%, due 1/15/25 (b)(c)(d)(f)	3,000,000	2,739,900
Videotron, Ltd.		
5.00%, due 7/15/22	4,869,000	5,002,897
		53,358,554
Metal Fabricate & Hardware 1.7%		
Grinding Media, Inc. / Moly-Cop AltaSteel, Ltd.		
7.375%, due 12/15/23 (a)	21,546,000	21,263,747
Mining 2.4%		
Arconic Corp.		
6.00%, due 5/15/25 (a)	3,700,000	3,741,625
Compass Minerals International, Inc.		
4.875%, due 7/15/24 (a)	12,860,000	12,618,875
Constellium S.E. (a)		
5.75%, due 5/15/24	3,950,000	3,811,750
6.625%, due 3/1/25	1,000,000	960,000
First Quantum Minerals, Ltd. (a)		
7.25%, due 5/15/22	3,000,000	2,808,300
7.25%, due 4/1/23	5,771,000	5,237,760
Kaiser Aluminum Corp.		
6.50%, due 5/1/25 (a)	500,000	506,250
		29,684,560
Miscellaneous—Manufacturing 0.2%		
FXI Holdings, Inc.		
7.875%, due 11/1/24 (a)	2,000,000	1,460,000
Hill-Rom Holdings, Inc.		
5.00%, due 2/15/25 (a)	388,000	393,005
Koppers, Inc.		
6.00%, due 2/15/25 (a)	1,450,000	1,178,125
		3,031,130

	Principal Amount	Value
Oil & Gas 6.5%		
Ascent Resources Utica Holdings LLC / ARU Finance Corp.		
10.00%, due 4/1/22 (a)	$ 4,796,000	$ 3,932,720
California Resources Corp.		
8.00%, due 12/15/22 (a)	4,599,000	160,965
Callon Petroleum Co.		
6.125%, due 10/1/24	3,390,000	652,575
Energy Ventures Gom LLC / EnVen Finance Corp.		
11.00%, due 2/15/23 (a)	4,650,000	2,627,250
EQT Corp.		
6.125%, due 2/1/25	7,850,000	7,477,125
Gulfport Energy Corp.		
6.00%, due 10/15/24	3,987,000	1,983,532
6.375%, due 5/15/25	858,000	403,432
6.625%, due 5/1/23	9,562,000	5,163,480
Hess Corp.		
3.50%, due 7/15/24	910,000	820,751
Newfield Exploration Co.		
5.75%, due 1/30/22	4,000,000	3,407,382
Noble Energy, Inc.		
3.90%, due 11/15/24	4,550,000	4,080,516
Parkland Fuel Corp.		
6.00%, due 4/1/26 (a)	4,005,000	3,854,812
PBF Holding Co. LLC / PBF Finance Corp.		
7.25%, due 6/15/25	4,770,000	3,577,500
PDC Energy, Inc.		
6.125%, due 9/15/24	3,700,000	2,904,500
PetroQuest Energy, Inc.		
10.00% (10.00% PIK), due 2/15/24 (b)(c)(d)(e)	763,226	76
QEP Resources, Inc.		
5.375%, due 10/1/22	2,674,000	922,530
6.875%, due 3/1/21	7,655,000	3,674,400
Range Resources Corp.		
5.00%, due 3/15/23	1,400,000	1,232,000
5.875%, due 7/1/22	2,828,000	2,403,800
9.25%, due 2/1/26 (a)	1,343,000	1,081,115
Rex Energy Corp. (Escrow Claim)		
8.00%, due 10/1/20 (d)(f)(g)	7,906,000	59,295
Southwestern Energy Co.		
6.20%, due 1/23/25	12,463,000	11,029,755
Sunoco, L.P. / Sunoco Finance Corp.		
4.875%, due 1/15/23	2,000,000	1,940,000
Talos Production LLC / Talos Production Finance, Inc.		
11.00%, due 4/3/22	15,782,468	9,311,656
Transocean Guardian, Ltd.		
5.875%, due 1/15/24 (a)	501,000	383,265
Transocean Sentry, Ltd.		
5.375%, due 5/15/23 (a)	6,999,000	5,319,240

	Principal Amount	Value
Corporate Bonds (continued)		
Oil & Gas (continued)		
Ultra Resources, Inc.		
6.875%, due 4/15/22 (a)(g)(h)	$ 4,455,000	$ 2,228
Whiting Petroleum Corp.		
6.25%, due 4/1/23 (g)(h)	4,210,000	410,475
		78,816,375
Oil & Gas Services 0.2%		
Forum Energy Technologies, Inc.		
6.25%, due 10/1/21	6,040,000	1,932,800
Nine Energy Service, Inc.		
8.75%, due 11/1/23 (a)	3,775,000	721,969
		2,654,769
Packaging & Containers 0.1%		
Cascades, Inc. / Cascades U.S.A., Inc.		
5.125%, due 1/15/26 (a)	1,200,000	1,200,000
Pharmaceuticals 1.3%		
Bausch Health Cos., Inc.(a)		
5.875%, due 5/15/23	467,000	463,498
6.125%, due 4/15/25	1,500,000	1,518,750
6.50%, due 3/15/22	3,895,000	3,972,121
7.00%, due 3/15/24	6,146,000	6,320,239
Endo Dac / Endo Finance LLC / Endo Finco, Inc.		
5.875%, due 10/15/24 (a)	3,500,000	3,360,000
		15,634,608
Pipelines 4.5%		
Antero Midstream Partners, L.P. / Antero Midstream Finance Corp.		
5.375%, due 9/15/24	2,000,000	1,560,000
MPLX, L.P. (a)		
6.25%, due 10/15/22	2,673,000	2,670,519
6.375%, due 5/1/24	1,900,000	1,939,099
NGPL PipeCo LLC		
4.375%, due 8/15/22 (a)	5,565,000	5,581,050
NuStar Logistics, L.P.		
6.75%, due 2/1/21	2,950,000	2,846,750
PBF Logistics, L.P. / PBF Logistics Finance Corp.		
6.875%, due 5/15/23	4,000,000	3,080,000
Plains All American Pipeline, L.P.		
6.125%, due 12/31/99 (i)(j)	18,663,000	12,510,369
Rockies Express Pipeline LLC		
3.60%, due 5/15/25 (a)	3,525,000	3,181,312
Ruby Pipeline LLC		
6.50%, due 4/1/22 (a)	3,885,682	3,613,834
Tallgrass Energy Partners, L.P. / Tallgrass Energy Finance Corp. (a)		
4.75%, due 10/1/23	5,850,000	4,504,500
5.50%, due 9/15/24	5,810,000	4,415,600

	Principal Amount	Value
Pipelines (continued)		
Targa Resources Partners, L.P. / Targa Resources Partners Finance Corp.		
5.25%, due 5/1/23	$ 2,500,000	$ 2,361,500
6.75%, due 3/15/24	2,390,000	2,258,550
Western Midstream Operating, L.P.		
4.00%, due 7/1/22	500,000	483,750
4.65%, due 7/1/26	4,315,000	3,818,775
		54,825,608
Real Estate 1.5%		
Kennedy-Wilson, Inc.		
5.875%, due 4/1/24	6,800,000	6,503,860
Newmark Group, Inc.		
6.125%, due 11/15/23	12,225,000	11,257,082
		17,760,942
Real Estate Investment Trusts 5.4%		
CTR Partnership, L.P. / CareTrust Capital Corp.		
5.25%, due 6/1/25	2,400,000	2,397,000
Equinix, Inc.		
5.875%, due 1/15/26	9,373,000	9,734,798
GLP Capital, L.P. / GLP Financing II, Inc.		
5.375%, due 11/1/23	1,535,000	1,488,950
Ladder Capital Finance Holdings LLLP / Ladder Capital Finance Corp.		
5.875%, due 8/1/21 (a)	5,455,000	4,827,675
MGM Growth Properties Operating Partnership, L.P. / MGP Finance Co-Issuer, Inc.		
5.625%, due 5/1/24	21,181,000	21,503,163
MPT Operating Partnership, L.P. / MPT Finance Corp.		
5.50%, due 5/1/24	7,378,000	7,341,110
RHP Hotel Properties, L.P. / RHP Finance Corp.		
5.00%, due 4/15/23	4,230,000	3,933,900
Starwood Property Trust, Inc.		
5.00%, due 12/15/21	4,255,000	3,978,425
VICI Properties, L.P. / VICI Note Co., Inc.		
3.50%, due 2/15/25 (a)	11,640,000	10,941,600
		66,146,621
Retail 2.4%		
Group 1 Automotive, Inc.		
5.00%, due 6/1/22	3,000,000	2,857,500
KFC Holding Co. / Pizza Hut Holdings LLC / Taco Bell of America LLC		
5.00%, due 6/1/24 (a)	12,450,000	12,829,725
KGA Escrow, LLC		
7.50%, due 8/15/23 (a)	8,185,000	7,427,887
Kohl's Corp.		
9.50%, due 5/15/25	1,270,000	1,305,746

	Principal Amount	Value
Corporate Bonds (continued)		
Retail (continued)		
Penske Automotive Group, Inc.		
5.375%, due 12/1/24	$ 3,875,000	$ 3,563,838
Yum! Brands, Inc.		
3.875%, due 11/1/23	1,000,000	1,014,700
		28,999,396
Software 1.5%		
CDK Global, Inc.		
5.00%, due 10/15/24	1,750,000	1,811,250
MSCI, Inc.		
5.75%, due 8/15/25 (a)	5,650,000	5,901,990
Open Text Corp.		
5.875%, due 6/1/26 (a)	2,500,000	2,625,000
PTC, Inc.		
3.625%, due 2/15/25 (a)	6,270,000	6,172,815
RP Crown Parent LLC		
7.375%, due 10/15/24 (a)	1,687,000	1,657,477
		18,168,532
Telecommunications 7.1%		
CenturyLink, Inc.		
5.80%, due 3/15/22	9,200,000	9,420,225
6.45%, due 6/15/21	3,500,000	3,582,075
6.75%, due 12/1/23	6,000,000	6,267,600
Hughes Satellite Systems Corp.		
7.625%, due 6/15/21	2,255,000	2,341,795
Level 3 Financing, Inc.		
5.375%, due 5/1/25	5,050,000	5,085,855
5.625%, due 2/1/23	2,650,000	2,654,028
Sprint Communications, Inc.		
9.25%, due 4/15/22	2,500,000	2,750,000
Sprint Corp.		
7.875%, due 9/15/23	29,145,000	32,754,608
T-Mobile USA, Inc.		
4.00%, due 4/15/22	6,045,000	6,181,013
5.125%, due 4/15/25	2,000,000	2,025,000
6.00%, due 3/1/23	6,005,000	6,062,948
6.375%, due 3/1/25	1,000,000	1,026,250
6.50%, due 1/15/24	6,529,000	6,675,250
		86,826,647
Textiles 0.1%		
Eagle Intermediate Global Holding B.V. / Ruyi U.S. Finance LLC		
7.50%, due 5/1/25 (a)	2,740,000	1,507,000
Toys, Games & Hobbies 0.6%		
Mattel, Inc.		
3.15%, due 3/15/23	3,760,000	3,463,900
6.75%, due 12/31/25 (a)	4,015,000	4,075,225
		7,539,125
Transportation 0.2%		
Teekay Corp.		
9.25%, due 11/15/22 (a)	$ 1,935,000	$ 1,896,300
Total Corporate Bonds (Cost $1,025,632,726)		922,352,574
Loan Assignments 16.8%		
Advertising 0.6%		
Lamar Media Corp.		
2020 Term Loan B 2.482% (1 Month LIBOR + 1.50%), due 2/5/27 (k)	7,368,750	7,016,435
Aerospace & Defense 1.0%		
AI Convoy (Luxembourg) S.A.R.L		
Term Loan B 4.65% (6 Month LIBOR + 3.50%), due 1/17/27 (k)	1,800,000	1,696,500
SCIH Salt Holdings Inc.		
Term Loan B 5.50% (3 Month LIBOR + 4.50%), due 3/16/27 (k)	2,300,000	2,162,000
TransDigm, Inc.		
2020 Term Loan F 2.654% (1 Month LIBOR + 2.25%), due 12/9/25 (k)	9,975,000	8,706,300
		12,564,800
Auto Parts & Equipment 1.3%		
Adient U.S. LLC (k)		
Term Loan B 5.45% (3 Month LIBOR + 4.00%), due 5/6/24	8,830,117	7,919,511
Term Loan B 5.742% (3 Month LIBOR + 4.00%), due 5/6/24	2,933,495	2,630,979
Altra Industrial Motion Corp.		
2018 Term Loan B 2.404% (1 Month LIBOR + 2.00%), due 10/1/25 (k)	2,437,900	2,295,434
Tenneco, Inc.		
2018 Term Loan B 3.404% (1 Month LIBOR + 3.00%), due 10/1/25 (k)	2,984,887	2,269,758
		15,115,682
Banks 0.9%		
Block Communications, Inc.		
2020 Term Loan 3.70% (3 Month LIBOR + 2.25%), due 2/25/27 (k)	11,750,000	10,927,500

	Principal Amount	Value
Loan Assignments (continued)		
Beverage, Food & Tobacco 0.7%		
United Natural Foods, Inc.		
Term Loan B		
4.654% (1 Month LIBOR + 4.25%),		
due 10/22/25 (k)	$ 9,700,882	$ 8,734,257
Chemicals 0.3%		
Innophos, Inc.		
2020 Term Loan B		
4.614% (1 Month LIBOR + 3.75%),		
due 2/4/27 (k)	4,300,000	4,095,750
Commercial Services 0.5%		
WEX, Inc.		
Term Loan B3		
2.654% (1 Month LIBOR + 2.25%),		
due 5/15/26 (k)	6,517,246	6,109,918
Distribution & Wholesale 0.3%		
Dealer Tire LLC		
2020 Term Loan B		
4.654% (1 Month LIBOR + 4.25%),		
due 12/12/25 (k)	4,189,500	3,665,813
Diversified Financial Services 0.3%		
Jefferies Finance LLC		
2019 Term Loan		
3.688% (1 Month LIBOR + 3.25%),		
due 6/3/26 (k)	3,970,000	3,513,450
Electronics 0.2%		
Infor (U.S.), Inc.		
Term Loan B6		
3.75% (1 Month LIBOR + 2.75%),		
due 2/1/22 (k)	1,982,919	1,944,912
Entertainment 1.1%		
Allen Media LLC		
2020 Term Loan B		
7.231% (3 Month LIBOR + 5.50%),		
due 2/10/27 (k)	5,150,000	4,506,250
Churchill Downs, Inc.		
2017 Term Loan B		
2.41% (1 Month LIBOR + 2.00%),		
due 12/27/24 (k)	3,910,000	3,638,743
NAI Entertainment Holdings LLC		
Term Loan B		
3.50% (1 Month LIBOR + 2.50%),		
due 5/8/25 (k)	3,299,667	2,495,373
Entertainment (continued)		
Twin River Worldwide Holdings, Inc.		
Term Loan B		
3.154% (1 Month LIBOR + 2.75%),		
due 5/10/26 (k)	$ 3,473,750	$ 2,935,319
		13,575,685
Food 0.3%		
B&G Foods, Inc.		
2019 Term Loan B4		
2.904% (1 Month LIBOR + 2.50%),		
due 10/10/26 (k)	3,980,000	3,837,385
Health Care—Services 0.6%		
RegionalCare Hospital Partners Holdings, Inc.		
2018 Term Loan B		
4.154% (1 Month LIBOR + 3.75%),		
due 11/17/25 (k)	8,000,000	7,388,000
Healthcare, Education & Childcare 0.5%		
Catalent Pharma Solutions, Inc.		
Term Loan B2		
3.25% (1 Month LIBOR + 2.25%),		
due 5/18/26 (k)	1,732,500	1,697,850
Jaguar Holding Co. II		
2018 Term Loan		
2.904% (1 Month LIBOR + 2.50%),		
due 8/18/22 (k)	4,935,233	4,831,899
		6,529,749
Hotels, Motels, Inns & Gaming 0.4%		
Four Seasons Hotels, Ltd.		
New 1st Lien Term Loan		
2.404% (1 Month LIBOR + 2.00%),		
due 11/30/23 (k)	5,552,756	5,125,887
Household Products & Wares 0.2%		
Prestige Brands, Inc.		
Term Loan B4		
2.404% (1 Month LIBOR + 2.00%),		
due 1/26/24 (k)	2,030,281	1,970,641
Insurance 0.7%		
USI, Inc.		
2017 Repriced Term Loan		
3.404% (1 Month LIBOR + 3.00%),		
due 5/16/24 (k)	9,448,760	8,842,462
Internet 0.2%		
NASCAR Holdings, Inc.		
Term Loan B		
3.375% (1 Month LIBOR + 2.75%),		
due 10/19/26 (k)	3,113,936	2,883,172

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	Principal Amount	Value
Loan Assignments (continued)		
Investment Company 0.1%		
Global Business Travel Holdings, Ltd.		
2018 Term Loan B		
4.207% (3 Month LIBOR + 2.50%),		
due 8/13/25 (k)	$ 1,477,500	$ 1,466,419
Iron & Steel 0.6%		
Big River Steel LLC		
Term Loan B		
6.45% (3 Month LIBOR + 5.00%),		
due 8/23/23 (k)	8,027,886	6,944,122
Media 0.5%		
LCPR Loan Financing LLC		
Term Loan B		
5.814% (1 Month LIBOR + 5.00%),		
due 10/15/26 (k)	4,000,000	3,940,000
Meredith Corp.		
2020 Term Loan B2		
3.26% (3 Month LIBOR + 2.50%),		
due 1/31/25 (k)	2,140,080	1,966,866
		5,906,866
Metal Fabricate & Hardware 0.7%		
Arconic Corp.		
Term Loan B		
3.24% (1 Month LIBOR + 2.75%),		
due 3/25/27 (k)	6,400,000	6,336,000
Neenah Foundry Co. (k)		
2017 Term Loan		
7.203% (2 Month LIBOR + 6.50%),		
due 12/13/22	1,583,476	1,345,955
2017 Term Loan		
7.756% (2 Month LIBOR + 6.50%),		
due 12/13/22	1,322,172	1,123,846
		8,805,801
Oil & Gas 0.2%		
PetroQuest Energy, Inc.		
Term Loan Note		
10.013%, due 11/8/23 (b)(c)(d)	2,980,551	2,444,052
Retail 0.3%		
KFC Holding Co.		
2018 Term Loan B		
2.468% (1 Month LIBOR + 1.75%),		
due 4/3/25 (k)	3,395,700	3,232,282
Retail Stores 1.6%		
Bass Pro Group LLC		
Term Loan B		
6.072% (1 Month LIBOR + 5.00%),		
due 9/25/24 (k)	$23,126,110	$ 19,183,108
Software 1.8%		
Ascend Learning LLC		
2017 Term Loan B		
4.00% (1 Month LIBOR + 3.00%),		
due 7/12/24 (k)	7,982,641	7,421,366
Camelot U.S. Acquisition 1 Co.		
Term Loan B		
3.654% (1 Month LIBOR + 3.25%),		
due 10/31/26 (k)	7,780,500	7,446,584
RP Crown Parent LLC		
2016 Term Loan B		
3.75% (1 Month LIBOR + 2.75%),		
due 10/12/23 (k)	7,386,816	7,054,409
		21,922,359
Telecommunications 0.9%		
CommScope, Inc.		
2019 Term Loan B		
3.654% (1 Month LIBOR + 3.25%),		
due 4/6/26 (k)	2,985,000	2,804,408
Connect Finco S.A.R.L.		
Term Loan B		
5.50% (1 Month LIBOR + 0.375%),		
due 12/11/26 (k)	8,900,000	8,154,625
		10,959,033
Total Loan Assignments (Cost $222,401,181)		204,705,540
Total Long-Term Bonds (Cost $1,269,334,343)		1,147,264,996

	Shares	
Common Stocks 0.4%		
Auto Parts & Equipment 0.0%‡		
Exide Technologies (b)(c)(d)(f)(l)	951,326	0
Independent Power & Renewable Electricity Producers 0.3%		
GenOn Energy, Inc. (f)(l)	20,915	3,869,275
PetroQuest Energy, Inc. (b)(c)(d)	94,872	0
		3,869,275
Oil, Gas & Consumable Fuels 0.1%		
Talos Energy, Inc. (l)	111,083	1,265,236
Total Common Stocks (Cost $8,216,128)		5,134,511

	Shares	Value
Short-Term Investment 4.2%		
Unaffiliated Investment Company 4.2%		
State Street Institutional U.S. Government Money Market Fund, Premier Class, 0.22% (m)	50,797,870	$ 50,797,870
Total Short-Term Investment (Cost $50,797,870)		50,797,870
Total Investments (Cost $1,328,348,341)	98.7%	1,203,197,377
Other Assets, Less Liabilities	1.3	15,945,755
Net Assets	100.0%	$1,219,143,132

† Percentages indicated are based on Fund net assets.

‡ Less than one-tenth of a percent.

(a) May be sold to institutional investors only under Rule 144A or securities offered pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

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

(c) Fair valued security—Represents fair value as measured in good faith under procedures approved by the Board of Trustees. As of April 30, 2020, the total market value of fair valued securities was $13,396,415, which represented 1.1% of the Fund's net assets.

(d) Illiquid security—As of April 30, 2020, the total market value of these securities deemed illiquid under procedures approved by the Board of Trustees was $14,266,419, which represented 1.2% of the Fund's net assets.

(e) PIK ("Payment-in-Kind")—issuer may pay interest or dividends with additional securities and/or in cash.

(f) Restricted security. (See Note 5)

(g) Issue in non-accrual status.

(h) Issue in default.

(i) Fixed to floating rate—Rate shown was the rate in effect as of April 30, 2020.

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

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

(l) Non-income producing security.

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

The following abbreviation is used in the preceding pages:
LIBOR—London Interbank Offered Rate

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

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Asset Valuation Inputs				
Investments in Securities (a)				
Long-Term Bonds				
Convertible Bonds	$ —	$ 20,206,882	$ —	$ 20,206,882
Corporate Bonds (b)	—	911,400,211	10,952,363	922,352,574
Loan Assignments (c)	—	202,261,488	2,444,052	204,705,540
Total Long-Term Bonds	—	1,133,868,581	13,396,415	1,147,264,996
Common Stocks (d)	1,265,236	3,869,275	—	5,134,511
Short-Term Investment				
Unaffiliated Investment Company	50,797,870	—	—	50,797,870
Total Investments in Securities	$52,063,106	$1,137,737,856	$13,396,415	$1,203,197,377

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

(b) The Level 3 securities valued at $8,212,387, $2,739,900, and $76 are held in Auto Parts & Equipment, Media, and Oil & Gas, respectively, within the Corporate Bonds section of the Portfolio of Investments.

(c) The Level 3 security valued at $2,444,052 is held in Oil & Gas within the Loan Assignments section of the Portfolio of Investments.

(d) The level 3 securities valued at $0 and $0 are held in Auto Parts & Equipment and Oil & Gas, respectively, within the Common Stocks section of the Portfolio of Investments.

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

Investments in Securities	Balance as of October 31, 2019	Accrued Discounts (Premiums)	Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Purchases	Sales	Transfers in to Level 3	Transfers out of Level 3	Balance as of April 30, 2020	Change in Unrealized Appreciation (Depreciation) from Investments Still Held at April 30, 2020 (b)
Long-Term Bonds										
Convertible Bonds	$ 839,191	$ 10,121	$ —	$ 80,198	$ 78,002(a)	$(1,007,512)	$ —	$ —	$ —	$ —
Corporate Bonds	17,009,270	109,648	—	(6,748,751)	582,196(a)	—	—	—	10,952,363	(6,748,751)
Loan Assignments	2,935,847	—	—	(536,499)	44,704	—	—	—	2,444,052	(536,499)
Common Stock	415,146	—	—	(1,433,884)	1,018,738	—	—	—	—	(1,433,884)
Total	$21,199,454	$119,769	$ —	$(8,638,936)	$1,723,640	$(1,007,512)	$ —	$ —	$13,396,415	$(8,719,134)

(a) Purchases include PIK securities.

(b) Included in “Net change in unrealized appreciation (depreciation) on investments” in the Statement of Operations.

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

Assets

Investment in securities, at value (identified cost $1,328,348,341)	$1,203,197,377
Receivables:	
Interest	17,443,398
Investment securities sold	11,399,079
Fund shares sold	5,554,700
Other assets	101,265
Total assets	1,237,695,819

Liabilities

Due to custodian	363,595
Payables:	
Investment securities purchased	10,524,001
Fund shares redeemed	6,174,766
Manager (See Note 3)	637,295
Transfer agent (See Note 3)	199,538
NYLIFE Distributors (See Note 3)	82,489
Shareholder communication	45,730
Professional fees	37,927
Custodian	7,584
Trustees	263
Accrued expenses	6,267
Dividend payable	473,232
Total liabilities	18,552,687
Net assets	$1,219,143,132

Composition of Net Assets

Shares of beneficial interest outstanding (par value of $.001 per share) unlimited number of shares authorized	$ 136,626
Additional paid-in capital	1,379,744,188
	1,379,880,814
Total distributable earnings (loss)	(160,737,682)
Net assets	$1,219,143,132

Class A	
Net assets applicable to outstanding shares	$ 230,083,304
Shares of beneficial interest outstanding	25,790,973
Net asset value per share outstanding	$ 8.92
Maximum sales charge (3.00% of offering price)	0.28
Maximum offering price per share outstanding	$ 9.20
Investor Class	
Net assets applicable to outstanding shares	$ 6,299,763
Shares of beneficial interest outstanding	705,953
Net asset value per share outstanding	$ 8.92
Maximum sales charge (3.00% of offering price)	0.28
Maximum offering price per share outstanding	$ 9.20
Class C	
Net assets applicable to outstanding shares	$ 42,461,728
Shares of beneficial interest outstanding	4,760,877
Net asset value and offering price per share outstanding	$ 8.92
Class I	
Net assets applicable to outstanding shares	$ 939,733,940
Shares of beneficial interest outstanding	105,304,476
Net asset value and offering price per share outstanding	$ 8.92
Class R2	
Net assets applicable to outstanding shares	$ 491,504
Shares of beneficial interest outstanding	55,100
Net asset value and offering price per share outstanding	$ 8.92
Class R3	
Net assets applicable to outstanding shares	$ 72,893
Shares of beneficial interest outstanding	8,169
Net asset value and offering price per share outstanding	$ 8.92

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

Investment Income (Loss)

Income	
Interest	$ 41,189,904
Dividends	1,127,946
Securities lending	16,089
Other	43
Total income	42,333,982
Expenses	
Manager (See Note 3)	4,877,968
Transfer agent (See Note 3)	641,472
Distribution/Service—Class A (See Note 3)	309,246
Distribution/Service—Investor Class (See Note 3)	8,534
Distribution/Service—Class C (See Note 3)	239,361
Distribution/Service—Class R2 (See Note 3)	652
Distribution/Service—Class R3 (See Note 3)	352
Registration	83,793
Professional fees	71,287
Shareholder communication	45,500
Custodian	19,124
Trustees	17,387
Shareholder service (See Note 3)	331
Miscellaneous	25,313
Total expenses	6,340,320
Net investment income (loss)	35,993,662

Realized and Unrealized Gain (Loss) on Investments

Net realized gain (loss) on investments	(19,164,438)
Net change in unrealized appreciation (depreciation) on investments	(124,591,728)
Net realized and unrealized gain (loss) on investments	(143,756,166)
Net increase (decrease) in net assets resulting from operations	$(107,762,504)

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

	2020	2019
Increase (Decrease) in Net Assets		
Operations:		
Net investment income (loss)	$ 35,993,662	$ 56,307,226
Net realized gain (loss) on investments	(19,164,438)	(6,255,505)
Net change in unrealized appreciation (depreciation) on investments	(124,591,728)	13,968,071
Net increase (decrease) in net assets resulting from operations	(107,762,504)	64,019,792
Distributions to shareholders:		
Class A	(6,094,276)	(8,570,153)
Investor Class	(165,274)	(292,900)
Class C	(979,519)	(1,732,935)
Class I	(30,650,692)	(46,139,683)
Class R2	(12,650)	(4,426)
Class R3	(2,909)	(6,722)
Total distributions to shareholders	(37,905,320)	(56,746,819)
Capital share transactions:		
Net proceeds from sale of shares	429,060,588	1,009,499,688
Net asset value of shares issued to shareholders in reinvestment of distributions	34,180,651	50,792,072
Cost of shares redeemed	(661,206,051)	(511,190,712)
Increase (decrease) in net assets derived from capital share transactions	(197,964,812)	549,101,048
Net increase (decrease) in net assets	(343,632,636)	556,374,021
Net Assets		
Beginning of period	1,562,775,768	1,006,401,747
End of period	$1,219,143,132	$1,562,775,768

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

Financial Highlights selected per share data and ratios

Class A	Six months ended April 30, 2020*	Year ended October 31, 2019	2018	2017	2016	2015
Net asset value at beginning of period	$ 9.84	$ 9.76	$ 9.96	$ 9.90	$ 9.77	$ 10.01
Net investment income (loss)	0.21	0.44	0.42	0.42	0.50	0.46
Net realized and unrealized gain (loss) on investments	(0.89)	0.08	(0.21)	0.06	0.13	(0.23)
Total from investment operations	(0.68)	0.52	0.21	0.48	0.63	0.23
Less distributions:						
From net investment income	(0.24)	(0.44)	(0.41)	(0.42)	(0.50)	(0.46)
From net realized gain on investments	—	—	—	—	—	(0.01)
Total distributions	(0.24)	(0.44)	(0.41)	(0.42)	(0.50)	(0.47)
Net asset value at end of period	$ 8.92	$ 9.84	$ 9.76	$ 9.96	$ 9.90	$ 9.77
Total investment return (a)	(7.07%)	5.40%	2.09%	4.90%	6.79%	2.36%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	4.63% ††	4.48%	4.06%	4.18%	5.29%	4.70%
Net expenses (b)	1.02% ††	1.04%	1.05%	1.04%	1.02%	1.00%
Expenses (before waiver/reimbursement) (b)	1.02% ††	1.04%	1.07%	1.04%	1.02%	1.00%
Portfolio turnover rate	36%	32%	62%	57%	50%	54%
Net assets at end of period (in 000's)	$ 230,083	$ 237,475	$ 180,140	$ 341,056	$ 163,500	$ 75,869

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

Investor Class	Six months ended April 30, 2020*	Year ended October 31, 2019	2018	2017	2016	2015
Net asset value at beginning of period	$ 9.84	$ 9.76	$ 9.96	$ 9.90	$ 9.77	$ 10.02
Net investment income (loss)	0.20	0.43	0.40	0.41	0.49	0.45
Net realized and unrealized gain (loss) on investments	(0.89)	0.08	(0.20)	0.06	0.13	(0.24)
Total from investment operations	(0.69)	0.51	0.20	0.47	0.62	0.21
Less distributions:						
From net investment income	(0.23)	(0.43)	(0.40)	(0.41)	(0.49)	(0.45)
From net realized gain on investments	—	—	—	—	—	(0.01)
Total distributions	(0.23)	(0.43)	(0.40)	(0.41)	(0.49)	(0.46)
Net asset value at end of period	$ 8.92	$ 9.84	$ 9.76	$ 9.96	$ 9.90	$ 9.77
Total investment return (a)	(7.11%)	5.33%	2.05%	4.82%	6.67%	2.14%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	4.56% ††	4.40%	4.03%	4.16%	5.18%	4.59%
Net expenses (b)	1.10% ††	1.11%	1.09%	1.11%	1.13%	1.12%
Expenses (before waiver/reimbursement) (b)	1.10% ††	1.11%	1.11%	1.11%	1.13%	1.12%
Portfolio turnover rate	36%	32%	62%	57%	50%	54%
Net assets at end of period (in 000's)	$ 6,300	$ 7,156	$ 6,193	$ 5,564	$ 6,044	$ 4,525

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

Financial Highlights selected per share data and ratios

Class C	Six months ended April 30, 2020*	Year ended October 31, 2019	2018	2017	2016	2015
Net asset value at beginning of period	$ 9.84	$ 9.76	$ 9.96	$ 9.90	$ 9.76	$ 10.01
Net investment income (loss)	0.17	0.36	0.32	0.34	0.42	0.39
Net realized and unrealized gain (loss) on investments	(0.89)	0.08	(0.19)	0.05	0.14	(0.25)
Total from investment operations	(0.72)	0.44	0.13	0.39	0.56	0.14
Less distributions:						
From net investment income	(0.20)	(0.36)	(0.33)	(0.33)	(0.42)	(0.38)
From net realized gain on investments	—	—	—	—	—	(0.01)
Total distributions	(0.20)	(0.36)	(0.33)	(0.33)	(0.42)	(0.39)
Net asset value at end of period	$ 8.92	$ 9.84	$ 9.76	$ 9.96	$ 9.90	$ 9.76
Total investment return (a)	(7.45%)	4.54%	1.29%	4.04%	5.99%	1.37%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	3.80% ††	3.65%	3.28%	3.42%	4.43%	3.83%
Net expenses (b)	1.85% ††	1.86%	1.84%	1.86%	1.88%	1.87%
Expenses (before waiver/reimbursement) (b)	1.85% ††	1.86%	1.86%	1.86%	1.88%	1.87%
Portfolio turnover rate	36%	32%	62%	57%	50%	54%
Net assets at end of period (in 000's)	$ 42,462	$ 48,550	$ 48,415	$ 51,738	$ 51,063	$ 38,884

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

Class I	Six months ended April 30, 2020*	Year ended October 31, 2019	2018	2017	2016	2015
Net asset value at beginning of period	$ 9.84	$ 9.76	$ 9.97	$ 9.90	$ 9.77	$ 10.02
Net investment income (loss)	0.22	0.46	0.43	0.44	0.53	0.48
Net realized and unrealized gain (loss) on investments	(0.89)	0.08	(0.21)	0.07	0.13	(0.23)
Total from investment operations	(0.67)	0.54	0.22	0.51	0.66	0.25
Less distributions:						
From net investment income	(0.25)	(0.46)	(0.43)	(0.44)	(0.53)	(0.49)
From net realized gain on investments	—	—	—	—	—	(0.01)
Total distributions	(0.25)	(0.46)	(0.43)	(0.44)	(0.53)	(0.50)
Net asset value at end of period	$ 8.92	$ 9.84	$ 9.76	$ 9.97	$ 9.90	$ 9.77
Total investment return (a)	(6.95%)	5.67%	2.26%	5.27%	7.05%	2.51%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	4.87% ††	4.73%	4.31%	4.46%	5.53%	4.96%
Net expenses (b)	0.77% ††	0.79%	0.80%	0.79%	0.77%	0.75%
Expenses (before waiver/reimbursement) (b)	0.77% ††	0.79%	0.82%	0.79%	0.77%	0.75%
Portfolio turnover rate	36%	32%	62%	57%	50%	54%
Net assets at end of period (in 000's)	$ 939,734	$ 1,268,856	$ 771,533	$ 626,617	$ 431,040	$ 389,912

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

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

Financial Highlights selected per share data and ratios

Class R2	Six months ended April 30, 2020*	Year ended October 31, 2019	2018	2017	2016	2015
Net asset value at beginning of period	$ 9.84	$ 9.76	$ 9.96	$ 9.90	$ 9.77	$ 10.01
Net investment income (loss)	0.20	0.40	0.39	0.41	0.47	0.44
Net realized and unrealized gain (loss) on investments	(0.89)	0.11	(0.20)	0.06	0.16	(0.22)
Total from investment operations	(0.69)	0.51	0.19	0.47	0.63	0.22
Less distributions:						
From net investment income	(0.23)	(0.43)	(0.39)	(0.41)	(0.50)	(0.45)
From net realized gain on investments	—	—	—	—	—	(0.01)
Total distributions	(0.23)	(0.43)	(0.39)	(0.41)	(0.50)	(0.46)
Net asset value at end of period	$ 8.92	$ 9.84	$ 9.76	$ 9.96	$ 9.90	$ 9.77
Total investment return (a)	(7.11%)	5.31%	1.99%	4.80%	6.69%	2.26%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	4.54% ††	4.34%	3.97%	4.14%	5.19%	4.60%
Net expenses (b)	1.12% ††	1.14%	1.15%	1.14%	1.12%	1.10%
Expenses (before waiver/reimbursement) (b)	1.12% ††	1.14%	1.17%	1.14%	1.12%	1.10%
Portfolio turnover rate	36%	32%	62%	57%	50%	54%
Net assets at end of period (in 000's)	$ 492	$ 538	$ 63	$ 119	$ 111	$ 55

* Unaudited.
†† Annualized.
(a) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. Class R2 shares are not subject to sales charges. For periods of less than one year, total return is not annualized.
(b) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

Class R3	Six months ended April 30, 2020*	Year ended October 31, 2019	2018	2017	February 29, 2016^ through October 31, 2016
Net asset value at beginning of period	$ 9.84	$ 9.76	$ 9.97	$ 9.91	$ 9.23
Net investment income (loss)	0.19	0.39	0.37	0.38	0.32
Net realized and unrealized gain (loss) on investments	(0.89)	0.09	(0.21)	0.06	0.67
Total from investment operations	(0.70)	0.48	0.16	0.44	0.99
Less distributions:					
From net investment income	(0.22)	(0.40)	(0.37)	(0.38)	(0.31)
Net asset value at end of period	$ 8.92	$ 9.84	$ 9.76	$ 9.97	$ 9.91
Total investment return (a)	(7.23%)	5.05%	1.61%	4.54%	10.83%
Ratios (to average net assets)/Supplemental Data:					
Net investment income (loss)	4.25% ††	4.12%	3.72%	3.86%	4.84%††
Net expenses (b)	1.37% ††	1.39%	1.40%	1.39%	1.37%††
Expenses (before reimbursement/waiver) (b)	1.37% ††	1.39%	1.42%	1.39%	1.37%††
Portfolio turnover rate	36%	32%	62%	57%	50%
Net assets at end of period (in 000's)	$ 73	$ 201	$ 58	$ 55	$ 28

* Unaudited.
^ Inception date.
†† Annualized.
(a) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. Class R3 shares are not subject to sales charges. For periods of less than one year, total return is not annualized.
(b) In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above expense ratios.

Notes to Financial Statements (Unaudited)

Note 1–Organization and Business

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

The Fund currently has seven classes of shares registered for sale. The inception date for Class A, Class I, Investor, Class C and Class R2 was on December 17, 2012. Class R3 shares commenced operations on February 29, 2016. Class R6 shares were registered for sale effective as of February 28, 2017. As of April 30, 2020, Class R6 shares were not yet offered for sale.

Class A and Investor Class shares are offered at net asset value ("NAV") per share plus an initial sales charge. No initial sales charge applies to investments of $250,000 or more (and certain other qualified purchases) in Class A and Investor Class shares. Effective April 15, 2019, 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. For purchases of Class A and Investor Class shares made from August 1, 2017 through April 14, 2019, a CDSC of 1.00% may be imposed on certain redemptions (for investments of $500,000 which paid no initial sales charge) of such shares 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 and a 1.00% CDSC may be imposed on certain redemptions of such shares made within 18 months of the date of purchase of Class C shares. Investments in Class C shares are subject to a purchase maximum of $250,000. Class I, Class R2 and Class R3 shares are offered at NAV without a sales charge. Class R6 shares are currently expected to be offered at NAV without a sales charge. In addition, depending upon eligibility, Class C shares convert to either Class A or Investor Class shares at the end of the calendar quarter ten years after the date they were purchased. Additionally, as disclosed in the Fund's prospectus, Class A shares may convert automatically to Investor Class shares and Investor Class shares may convert automatically to Class A shares. Under certain circumstances and as may be permitted by the Trust's multiple class plan pursuant to Rule 18f-3 under the 1940 Act, specified share classes of the Fund may be converted to one or more other share classes of the Fund as disclosed in the capital share transactions within these Notes. The classes of shares have the same voting (except for issues that relate solely to one class), dividend, liquidation and other rights, and the same terms and conditions, except that under a distribution plan pursuant to Rule 12b-1 under the 1940 Act, Class C shares are subject to higher distribution and/or service fees than Class A, Investor Class, Class R2 and Class R3 shares. Class I and Class R6 shares are not subject to a distribution and/or service fee. Class R2 and Class R3 shares are subject to a shareholder service fee, which is in addition to fees paid under the distribution plans for Class R2 and Class R3 shares.

The Fund's investment objective is to seek high current income. Capital appreciation is a secondary objective.

Note 2–Significant Accounting Policies

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

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

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

The Board authorized the Valuation Committee to appoint a Valuation Subcommittee (the "Subcommittee") to establish the prices of securities for which market quotations are not readily available or the prices of which are not otherwise readily determinable under the procedures. The Subcommittee meets (in person, via electronic mail or via 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 six-month period ended April 30, 2020, there were no material changes to the fair value methodologies.

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

Equity securities are valued at the last quoted sales prices as of the close of regular trading on the relevant exchange on each valuation date. Securities that are not traded on the valuation date are valued at the mean of the last quoted bid and ask prices. Prices are normally taken from the principal market in which each security trades. These securities are generally categorized as Level 1 in the hierarchy.

Investments in mutual funds, including money market funds, are valued at their respective NAVs as of the close of the Exchange on the valuation date. These securities are generally categorized as Level 1 in the hierarchy.

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

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

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

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

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

Asset Class	Fair Value at 4/30/20*	Valuation Technique	Unobservable Inputs	Inputs/ Range
Corporate Bonds	$ 3,529,465	Income Approach	Spread Adjustment	9.93%
	90,930	Market Approach	Implied Enterprise Value	$516.4m–$634.9m
	4,591,992	Market Approach	Implied Enterprise Value	$516.4m–$634.9m
			Median historic recovery rate for all other subordinate bonds	11.00%
	76	Market Approach	Implied natural gas price	$2.00
Loan Assignment	2,444,052	Market Approach	Implied natural gas price	$2.00
Common Stocks	0	Market Approach	Implied Value Based on Waterfall Coverage Analysis	$0.00
	0	Market Approach	Implied natural gas price	$2.00
	$10,656,515			

* The table above does not include a Level 3 investment that was valued by a broker. As of April 30, 2020, the value of this investment was $2,739,900. The input for this investment was not readily available or cannot be reasonably estimated.

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

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

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

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

(D) Security Transactions and Investment Income. The Fund records security transactions on the trade date. Realized gains and losses on security transactions are determined using the identified cost method. Dividend income is recognized on the ex-dividend date, net of any foreign tax withheld at the source, and interest income is accrued as earned using the effective interest rate method. Distributions received from real estate investment trusts may be classified as dividends, capital gains and/or return of capital. Discounts and premiums on securities purchased for the Fund are accreted and amortized, respectively, on the effective interest rate method over the life of the respective securities. Income from payment-in-kind securities is accreted daily based on the effective interest method.

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

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

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

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

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

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

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

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

(H) Securities Lending. In order to realize additional income, the Fund may engage in securities lending, subject to the limitations set forth in the 1940 Act and relevant guidance by the staff of the Securities and Exchange Commission ("SEC"). If the Fund engages in securities lending, the Fund will lend through its custodian, State Street Bank and Trust Company ("State Street"), acting as securities lending agent on behalf of the Fund. State Street will manage the Fund's collateral in accordance with the securities lending agency agreement between the Fund and State Street, and indemnify the Fund against counterparty risk. The loans will be collateralized by cash (which may be invested in a money market fund) and/or non-cash collateral (which may include U.S. Treasury securities and/or U.S. government agency securities issued or guaranteed by the United States government or its agencies or instrumentalities) at least equal at all times to the market value of the securities loaned. The Fund bears the risk of delay in recovery of, or loss of rights in, the securities loaned. The Fund may also record a realized gain or loss on securities deemed sold due to a borrower's inability to return securities on loan. The Fund bears the risk of any loss on investment of cash collateral. The Fund will receive compensation for lending its securities in the form of fees or it will retain a portion of interest earned on the investment of any cash collateral. The Fund will also continue to receive interest and dividends on the securities loaned and any gain or loss in the market price of the securities loaned that may occur during the term of the loan will be for the account of the Fund. Income earned from securities lending activities, if any, is reflected in the Statement of Operations. As of April 30, 2020, the Fund did not have any portfolio securities on loan.

(I) Securities Risk. The ability of issuers of debt securities held by the Fund to meet their obligations may be affected by, among other things, economic or political developments in a specific country, industry or region. Debt securities are also subject to the risks associated with changes in interest rates. The Fund primarily invests in high yield debt securities (commonly referred to as "junk bonds"), which are considered speculative because they present a greater risk of loss, including default, than higher rated debt securities. These securities pay investors a premium—a higher interest rate or yield than investment grade debt securities—because of the increased risk of loss. These securities can also be subject to greater price volatility. In times of unusual or adverse market, economic or political conditions, these securities may experience higher than normal default rates.

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

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

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

Note 3–Fees and Related Party Transactions

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

Under the Management Agreement, the Fund pays the Manager a monthly fee for the services performed and the facilities furnished at an annual rate of 0.65% of the Fund's average daily net assets.

New York Life Investments has contractually agreed to waive fees and/or reimburse expenses so that Total Annual Fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase or sale of portfolio investments and acquired (underlying) fund fees and expenses) for Class A shares do not exceed 1.05% of the Fund's average daily net assets. New York Life Investments will apply an equivalent waiver or reimbursement, in an equal number of basis points, to the other share classes of the Fund, except Class R6. New York Life Investments has also contractually agreed to waive fees and/or reimburse expenses so that Total Annual Fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase or sale of portfolio investments, and acquired (underlying) fund fees and expenses) of Class R6 do not exceed those of Class I. These agreements will remain in effect until February 28, 2021, and shall renew automatically for one-year terms unless New York Life Investments provides written notice of termination prior to the start of the next term or upon approval by the Board.

During the six-month period ended April 30, 2020, New York Life Investments earned fees from the Fund in the amount of $4,877,968 and paid the Subadvisor in the amount of $2,438,984.

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

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

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

Pursuant to the Class A, Investor Class and Class R2 Plans, the Distributor receives a monthly distribution fee from the Class A, Investor Class and Class R2 shares at an annual rate of 0.25% of the average daily net assets of the Class A, Investor Class and Class R2 shares for distribution and/or service activities as designated by the Distributor. Pursuant to the Class C Plan, Class C shares pay the Distributor a monthly distribution fee at an annual rate of 0.75% of the average daily net assets of the Class 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 1.00%. Pursuant to the Class R3 Plan, the Distributor receives a monthly distribution and/or service fee from the Class R3 shares at an annual rate of 0.50% of the average daily net assets of the Class R3 shares. Class I and Class R6 shares are not subject to a distribution and/or service fee.

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

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

Class R2	$261
Class R3	70

(C) Sales Charges. The Fund was advised by the Distributor that the amount of initial sales charges retained on sales of Class A and Investor Class shares during the six-month period ended April 30, 2020 were $19,509 and $1,641, respectively.

The Fund was also advised that the Distributor retained CDSCs on redemptions of Class A and Class C shares of $12,914 and $21,695, respectively.

(D) Transfer, Dividend Disbursing and Shareholder Servicing Agent. NYLIM Service Company LLC, an affiliate of New York Life Investments, is the Fund's transfer, dividend disbursing and shareholder servicing agent pursuant to an agreement between NYLIM Service Company LLC and the Trust. NYLIM Service Company LLC has entered into an agreement with DST Asset Manager Solutions, Inc. ("DST"), pursuant to which DST performs certain transfer agent services on behalf of NYLIM Service Company LLC. Effective November 1, 2019, New York Life Investments contractually agreed to limit the transfer agency expenses charged to each of the Fund's share classes to a maximum of 0.35% of that share class's average daily net assets on an annual basis (excluding small account fees) after deducting any other applicable expense cap reimbursements or transfer agency waivers. This agreement will remain in effect until February 28, 2021, and shall renew automatically for one-year terms unless New York Life Investments provides written notice of termination prior to the start of the next term or upon approval of the Board. During the six-month period ended April 30, 2020, transfer agent expenses incurred by the Fund and any applicable waivers were as follows:

Class	Expense	Waived
Class A	$103,088	$—
Investor Class	5,759	—
Class C	40,355	—
Class I	491,996	—
Class R2	218	—
Class R3	56	—

(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	$4,987,387	2.2%
Class R2	30,795	6.3
Class R3	28,575	39.2

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	$1,328,816,467	$10,455,787	$(136,074,877)	$(125,619,090)

As of October 31, 2019, for federal income tax purposes, capital loss carryforwards of $11,419,560 were available as shown in the table below, to the extent provided by the regulations to offset future realized gains of the Fund through the years indicated. To the extent that these capital loss carryforwards are used to offset future capital gains, it is probable that the capital gains so offset will not be distributed to shareholders. No capital gain distributions shall be made until any capital loss carryforwards have been fully utilized or have expired.

Capital Loss Available Through	Short-Term Capital Loss Amounts (000's)	Long-Term Capital Loss Amounts (000's)
Unlimited	$2,261	$9,159

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

	2019
Distributions paid from:	
Ordinary Income	$56,746,819

Note 5–Restricted Securities

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

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

Security	Date(s) of Acquisition	Principal Amount/ Shares	Cost	4/30/20 Value	Percent of Net Assets
Exide Technologies Common Stock	4/30/15-12/2/19	951,326	$1,431,278	$ —	0.0%‡
GenOn Energy, Inc. Common Stock	12/14/2018	20,915	2,342,005	3,869,275	0.3
Rex Energy Corp. (Escrow Claim) Corporate Bond 8.00%, due 10/1/20	10/3/18	$7,906,000	—	59,295	0.0‡
Sterling Entertainment Enterprises LLC Corporate Bond 10.250%, due 1/15/25	12/28/17	$3,000,000	2,966,536	2,739,900	0.2
Total			$6,739,819	$6,668,470	0.5%

‡ Less than one-tenth of a percent.

Note 6–Custodian

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

Note 7–Line of Credit

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

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

Note 8–Interfund Lending Program

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

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

During the six-month period ended April 30, 2020, purchases and sales of securities, other than short-term securities, were $500,759 and $644,332, respectively.

The Fund may purchase securities from or sell securities to other funds managed by the Subadvisor. These inter-portfolio transactions are primarily used for cash management purposes and are made pursuant to Rule 17a-7 under the 1940 Act. The Rule 17a-7 transactions during the six-month period ended April 30, 2020, were as follows:

Sales (000's)	Realized Gain / (Loss) (000's)
$30,702	$(1,997)

Note 10–Capital Share Transactions

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

Class A	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	8,605,968	$ 82,761,508
Shares issued to shareholders in reinvestment of distributions	595,276	5,624,445
Shares redeemed	(7,605,671)	(71,341,635)
Net increase (decrease) in shares outstanding before conversion	1,595,573	17,044,318
Shares converted into Class A (See Note 1)	78,345	753,019
Shares converted from Class A (See Note 1)	(10,772)	(95,799)
Net increase (decrease)	1,663,146	$ 17,701,538
Year ended October 31, 2019:		
Shares sold	13,049,117	$ 128,267,067
Shares issued to shareholders in reinvestment of distributions	810,187	7,939,747
Shares redeemed	(8,261,055)	(80,862,110)
Net increase (decrease) in shares outstanding before conversion	5,598,249	55,344,704
Shares converted into Class A (See Note 1)	119,642	1,176,455
Shares converted from Class A (See Note 1)	(41,928)	(414,008)
Net increase (decrease)	5,675,963	$ 56,107,151

Investor Class	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	121,759	$ 1,170,213
Shares issued to shareholders in reinvestment of distributions	16,949	160,195
Shares redeemed	(92,758)	(874,902)
Net increase (decrease) in shares outstanding before conversion	45,950	455,506
Shares converted into Investor Class (See Note 1)	11,358	102,505
Shares converted from Investor Class (See Note 1)	(78,347)	(753,019)
Net increase (decrease)	(21,039)	$ (195,008)
Year ended October 31, 2019:		
Shares sold	234,818	$ 2,306,119
Shares issued to shareholders in reinvestment of distributions	29,014	284,275
Shares redeemed	(121,889)	(1,197,059)
Net increase (decrease) in shares outstanding before conversion	141,943	1,393,335
Shares converted into Investor Class (See Note 1)	50,974	502,705
Shares converted from Investor Class (See Note 1)	(100,270)	(986,028)
Net increase (decrease)	92,647	$ 910,012

Class C	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	824,589	$ 8,016,355
Shares issued to shareholders in reinvestment of distributions	89,214	843,086
Shares redeemed	(1,085,850)	(10,033,810)
Net increase (decrease) in shares outstanding before conversion	(172,047)	(1,174,369)
Shares converted from Class C (See Note 1)	(1,912)	(18,362)
Net increase (decrease)	(173,959)	$ (1,192,731)
Year ended October 31, 2019:		
Shares sold	1,422,322	$ 13,934,554
Shares issued to shareholders in reinvestment of distributions	156,492	1,531,997
Shares redeemed	(1,575,005)	(15,416,007)
Net increase (decrease) in shares outstanding before conversion	3,809	50,544
Shares converted from Class C (See Note 1)	(30,308)	(297,560)
Net increase (decrease)	(26,499)	$ (247,016)

Notes to Financial Statements (Unaudited) (continued)

Class I	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	35,679,510	$ 337,102,038
Shares issued to shareholders in reinvestment of distributions	2,898,212	27,537,366
Shares redeemed	(62,167,945)	(578,812,739)
Net increase in shares outstanding before conversion	(23,590,223)	(214,173,335)
Shares converted into Class I (See Note 1)	1,313	11,656
Net increase (decrease)	(23,588,910)	$(214,161,679)
Year ended October 31, 2019:		
Shares sold	87,966,140	$ 864,285,314
Shares issued to shareholders in reinvestment of distributions	4,182,676	41,024,905
Shares redeemed	(42,275,122)	(413,612,489)
Net increase (decrease) in shares outstanding before conversion	49,873,694	491,697,730
Shares converted into Class I (See Note 1)	1,868	18,436
Net increase (decrease)	49,875,562	$ 491,716,166

Class R2	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	323	$ 3,200
Shares issued to shareholders in reinvestment of distributions	1,341	12,650
Shares redeemed	(1,214)	(11,504)
Net increase (decrease)	450	$ 4,346
Year ended October 31, 2019:		
Shares sold	47,757	$ 470,773
Shares issued to shareholders in reinvestment of distributions	451	4,426
Shares redeemed	(3)	(31)
Net increase (decrease)	48,205	$ 475,168

Class R3	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	735	$ 7,274
Shares issued to shareholders in reinvestment of distributions	303	2,909
Shares redeemed	(13,290)	(131,461)
Net increase (decrease)	(12,252)	$ (121,278)
Year ended October 31, 2019:		
Shares sold	24,304	$ 235,861
Shares issued to shareholders in reinvestment of distributions	685	6,722
Shares redeemed	(10,513)	(103,016)
Net increase (decrease)	14,476	$ 139,567

Note 11–Recent Accounting Pronouncement

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

Note 12–Subsequent Events

In connection with the preparation of the financial statements of the Fund as of and for the six-month period ended April 30, 2020, events and transactions subsequent to April 30, 2020, through the date the financial statements were issued have been evaluated by the Manager, for possible adjustment and/or disclosure. No subsequent events requiring financial statement adjustment or disclosure have been identified.

Note 13–Other Matters

An outbreak of COVID-19, first detected in December 2019, has developed into a global pandemic and has resulted in travel restrictions, closure of international borders, certain businesses and securities markets, restrictions on securities trading activities, prolonged quarantines, supply chain disruptions, and lower consumer demand, as well as general concern and uncertainty. The impact of COVID-19 is uncertain and could adversely affect the global economy, national economies, individual issuers and capital markets in unforeseeable ways and result in a substantial and extended economic downturn. Developments that disrupt global economies and financial markets, such as COVID-19, may magnify factors that affect the Fund's performance.

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

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

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

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

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

The Trustees noted that, throughout the year, the Trustees are also afforded an opportunity to ask questions of, and request additional information or materials from, New York Life Investments and MacKay. The Board's conclusions with respect to each of the Advisory Agreements may have also been based, in part, on the Board's knowledge of New York Life Investments and MacKay resulting from, among other things, the Board's consideration of each of the Advisory Agreements in prior years, the advisory agreements for other funds in the MainStay Group of Funds, the Board's review throughout the year of the performance and operations of other funds in the MainStay Group of Funds and the Board's business judgment and industry experience. In addition to considering the above-referenced factors, the Board observed that in the marketplace there are a range of investment options available to the Fund's shareholders and such shareholders, having had the opportunity to consider other investment options, have chosen to invest in the Fund. The factors that figured prominently in the Board's decision to approve the continuation of each of the Advisory Agreements during its December 10-11, 2019 in-person meeting are summarized in more detail below, and the Board did not consider any factor or information controlling in making such approval.

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

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

The Board also considered the range of services that New York Life Investments provides to the Fund under the terms of the Management Agreement, including: (i) fund accounting and ongoing supervisory services provided by New York Life Investments' Fund Administration and Accounting Group; (ii) investment supervisory and analytical services provided by New York Life Investments' Investment Consulting Group; (iii) compliance services provided by the Trust's Chief Compliance Officer as well as New York Life Investments' compliance department, including supervision and implementation of the Fund's compliance program; (iv) legal services provided by New York Life Investments' Office of the General Counsel; and (v) risk management monitoring and analysis by compliance and investment personnel. The Board noted that New York Life Investments provides certain other non-advisory services to the Fund. In addition, the Board considered New York Life Investments' willingness to invest in personnel, infrastructure, technology, operational enhancements, cyber security, information security, shareholder privacy resources and business continuity planning designed to benefit the Fund and noted that New York Life Investments is responsible for compensating the Trust's officers, except for a portion of the salary of the Trust's Chief Compliance Officer. The Board recognized that New York Life Investments has provided an increasingly broad array of non-advisory services to the MainStay Group of Funds as a result of regulatory and other developments, including in connection with the designation of New York Life Investments as the administrator of the MainStay Group of Funds' liquidity risk management program adopted under the 1940 Act. The Board considered benefits to shareholders from being part of the MainStay Group of Funds, including the privilege of exchanging investments between the same class of shares of funds in the MainStay Group of Funds, including without the imposition of a sales charge (if any).

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

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

Investment Performance

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

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

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

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

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

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

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

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

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

The Board also considered certain fall-out benefits that may be realized by New York Life Investments and MacKay and their affiliates due to their relationships with the Fund, including reputational and other indirect benefits. In addition, the Board considered its review of a money market fund advised by New York Life Investments and an affiliated subadvisor that serves as an investment option for the Fund, including the potential rationale for and costs associated with investments in this money market fund by the Fund, if any, and considered information from New York Life Investments that the nature and type of specific investment advisory services provided to this money market fund are distinct from, or in addition to, the investment advisory services provided to the Fund.

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

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

Management and Subadvisory Fees and Total Ordinary Operating Expenses

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

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

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

The Board considered that, because the Fund's transfer agent fees are billed on a per-account basis, the impact of transfer agent fees on a share class's expense ratio may be more significant in cases where the share class has a high number of small accounts. The Board considered the extent to which transfer agent fees comprised total expenses of the Fund. The Board acknowledged the role that the MainStay Group of Funds historically has played in serving the investment needs of New York Life Insurance Company customers, who often maintain smaller account balances than other shareholders of funds, and the impact of small accounts on the expense ratios of Fund share classes. The Board also recognized measures that it and New York Life Investments have taken to mitigate the effect of small accounts on the expense ratios of Fund share classes, including through the imposition of an expense limitation on net transfer agency expenses. The Board noted that, for purposes of allocating transfer agency fees and expenses, each retail fund in the MainStay Group of Funds combines the shareholder accounts of its Class A, I, R1, R2, and Class R3 shares (as applicable) into one group and the shareholder accounts of its Investor Class and Class B and C shares (as applicable) into another group. The Board also noted that the per-account fees attributable to each group of share classes is then allocated among the constituent share classes based on relative net assets and that a MainStay Fund's Class R6 shares, if any, are not combined with any other share class for this purpose. The Board considered New York Life Investments' rationale with respect to these groupings and received a report from an independent consultant engaged to conduct comparative analysis of these groupings. The Board also considered that NYLIM Service Company LLC had waived its contractual cost of living adjustments during the past six years.

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

Economies of Scale

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

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

Conclusion

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

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

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

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

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

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

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.

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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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