

# MainStay MacKay Total Return Bond 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](mailto: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](mailto:MainStayShareholderServices@nylim.com). If you hold shares of a MainStay Fund through a financial intermediary, please contact the financial intermediary to make this election. Your election to receive reports in paper form will apply to all MainStay Funds in which you are invested and may apply to all funds held with your financial intermediary.

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



INVESTMENTS

This page intentionally left blank

# 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.

# Table of Contents

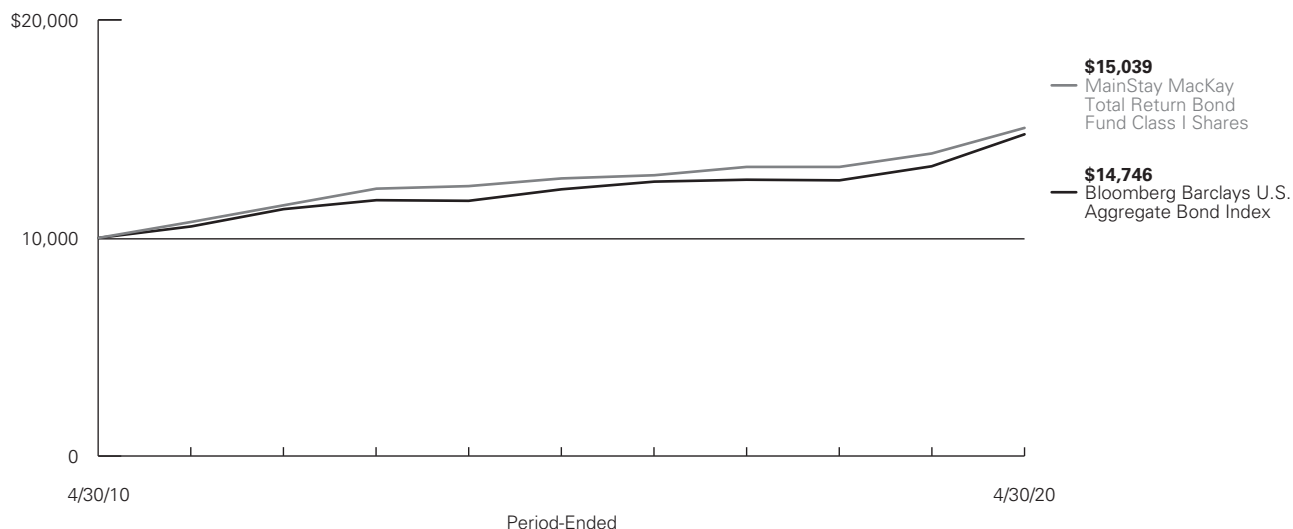
Semiannual Report	
Investment and Performance Comparison	5
Portfolio Management Discussion and Analysis	9
Portfolio of Investments	11
Financial Statements	23
Notes to Financial Statements	35
Board Consideration and Approval of Management Agreement and Subadvisory Agreement	47
Discussion of the Operation and Effectiveness of the Fund's Liquidity Risk Management Program	51
Proxy Voting Policies and Procedures and Proxy Voting Record	52
Shareholder Reports and Quarterly Portfolio Disclosure	52

---

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

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

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



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

Class	Sales Charge		Inception Date	Six Months	One Year	Five Years or Since Inception	Ten Years or Since Inception	Gross Expense Ratio <sup>2</sup>
Class A Shares	Maximum 4.5% Initial Sales Charge	With sales charges	1/2/2004	-2.30%	3.18%	2.09%	3.35%	0.89%
		Excluding sales charges		2.31	8.04	3.03	3.83	0.89
Investor Class Shares	Maximum 4.5% Initial Sales Charge	With sales charges	2/28/2008	-2.40	2.94	2.04	3.27	1.06
		Excluding sales charges		2.19	7.79	2.98	3.75	1.06
Class B Shares <sup>3</sup>	Maximum 5% CDSC if Redeemed Within the First Six Years of Purchase	With sales charges	1/2/2004	-3.18	2.02	1.83	2.97	1.81
		Excluding sales charges		1.82	7.02	2.20	2.97	1.81
Class C Shares	Maximum 1% CDSC if Redeemed Within One Year of Purchase	With sales charges	1/2/2004	0.82	6.01	2.20	2.96	1.81
		Excluding sales charges		1.82	7.01	2.20	2.96	1.81
Class I Shares	No Sales Charge		1/2/1991	2.44	8.34	3.39	4.16	0.64
Class R1 Shares	No Sales Charge		6/29/2012	2.48	8.21	3.28	3.24	0.74
Class R2 Shares	No Sales Charge		6/29/2012	2.27	7.86	3.00	2.97	0.99
Class R3 Shares	No Sales Charge		2/29/2016	2.23	7.69	3.86	3.86	1.24
Class R6 Shares	No Sales Charge		12/29/2014	2.48	8.41	3.46	3.50	0.54

1. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on distributions or Fund share redemptions. Total returns reflect maximum applicable sales charges as indicated in the table above, if any, changes in share price, and reinvestment of dividend and capital gain distributions. The graph assumes the initial investment amount shown above and reflects the deduction of all sales charges that would have applied for the period of investment. Performance figures may reflect certain fee waivers and/or expense limitations, without which total returns may have

been lower. For more information on share classes and current fee waivers and/or expense limitations (if any), please refer to the Notes to Financial Statements.

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

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

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

<b>Benchmark Performance</b>	<b>Six Months</b>	<b>One Year</b>	<b>Five Years</b>	<b>Ten Years</b>
Bloomberg Barclays U.S. Aggregate Bond Index <sup>4</sup>	4.86%	10.84%	3.80%	3.96%
Morningstar Intermediate Core-Plus Bond Category Average <sup>5</sup>	1.60	6.75	3.14	4.00

4. The Bloomberg Barclays U.S. Aggregate Bond Index is the Fund's primary broad-based securities market index for comparison purposes. The Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable rate mortgage pass-throughs), asset-backed securities, and commercial mortgage-backed securities. Results assume reinvestment of all income and capital gains. An investment cannot be made directly in an index.

5. The Morningstar Intermediate Core-Plus Bond Category Average is representative of funds that invest primarily in investment-grade U.S. fixed-income issues including government, corporate, and securitized debt, but generally have greater flexibility than core offerings to hold non-core sectors such as corporate high yield, bank loan, emerging-markets debt, and non-U.S. currency exposures. Their durations (a measure of interest-rate sensitivity) typically range between 75% and 125% of the three-year average of the effective duration of the Morningstar Core Bond Index. 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 Total Return Bond Fund (Unaudited)

The example below is intended to describe the fees and expenses borne by shareholders during the six-month period from November 1, 2019, to April 30, 2020, and the impact of those costs on your investment.

### Example

As a shareholder of the Fund you incur two types of costs: (1) transaction costs, including exchange fees and sales charges (loads) on purchases (as applicable), and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees, and other Fund expenses (as applicable). This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 made at the beginning of the six-month period and held for the entire period from November 1, 2019, to April 30, 2020.

This example illustrates your Fund's ongoing costs in two ways:

### Actual Expenses

The second and third data columns in the table below provide information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid during the six months ended April 30, 2020. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then

multiply the result by the number under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

The fourth and fifth data columns in the table below provide information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balances or expenses you paid for the six-month period shown. You may use this information to compare the ongoing costs of investing in the Fund with the ongoing costs of investing in other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other mutual funds.

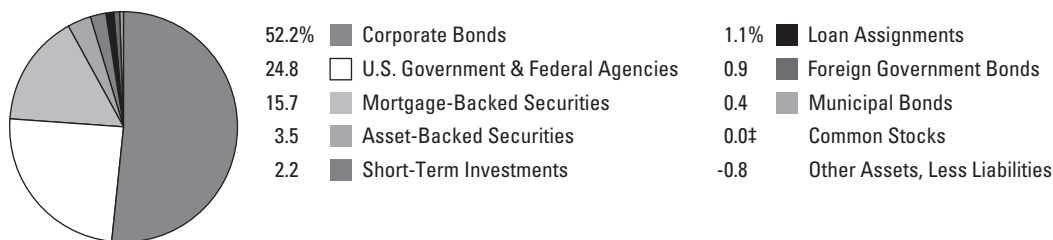
Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as exchange fees or sales charges (loads). Therefore, the fourth and fifth data columns of the table are useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Share Class	Beginning Account Value 11/1/19	Ending Account Value (Based on Actual Returns and Expenses) 4/30/20	Expenses Paid During Period <sup>1</sup>	Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 4/30/20	Expenses Paid During Period <sup>1</sup>	Net Expense Ratio During Period <sup>2</sup>
Class A Shares	\$1,000.00	\$1,023.10	\$4.38	\$1,020.54	\$4.37	0.87%
Investor Class Shares	\$1,000.00	\$1,021.90	\$5.48	\$1,019.44	\$5.47	1.09%
Class B Shares	\$1,000.00	\$1,018.20	\$9.23	\$1,015.71	\$9.22	1.84%
Class C Shares	\$1,000.00	\$1,018.20	\$9.23	\$1,015.71	\$9.22	1.84%
Class I Shares	\$1,000.00	\$1,024.40	\$3.02	\$1,021.88	\$3.02	0.60%
Class R1 Shares	\$1,000.00	\$1,024.80	\$3.52	\$1,021.38	\$3.52	0.70%
Class R2 Shares	\$1,000.00	\$1,022.70	\$4.78	\$1,020.14	\$4.77	0.95%
Class R3 Shares	\$1,000.00	\$1,022.30	\$6.03	\$1,018.90	\$6.02	1.20%
Class R6 Shares	\$1,000.00	\$1,024.80	\$2.72	\$1,022.18	\$2.72	0.54%

- Expenses are equal to the Fund's annualized expense ratio of each class multiplied by the average account value over the period, divided by 366 and multiplied by 182 (to reflect the six-month period). The table above represents the actual expenses incurred during the six-month period. In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above-reported expense figures.
- Expenses are equal to the Fund's annualized expense ratio to reflect the six-month period.

---

## Portfolio Composition as of April 30, 2020 (Unaudited)



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

‡ Less than one-tenth of a percent.

---

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

1. United States Treasury Bonds, 2.00%–4.50%, due 5/15/38–2/15/50
  2. Federal National Mortgage Association (Mortgage Pass-Through Securities), 3.00%–6.50%, due 9/1/33–6/1/57
  3. United States Treasury Notes, 0.125%–1.50%, due 4/30/22–2/15/30
  4. Federal Home Loan Mortgage Corporation, 2.50%–4.00%, due 6/15/40–1/25/50
  5. Bank of America Corp., 2.496%–6.30%, due 1/28/25–2/13/31
  6. Federal Home Loan Mortgage Corporation (Mortgage Pass-Through Securities), 2.50%–6.50%, due 5/1/30–10/1/48
  7. Government National Mortgage Association, 2.75%–3.00%, due 1/16/40–4/20/49
  8. United States Treasury Inflation—Indexed Notes, 0.75%–0.875%, due 7/15/28–1/15/29
  9. Morgan Stanley, 3.591%–6.25%, due 11/1/22–7/22/28
  10. AT&T, Inc., 2.875%–4.35%, due 3/1/24–3/1/29
-



# Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by portfolio managers Dan Roberts, PhD,<sup>1</sup> Stephen R. Cianci, CFA, and Neil Moriarty, III, of MacKay Shields LLC, the Fund's Subadvisor.

## How did MainStay MacKay Total Return Bond Fund perform relative to its benchmark and peer group during the six months ended April 30, 2020?

For the six months ended April 30, 2020, Class I shares of MainStay MacKay Total Return Bond Fund returned 2.44%, underperforming the 4.86% return of the Fund's primary benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index. Over the same period, Class I shares outperformed the 1.60% return of the Morningstar Intermediate Core-Plus Bond Category Average.<sup>2</sup>

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

Effective February 28, 2020, the Fund's principal investment strategies were modified to allow the Fund to invest up to 30% of its total assets in securities rated below investment grade by an independent rating agency or, if unrated, determined by the subadvisor to be of comparable quality. For more information about this change refer to the prospectus supplement dated December 13, 2019.

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

Financial markets dropped sharply in the first quarter of 2020, impacting the entire reporting period, as it became increasingly evident that the COVID-19 epidemic was not merely a medical concern, but an economic one with perhaps larger fiscal implications than those related to personal health. Other than U.S. Treasury securities, nearly all asset classes saw steep losses during the quarter including gold, which is usually a haven during times of uncertainty. The shutdown of most sectors of the economy for a prolonged period of time poses risks to both the consumer and industry.

During the reporting period, the Fund underperformed the Bloomberg Barclays U.S. Aggregate Bond Index primarily due to the Fund's relatively overweight exposure to corporate bonds. Both investment-grade and high-yield corporate bonds detracted from relative performance, particularly at the front end where the dealer community stepped away. Underweight exposure to U.S. Treasury bonds also detracted from relative performance as Treasury securities were the best performing fixed-income asset class during the reporting period. In addition, forced selling caused securitized<sup>3</sup> assets to widen out where the Fund held overweight exposure, although these asset classes rebounded in April 2020 as the U.S. Federal Reserve

("Fed") cut rates to near zero and reinstated a bond buying program to create liquidity.

## What was the Fund's duration<sup>4</sup> strategy during the reporting period?

Throughout the reporting period the Fund's duration remained neutral to slightly higher than the Bloomberg Barclays U.S. Aggregate Bond Index. As of April 30, 2020, the Fund's duration stood at 5.9 years versus 5.7 years for the benchmark.

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

The Fund's overweight exposure to corporate bonds, both investment grade and high yield, detracted from performance relative to the Bloomberg Barclays U.S. Aggregate Bond Index, as did underweight exposure to U.S. Treasury bonds. Forced selling caused securitized assets to widen out overweight positions.

Though the Fund held underweight exposure to Treasury securities, its position in longer-maturity Treasury bonds contributed positively to relative performance. (Contributions take weightings and total returns into account.) Security selection in both the collateralized mortgage obligation and emerging market sovereign debt areas enhanced relative returns as well.

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

Late in the reporting period, the Fund purchased a seasoned credit risk transfer deal from the Federal Home Loan Mortgage Corporation backed by four-year-old prime mortgage loans. At the time of purchase, the liquidity premium was high as there were forced sellers of this type of paper. Given the underlying fundamentals of the borrower's credit and bond structure, we believed the market would eventually price those in. We also purchased corporate bonds issued by computer graphics processor and software maker Nvidia, a high-quality, low-levered company in a rapidly growing industry. The Nvidia issue came to market during the height of pandemic-related volatility and, as such, priced with a very attractive new-issue premium.

One of the Fund's largest sales involved an asset-backed security ("ABS") collateralized by equipment loans from DLL Finance when ABS spreads<sup>5</sup> were particularly narrow in early February and liquidity was readily available. The Fund also sold its

1. Dan Roberts served as a portfolio manager of the Fund until January 1, 2020.

2. 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.

3. A securitization is a financial instrument created by an issuer by combining a pool of financial assets (such as mortgages). The financial instrument is then marketed to investors, sometimes in tiers.

4. Duration is a measure of the price sensitivity of a fixed-income investment to changes in interest rates. Duration is expressed as a number of years and is considered a more accurate sensitivity gauge than average maturity.

5. 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.

position in bonds from integrated oil & gas company Petrobras in early 2020, as valuations were tight though fundamentals remained sound.

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

During the reporting period we reduced the Fund's exposure to agency mortgages while increasing exposure to securitized assets. Near the end of the same period, the Fund also increased its exposure to high-yield bonds.

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

As of April 30, 2020, the Fund held overweight exposure relative to the Bloomberg Barclays U.S. Aggregate Bond Index to high-yield bonds, investment-grade corporate bonds and securitized assets. As of the same date, the Fund held relatively underweight exposure to Treasury securities and agency mortgages.

The opinions expressed are those of the portfolio managers as of the date of this report and are subject to change. There is no guarantee that any forecasts will come to pass. This material does not constitute investment advice and is not intended as an endorsement of any specific investment.

# Portfolio of Investments April 30, 2020 (Unaudited)

	Principal Amount	Value
<b>Long-Term Bonds 98.6%†</b>		
<b>Asset-Backed Securities 3.5%</b>		
<b>Auto Floor Plan Asset-Backed Securities 0.8%</b>		
Ford Credit Floorplan Master Owner Trust		
Series 2019-4, Class A		
2.44%, due 9/15/26	\$ 3,215,000	\$ 3,095,475
Series 2017-3, Class A		
2.48%, due 9/15/24	1,485,000	1,461,127
Series 2018-4, Class A		
4.06%, due 11/15/30	4,610,000	4,540,661
		<u>9,097,263</u>
<b>Automobile Asset-Backed Securities 0.9%</b>		
Avis Budget Rental Car Funding AESOP LLC		
Series 2020-1A, Class A		
2.33%, due 8/20/26 (a)	1,945,000	1,723,620
Ford Credit Auto Owner Trust		
Series 2020-1, Class A		
2.04%, due 8/15/31 (a)	2,560,000	2,494,931
Santander Retail Auto Lease Trust		
Series 2019-B, Class A3		
2.30%, due 1/20/23 (a)	2,875,000	2,894,161
Santander Revolving Auto Loan Trust		
Series 2019-A, Class A		
2.51%, due 1/26/32 (a)	2,215,000	2,139,489
World Omni Automobile Lease Securitization Trust		
Series 2019-B, Class A3		
2.03%, due 11/15/22	1,715,000	1,707,408
		<u>10,959,609</u>
<b>Credit Cards 0.2%</b>		
Capital One Multi-Asset Execution Trust		
Series 2019-A3, Class A3		
2.06%, due 8/15/28	2,420,000	2,454,083
<b>Other Asset-Backed Securities 1.6%</b>		
Carrington Mortgage Loan Trust		
Series 2007-HE1, Class A3		
0.677% (1 Month LIBOR + 0.19%), due 6/25/37 (b)	6,200,000	5,573,537
DLL Securitization Trust		
Series 2019-MT3, Class A3		
2.08%, due 2/21/23 (a)	2,910,000	2,899,701
Hilton Grand Vacations Trust		
Series 2019-AA, Class A		
2.34%, due 7/25/33 (a)	3,478,524	3,232,481
MMAF Equipment Finance LLC		
Series 2019-A, Class A3		
2.84%, due 11/13/23 (a)	3,200,000	3,224,898
MVW Owner Trust		
Series 2019-2A, Class A		
2.22%, due 10/20/38 (a)	3,057,429	2,768,721

	Principal Amount	Value
<b>Other Asset-Backed Securities (continued)</b>		
Sierra Receivables Funding Co.		
Series 2019-3A, Class A		
2.34%, due 8/20/36 (a)	\$ 1,733,491	\$ 1,620,271
		<u>19,319,609</u>
Total Asset-Backed Securities (Cost \$42,945,588)		
		<u>41,830,564</u>
<b>Corporate Bonds 52.2%</b>		
<b>Aerospace &amp; Defense 0.2%</b>		
L3Harris Technologies, Inc.		
4.854%, due 4/27/35	585,000	723,743
5.054%, due 4/27/45	1,215,000	1,522,508
		<u>2,246,251</u>
<b>Agriculture 0.4%</b>		
Altria Group, Inc.		
4.80%, due 2/14/29	2,555,000	2,859,803
JBS Investments II GmbH		
7.00%, due 1/15/26 (a)	1,800,000	1,867,320
		<u>4,727,123</u>
<b>Airlines 0.6%</b>		
American Airlines Pass-Through Trust		
Series 2019-1, Class AA		
3.15%, due 8/15/33	2,210,434	1,947,423
Delta Air Lines, Inc.		
7.00%, due 5/1/25 (a)	3,085,000	3,166,298
JetBlue Pass Through Trust		
Series 2019-1, Class AA		
2.75%, due 11/15/33	2,605,000	2,291,779
		<u>7,405,500</u>
<b>Apparel 0.3%</b>		
Hanesbrands, Inc.		
4.875%, due 5/15/26 (a)(c)	1,409,000	1,418,018
NIKE, Inc.		
3.375%, due 3/27/50	2,205,000	2,472,225
		<u>3,890,243</u>
<b>Auto Manufacturers 1.0%</b>		
Ford Motor Co.		
8.50%, due 4/21/23	3,330,000	3,284,212
9.00%, due 4/22/25	3,300,000	3,213,375
Ford Motor Credit Co. LLC		
3.35%, due 11/1/22	1,280,000	1,152,000
4.063%, due 11/1/24	3,630,000	3,158,100
4.25%, due 9/20/22	1,015,000	936,642
		<u>11,744,329</u>
<b>Banks 9.2%</b>		
Banco Santander Mexico S.A.		
5.375%, due 4/17/25 (a)	3,200,000	3,284,000

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

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

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Banks (continued)</b>		
Bank of America Corp.		
2.496%, due 2/13/31 (d)	\$ 2,400,000	\$ 2,429,911
3.248%, due 10/21/27	5,450,000	5,824,183
3.419%, due 12/20/28 (d)	468,000	502,291
3.593%, due 7/21/28 (d)	2,300,000	2,480,247
3.705%, due 4/24/28 (d)	5,000,000	5,456,730
4.25%, due 10/22/26	6,900,000	7,571,928
4.30%, due 1/28/25 (d)(e)	5,410,000	4,862,238
6.30%, due 3/10/26 (c)(d)(e)	1,500,000	1,620,000
Barclays PLC		
4.61%, due 2/15/23 (d)	1,205,000	1,252,036
BNP Paribas S.A.		
3.052%, due 1/13/31 (a)(d)	3,600,000	3,617,856
Citigroup, Inc.		
3.887%, due 1/10/28 (d)	3,489,000	3,768,311
4.05%, due 7/30/22	580,000	608,651
5.30%, due 5/6/44	2,314,000	2,920,598
Credit Suisse Group A.G.		
2.593%, due 9/11/25 (a)(d)	1,375,000	1,372,203
Goldman Sachs Group, Inc.		
2.60%, due 2/7/30	4,480,000	4,449,707
3.50%, due 11/16/26	4,305,000	4,574,408
6.75%, due 10/1/37	735,000	1,003,818
HSBC Holdings PLC		
3.973%, due 5/22/30 (d)	1,830,000	2,004,581
JPMorgan Chase & Co.		
3.782%, due 2/1/28 (d)	3,900,000	4,262,169
4.005%, due 4/23/29 (d)	4,000,000	4,452,092
4.60%, due 2/1/25 (d)(e)	5,178,000	4,644,666
5.50%, due 10/15/40	745,000	1,024,162
Lloyds Banking Group PLC		
4.582%, due 12/10/25	8,183,000	8,846,097
Morgan Stanley		
3.591%, due 7/22/28 (d)	5,265,000	5,709,354
4.875%, due 11/1/22	3,945,000	4,204,691
5.00%, due 11/24/25	4,535,000	5,123,121
6.25%, due 8/9/26	2,000,000	2,498,982
PNC Financial Services Group, Inc.		
2.55%, due 1/22/30	3,105,000	3,177,443
Royal Bank of Scotland Group PLC		
5.125%, due 5/28/24	3,550,000	3,768,501
Wachovia Corp.		
5.50%, due 8/1/35	1,220,000	1,525,632
Wells Fargo Bank N.A.		
5.85%, due 2/1/37	555,000	756,945
		<u>109,597,552</u>
<b>Beverages 0.7%</b>		
Anheuser-Busch InBev Worldwide, Inc.		
4.75%, due 1/23/29	1,930,000	2,232,774

	Principal Amount	Value
<b>Beverages (continued)</b>		
Coca-Cola Co.		
4.20%, due 3/25/50	\$ 1,200,000	\$ 1,553,427
Constellation Brands, Inc.		
4.50%, due 5/9/47	2,740,000	3,042,422
PepsiCo, Inc.		
3.625%, due 3/19/50	1,220,000	1,472,322
		<u>8,300,945</u>
<b>Biotechnology 0.1%</b>		
Biogen, Inc.		
3.15%, due 5/1/50	1,910,000	1,872,820
<b>Building Materials 0.9%</b>		
Builders FirstSource, Inc.		
5.00%, due 3/1/30 (a)	3,839,000	3,294,246
Carrier Global Corp.		
2.242%, due 2/15/25 (a)	4,130,000	4,099,685
Standard Industries, Inc.		
5.375%, due 11/15/24 (a)	3,830,000	3,839,575
		<u>11,233,506</u>
<b>Chemicals 1.4%</b>		
Air Liquide Finance S.A.		
1.75%, due 9/27/21 (a)	2,470,000	2,485,393
Braskem Netherlands Finance B.V.		
4.50%, due 1/10/28 (a)	2,830,000	2,405,500
Huntsman International LLC		
4.50%, due 5/1/29	2,949,000	2,841,243
Orbia Advance Corp. S.A.B. de C.V.		
4.00%, due 10/4/27 (a)	2,400,000	2,262,024
PolyOne Corp.		
5.75%, due 5/15/25 (a)	3,664,000	3,709,800
W.R. Grace & Co.		
5.125%, due 10/1/21 (a)	3,095,000	3,110,475
		<u>16,814,435</u>
<b>Commercial Services 1.4%</b>		
Allied Universal Holdco LLC / Allied Universal Finance Corp.		
6.625%, due 7/15/26 (a)	2,570,000	2,642,217
Ashtead Capital, Inc.		
4.00%, due 5/1/28 (a)	1,435,000	1,370,425
California Institute of Technology		
3.65%, due 9/1/19	2,914,000	2,990,022
Herc Holdings, Inc.		
5.50%, due 7/15/27 (a)	2,800,000	2,624,720
IHS Markit, Ltd.		
4.25%, due 5/1/29	3,745,000	4,002,244
PayPal Holdings, Inc.		
2.65%, due 10/1/26	3,455,000	3,624,243
		<u>17,253,871</u>

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Computers 0.9%</b>		
Dell International LLC / EMC Corp.(a)		
4.90%, due 10/1/26	\$ 6,467,000	\$ 6,686,095
5.30%, due 10/1/29	1,275,000	1,327,307
8.10%, due 7/15/36	1,750,000	2,136,550
NCR Corp.		
6.125%, due 9/1/29 (a)	874,000	867,445
		<u>11,017,397</u>
<b>Cosmetics &amp; Personal Care 0.1%</b>		
Estee Lauder Cos., Inc.		
2.60%, due 4/15/30	1,130,000	1,177,894
<b>Distribution &amp; Wholesale 0.4%</b>		
Performance Food Group, Inc.		
5.50%, due 10/15/27 (a)	5,420,000	5,149,108
<b>Diversified Financial Services 2.4%</b>		
AerCap Ireland Capital DAC / AerCap		
Global Aviation Trust		
3.50%, due 5/26/22	3,690,000	3,433,078
Air Lease Corp.		
4.25%, due 9/15/24	6,445,000	6,006,397
Ally Financial, Inc.		
3.875%, due 5/21/24	1,270,000	1,247,775
7.50%, due 9/15/20	166,000	167,660
8.00%, due 11/1/31	4,495,000	5,495,138
Avolon Holdings Funding, Ltd.		
3.25%, due 2/15/27 (a)	2,895,000	2,240,511
Capital One Bank USA N.A.		
3.375%, due 2/15/23	3,046,000	3,093,720
Charles Schwab Corp.		
5.375% (5 Year Treasury Constant Maturity Rate + 4.971%), due 6/1/25 (b)(e)	3,600,000	3,685,500
Discover Financial Services		
3.85%, due 11/21/22	1,526,000	1,562,809
International Lease Finance Corp.		
5.875%, due 8/15/22	2,200,000	2,147,513
		<u>29,080,101</u>
<b>Electric 2.1%</b>		
Comision Federal De Electricidad		
4.75%, due 2/23/27 (a)	2,490,000	2,384,175
Connecticut Light & Power Co.		
4.00%, due 4/1/48	1,805,000	2,261,849
Duke Energy Progress LLC		
3.45%, due 3/15/29	3,695,000	4,197,687
Duquesne Light Holdings, Inc.		
3.616%, due 8/1/27 (a)	1,645,000	1,647,278

	Principal Amount	Value
<b>Electric (continued)</b>		
Eergy Kansas Central, Inc.		
3.45%, due 4/15/50	\$ 3,045,000	\$ 3,497,472
N.V. Energy, Inc.		
6.25%, due 11/15/20	5,000,000	5,133,997
Puget Energy, Inc.		
6.50%, due 12/15/20	3,155,000	3,250,395
Southern California Edison Co.		
4.00%, due 4/1/47	2,055,000	2,296,630
		<u>24,669,483</u>
<b>Entertainment 0.2%</b>		
Cedar Fair L.P. / Canada's Wonderland Co. / Magnum Management Corp. / Millennium Operations LLC		
5.50%, due 5/1/25 (a)	1,991,000	1,991,000
<b>Environmental Controls 0.2%</b>		
Waste Connections, Inc.		
3.50%, due 5/1/29	1,880,000	2,026,911
<b>Food 1.6%</b>		
JBS USA LUX S.A. / JBS Food Co. / JBS USA Finance, Inc.		
5.50%, due 1/15/30 (a)	1,930,000	1,954,125
Kerry Group Financial Services Unlimited Co.		
3.20%, due 4/9/23 (a)	4,375,000	4,532,810
Kraft Heinz Foods Co.		
5.00%, due 7/15/35	1,689,000	1,813,214
Mars, Inc.(a)		
3.20%, due 4/1/30	1,100,000	1,220,538
3.60%, due 4/1/34	930,000	1,076,711
Smithfield Foods, Inc.		
5.20%, due 4/1/29 (a)	960,000	999,978
Sysco Corp.		
3.30%, due 2/15/50	1,745,000	1,446,176
Tyson Foods, Inc.		
5.15%, due 8/15/44	3,000,000	3,809,064
U.S. Foods, Inc.		
6.25%, due 4/15/25 (a)	2,610,000	2,658,938
		<u>19,511,554</u>
<b>Food Services 0.2%</b>		
Aramark Services, Inc.		
6.375%, due 5/1/25 (a)	2,383,000	2,478,320
<b>Gas 0.5%</b>		
Atmos Energy Corp.		
4.30%, due 10/1/48	1,465,000	1,869,123
NiSource, Inc.		
3.49%, due 5/15/27	2,935,000	3,154,464

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

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

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Gas (continued)</b>		
Southern California Gas Co. 3.20%, due 6/15/25	\$ 915,000	\$ 979,160
		<u>6,002,747</u>
<b>Health Care—Services 0.2%</b>		
NYU Langone Hospitals 3.38%, due 7/1/55	2,400,000	<u>2,177,562</u>
<b>Holding Company—Diversified 0.3%</b>		
CK Hutchison International (17) II, Ltd. 3.25%, due 9/29/27 (a)	3,575,000	<u>3,811,395</u>
<b>Home Builders 1.1%</b>		
Lennar Corp. 4.75%, due 11/29/27	1,546,000	1,584,650
NVR, Inc. 3.95%, due 9/15/22	6,420,000	6,707,098
Toll Brothers Finance Corp. 3.80%, due 11/1/29	2,233,000	2,087,855
4.35%, due 2/15/28	1,364,000	1,343,540
TRI Pointe Group, Inc. / TRI Pointe Homes, Inc. 5.875%, due 6/15/24	1,320,000	<u>1,280,532</u>
		<u>13,003,675</u>
<b>Home Furnishing 0.5%</b>		
Whirlpool Corp. 4.85%, due 6/15/21	5,890,000	<u>6,054,141</u>
<b>Insurance 2.2%</b>		
Equitable Holdings, Inc. 4.35%, due 4/20/28	5,025,000	5,255,964
Liberty Mutual Group, Inc. 3.951%, due 10/15/50 (a)	3,675,000	3,737,315
Markel Corp. 3.625%, due 3/30/23	2,515,000	2,631,611
Nippon Life Insurance Co. 3.40% (5 Year Treasury Constant Maturity Rate + 2.612%), due 1/23/50 (a)(b)	3,065,000	3,095,650
Peachtree Corners Funding Trust 3.976%, due 2/15/25 (a)	1,780,000	1,868,695
Reliance Standard Life Global Funding II(a) 2.15%, due 1/21/23	645,000	645,163
2.50%, due 10/30/24	3,950,000	3,918,133
Voya Financial, Inc. 3.65%, due 6/15/26	1,305,000	1,370,645
Willis North America, Inc. 2.95%, due 9/15/29	2,640,000	2,682,809
3.875%, due 9/15/49	695,000	<u>757,215</u>
		<u>25,963,200</u>

	Principal Amount	Value
<b>Internet 1.6%</b>		
Alibaba Group Holding, Ltd. 3.40%, due 12/6/27	\$ 5,000,000	\$ 5,432,805
Expedia Group, Inc. 3.25%, due 2/15/30	4,965,000	4,144,129
6.25%, due 5/1/25 (a)	730,000	744,455
Match Group, Inc. 4.125%, due 8/1/30 (a)	263,000	255,110
Tencent Holdings, Ltd. (a) 3.28%, due 4/11/24	4,365,000	4,574,123
3.80%, due 2/11/25	2,000,000	2,148,959
Weibo Corp. 3.50%, due 7/5/24	1,825,000	<u>1,849,802</u>
		<u>19,149,383</u>
<b>Iron &amp; Steel 0.6%</b>		
ArcelorMittal S.A. 4.55%, due 3/11/26	3,215,000	3,096,439
Vale Overseas, Ltd. 6.25%, due 8/10/26	2,290,000	2,509,840
6.875%, due 11/21/36	1,094,000	<u>1,271,786</u>
		<u>6,878,065</u>
<b>Leisure Time 0.1%</b>		
NCL Corp., Ltd. 3.625%, due 12/15/24 (a)	990,000	<u>636,075</u>
<b>Lodging 0.9%</b>		
Hilton Domestic Operating Co., Inc. 4.875%, due 1/15/30	2,640,000	2,521,200
5.75%, due 5/1/28 (a)	1,135,000	1,143,626
Las Vegas Sands Corp. 3.20%, due 8/8/24	2,205,000	2,143,035
MGM Resorts International 6.00%, due 3/15/23	5,000,000	<u>4,862,500</u>
		<u>10,670,361</u>
<b>Media 2.4%</b>		
CCO Holdings LLC / CCO Holdings Capital Corp. 5.875%, due 4/1/24 (a)	2,078,000	2,135,145
Charter Communications Operating LLC / Charter Communications Operating Capital Corp. 4.464%, due 7/23/22	4,000,000	4,213,845
Comcast Corp. 3.70%, due 4/15/24	1,584,900	1,736,129
3.75%, due 4/1/40	1,275,000	1,463,352
3.95%, due 10/15/25	2,086,600	2,349,036
4.25%, due 10/15/30	1,435,000	1,726,878
4.70%, due 10/15/48	2,195,000	2,878,567
Diamond Sports Group LLC / Diamond Sports Finance Co. 6.625%, due 8/15/27 (a)(c)	5,338,000	2,922,555

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

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Media (continued)</b>		
Grupo Televisa S.A.B.		
5.25%, due 5/24/49	\$ 1,890,000	\$ 1,940,050
Time Warner Entertainment Co., L.P.		
8.375%, due 3/15/23	3,660,000	4,229,600
Walt Disney Co.		
6.65%, due 11/15/37	1,640,000	2,447,344
		<u>28,042,501</u>
<b>Mining 0.4%</b>		
Anglo American Capital PLC		
4.875%, due 5/14/25 (a)	2,780,000	2,928,783
Corp. Nacional del Cobre de Chile		
3.00%, due 9/30/29 (a)	2,435,000	2,344,292
		<u>5,273,075</u>
<b>Miscellaneous—Manufacturing 0.9%</b>		
General Electric Co.		
3.625%, due 5/1/30	2,340,000	2,348,674
4.25%, due 5/1/40	2,550,000	2,558,676
4.35%, due 5/1/50	1,995,000	2,010,186
Textron Financial Corp.		
3.427% (3 Month LIBOR + 1.735%), due 2/15/67 (a)(b)	5,685,000	3,524,700
		<u>10,442,236</u>
<b>Oil &amp; Gas 2.2%</b>		
BP Capital Markets America, Inc.		
3.00%, due 2/24/50	1,250,000	1,178,813
Concho Resources, Inc.		
4.30%, due 8/15/28	3,090,000	3,142,199
Continental Resources, Inc.		
5.00%, due 9/15/22	2,886,000	2,712,840
Gazprom PJSC Via Gaz Capital S.A. (a)		
4.95%, due 3/23/27	358,000	384,784
4.95%, due 2/6/28	2,531,000	2,724,621
Marathon Petroleum Corp.		
4.50%, due 5/1/23	2,245,000	2,248,952
4.70%, due 5/1/25	2,445,000	2,461,725
6.50%, due 3/1/41	1,580,000	1,657,959
Petroleos Mexicanos		
6.75%, due 9/21/47	5,835,000	4,011,562
Valero Energy Corp.		
4.00%, due 4/1/29	2,270,000	2,324,715
6.625%, due 6/15/37	1,660,000	1,981,018
WPX Energy, Inc.		
4.50%, due 1/15/30	1,760,000	1,434,400
		<u>26,263,588</u>
<b>Packaging &amp; Containers 0.5%</b>		
Ardagh Packaging Finance PLC / Ardagh Holdings USA, Inc.		
4.25%, due 9/15/22 (a)	3,600,000	3,619,080

	Principal Amount	Value
<b>Packaging &amp; Containers (continued)</b>		
Berry Global, Inc.		
4.875%, due 7/15/26 (a)	\$ 282,000	\$ 288,045
Reynolds Group Issuer, Inc. / Reynolds Group Issuer LLC		
5.125%, due 7/15/23 (a)	1,503,000	1,510,515
Sealed Air Corp.		
4.00%, due 12/1/27 (a)	268,000	262,640
		<u>5,680,280</u>
<b>Pharmaceuticals 1.1%</b>		
AbbVie, Inc.		
4.05%, due 11/21/39 (a)	4,385,000	4,863,588
Becton Dickinson & Co.		
4.669%, due 6/6/47	2,500,000	3,129,454
CVS Health Corp.		
4.78%, due 3/25/38	750,000	885,262
5.05%, due 3/25/48	750,000	950,415
CVS Pass-Through Trust		
5.789%, due 1/10/26 (a)	43,252	45,988
Teva Pharmaceutical Finance Netherlands III B.V.		
3.15%, due 10/1/26	3,510,000	3,053,700
		<u>12,928,407</u>
<b>Pipelines 2.0%</b>		
Columbia Pipeline Group, Inc.		
3.30%, due 6/1/20	5,680,000	5,679,061
Enterprise Products Operating LLC		
3.95%, due 1/31/60	2,200,000	2,024,597
4.20%, due 1/31/50	630,000	624,864
MPLX, L.P.		
4.875%, due 6/1/25	5,305,000	5,176,133
6.25%, due 10/15/22 (a)	1,491,000	1,489,616
Sabine Pass Liquefaction LLC		
5.625%, due 3/1/25	800,000	838,393
Spectra Energy Partners, L.P.		
4.75%, due 3/15/24	5,137,000	5,483,266
Western Midstream Operating L.P.		
5.25%, due 2/1/50	2,485,000	1,953,831
		<u>23,269,761</u>
<b>Real Estate 0.4%</b>		
American Tower Corp.		
3.375%, due 5/15/24	4,000,000	4,268,301
<b>Real Estate Investment Trusts 1.5%</b>		
Alexandria Real Estate Equities, Inc.		
3.375%, due 8/15/31	2,090,000	2,256,579
Boston Properties, L.P.		
3.20%, due 1/15/25	4,050,000	4,194,840
Crown Castle International Corp.		
3.20%, due 9/1/24	5,580,000	5,922,823

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



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

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Real Estate Investment Trusts (continued)</b>		
CyrusOne L.P. / CyrusOne Finance Corp.		
3.45%, due 11/15/29	\$ 2,430,000	\$ 2,319,435
Equinix, Inc.		
2.625%, due 11/18/24	2,855,000	<u>2,934,797</u>
		<u>17,628,474</u>
<b>Retail 2.0%</b>		
1011778 B.C. ULC / New Red Finance, Inc.		
5.75%, due 4/15/25 (a)	1,108,000	1,166,170
Alimentation Couche-Tard, Inc.		
2.70%, due 7/26/22 (a)	7,345,000	7,385,960
Darden Restaurants, Inc.		
3.85%, due 5/1/27	5,980,000	5,703,338
Home Depot, Inc.		
3.35%, due 4/15/50	1,235,000	1,367,700
Lowe's Cos., Inc.		
5.125%, due 4/15/50	1,400,000	1,827,393
Starbucks Corp.		
3.35%, due 3/12/50	1,400,000	1,358,327
4.45%, due 8/15/49	2,300,000	2,751,441
TJX Cos., Inc.		
3.50%, due 4/15/25	1,845,000	<u>1,989,751</u>
		<u>23,550,080</u>
<b>Semiconductors 1.3%</b>		
Broadcom, Inc.		
3.125%, due 10/15/22 (a)	3,750,000	3,886,118
Intel Corp.		
4.75%, due 3/25/50	1,800,000	2,535,726
Nvidia Corp.		
3.50%, due 4/1/50	2,730,000	3,132,634
NXP B.V. / NXP Funding LLC (a)		
3.40%, due 5/1/30	1,775,000	1,774,423
4.625%, due 6/1/23	3,825,000	<u>4,077,227</u>
		<u>15,406,128</u>
<b>Software 0.1%</b>		
Fiserv, Inc.		
3.20%, due 7/1/26	810,000	<u>867,342</u>
<b>Telecommunications 4.7%</b>		
Altice France S.A.		
7.375%, due 5/1/26 (a)	4,772,000	4,986,740
AT&T, Inc.		
2.875% (EUAMDB05 + 3.14%), due 3/2/25 (b)(e)	EUR 3,100,000	3,124,453
3.80%, due 3/1/24	\$ 5,920,000	6,322,421
3.80%, due 2/15/27	5,660,000	6,145,484
4.35%, due 3/1/29	1,040,000	1,168,673

	Principal Amount	Value
<b>Telecommunications (continued)</b>		
CommScope Technologies LLC		
5.00%, due 3/15/27 (a)	\$ 4,200,000	\$ 3,601,500
Level 3 Financing, Inc.		
3.40%, due 3/1/27 (a)	4,555,000	4,557,050
5.375%, due 1/15/24	2,160,000	2,176,200
Rogers Communications, Inc.		
3.625%, due 12/15/25	1,360,000	1,510,005
Sprint Communications, Inc.		
6.00%, due 11/15/22	3,790,000	4,008,342
Sprint Spectrum Co. LLC / Sprint Spectrum Co. III LLC		
4.738%, due 9/20/29 (a)	6,245,000	6,572,862
T-Mobile USA, Inc.		
4.50%, due 4/15/50 (a)	1,720,000	2,013,088
6.375%, due 3/1/25	500,000	513,125
VEON Holdings B.V.		
4.95%, due 6/16/24 (a)	3,950,000	4,175,861
Verizon Communications, Inc.		
4.00%, due 3/22/50	1,635,000	2,036,644
Vodafone Group PLC		
4.25%, due 9/17/50	2,620,000	<u>2,850,202</u>
		<u>55,762,650</u>
<b>Textiles, Apparel &amp; Luxury Goods 0.2%</b>		
Hanesbrands, Inc.		
5.375%, due 5/15/25 (a)	1,960,000	<u>1,964,900</u>
<b>Toys, Games &amp; Hobbies 0.2%</b>		
Hasbro, Inc.		
2.60%, due 11/19/22	2,275,000	<u>2,297,721</u>
Total Corporate Bonds (Cost \$608,044,303)		<u>620,180,391</u>
<b>Foreign Government Bonds 0.9%</b>		
<b>Brazil 0.4%</b>		
Brazilian Government International Bond		
4.625%, due 1/13/28 (c)	4,789,000	<u>4,949,479</u>
<b>Mexico 0.5%</b>		
Mexico Government International Bond		
3.25%, due 4/16/30	5,882,000	<u>5,329,151</u>
Total Foreign Government Bonds (Cost \$10,905,670)		<u>10,278,630</u>
<b>Loan Assignments 1.1% (b)</b>		
<b>Buildings &amp; Real Estate 0.3%</b>		
Realogy Group LLC		
2018 Term Loan B		
3.243% (1 Month LIBOR + 2.25%), due 2/8/25	4,674,660	<u>3,886,783</u>

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



	Principal Amount	Value
<b>Loan Assignments (continued)</b>		
<b>Containers, Packaging &amp; Glass 0.4%</b>		
BWAY Holding Co.		
2017 Term Loan B		
4.561% (3 Month LIBOR + 3.25%), due 4/3/24	\$ 4,929,655	\$ 4,218,961
<b>Finance 0.4%</b>		
Alliant Holdings Intermediate, LLC		
2018 Term Loan B		
3.154% (1 Month LIBOR + 2.75%), due 5/9/25	4,914,987	4,583,226
Total Loan Assignments (Cost \$14,092,523)		<u>12,688,970</u>

### Mortgage-Backed Securities 15.7%

#### Agency (Collateralized Mortgage Obligations) 7.8%

Federal Home Loan Mortgage Corporation		
REMIC Series 4691, Class HA		
2.50%, due 6/15/40	3,159,597	3,300,221
REMIC, Series 4935, Class JP		
2.50%, due 7/25/49	4,319,593	4,511,149
REMIC, Series 4913, Class UA		
3.00%, due 3/15/49	4,844,753	5,070,369
REMIC, Series 4908, Class BD		
3.00%, due 4/25/49	3,245,000	3,453,505
REMIC, Series 4911, Class MB		
3.00%, due 9/25/49	2,530,000	2,610,526
REMIC, Series 4926, Class BP		
3.00%, due 10/25/49	7,340,000	7,833,096
REMIC Series 4818, Class BD		
3.50%, due 3/15/45	3,366,862	3,519,707
REMIC Series 4869, Class BA		
3.50%, due 11/15/47	5,239,163	5,541,486
REMIC Series 4888, Class BA		
3.50%, due 9/15/48	2,445,770	2,536,770
REMIC Series 4877, Class AT		
3.50%, due 11/15/48	3,178,282	3,447,255
REMIC, Series 4958, Class DL		
4.00%, due 1/25/50	6,712,088	7,418,357
Federal National Mortgage Association		
REMIC, Series 2013-77, Class CY		
3.00%, due 7/25/43	2,941,000	3,199,310
REMIC, Series 2019-25, Class PA		
3.00%, due 5/25/48	2,866,470	3,039,652
REMIC, Series 2019-13, Class PE		
3.00%, due 3/25/49	3,610,670	3,830,102
REMIC, Series 2019-74, Class BA		
3.50%, due 12/25/59	5,019,948	5,420,752

	Principal Amount	Value
<b>Agency (Collateralized Mortgage Obligations) (continued)</b>		
Government National		
Mortgage Association		
Series 2017-155, Class KQ		
2.75%, due 2/20/47	\$ 4,931,113	\$ 5,195,874
Series 2014-91, Class MA		
3.00%, due 1/16/40	3,095,106	3,357,853
Series 2018-127, Class PB		
3.00%, due 9/20/47	4,965,231	5,183,912
REMIC Series 2019-29, Class PE		
3.00%, due 10/20/48	2,817,442	2,977,920
Series 2019-29, Class CB		
3.00%, due 10/20/48	2,637,768	2,756,559
Series 2019-59, Class KA		
3.00%, due 12/20/48	5,102,205	5,349,730
Series 2019-43, Class PL		
3.00%, due 4/20/49	2,801,633	2,945,256
		<u>92,499,361</u>

#### Commercial Mortgage Loans

##### (Collateralized Mortgage Obligations) 6.3%

Bank		
Series 2019-BN21, Class A5		
2.851%, due 10/17/52	4,515,000	4,727,243
Series 2019-BN19, Class A2		
2.926%, due 8/15/61	4,715,000	4,974,018
Bayview Commercial Asset Trust		
Series 2006-4A, Class A1		
0.717% (1 Month LIBOR + 0.23%), due 12/25/36 (a)(b)	42,452	37,090
Benchmark Mortgage Trust		
Series 2020-IG1, Class A1		
2.702%, due 9/15/43	2,905,000	2,976,168
Series 2019-B12, Class A5		
3.116%, due 8/15/52	4,417,000	4,749,132
BX Commercial Mortgage Trust (a)		
Series 2018-GW, Class A		
1.614% (1 Month LIBOR + 0.80%), due 5/15/35 (b)	2,300,000	2,075,048
Series 2019-OC11, Class B		
3.605%, due 12/9/41	1,475,000	1,429,036
Series 2019-OC11, Class C		
3.856%, due 12/9/41	3,625,000	3,314,561
Series 2019-OC11, Class E		
4.076%, due 12/9/41 (f)	2,484,000	2,060,879
COMM Mortgage Trust		
Series 2013-CR8, Class A4		
3.334%, due 6/10/46	2,368,399	2,453,849
CSAIL Commercial Mortgage Trust		
Series 2015-C3, Class A4		
3.718%, due 8/15/48	1,600,000	1,703,970
Four Times Square Trust		
Series 2006-4TS, Class A		
5.401%, due 12/13/28 (a)	2,270,048	2,302,367

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

	Principal Amount	Value
<b>Mortgage-Backed Securities (continued)</b>		
<b>Commercial Mortgage Loans</b>		
<b>(Collateralized Mortgage Obligations) (continued)</b>		
FREMF Mortgage Trust (a)(g)		
Series 2013-K33, Class B		
3.614%, due 8/25/46	\$ 3,345,000	\$ 3,435,086
Series 2015-K721, Class B		
3.681%, due 11/25/47	3,845,000	3,887,525
Series 2014-K41, Class B		
3.963%, due 11/25/47	1,285,000	1,345,935
Series 2013-K35, Class B		
4.073%, due 12/25/46	2,735,000	2,870,424
GS Mortgage Securities Trust		
Series 2019-GC42, Class A4		
3.001%, due 9/1/52	1,795,000	1,899,220
Series 2019-GC40, Class A4		
3.16%, due 7/10/52	3,114,000	3,333,303
Hawaii Hotel Trust		
Series 2019-MAUI, Class A		
1.964% (1 Month LIBOR + 1.15%), due 5/15/38 (a)(b)	2,490,000	2,305,848
Hudson Yards Mortgage Trust		
Series 2019-30HY, Class A		
3.228%, due 7/10/39 (a)	3,225,000	3,390,472
JP Morgan Chase Commercial Mortgage Securities Trust		
Series 2018-AON, Class A		
4.128%, due 7/5/31 (a)	4,195,000	4,342,240
Morgan Stanley Bank of America Merrill Lynch Trust		
Series-2015-C23, Class A3		
3.451%, due 7/15/50	1,845,000	1,951,838
One Bryant Park Trust		
Series 2019-OBP, Class A		
2.516%, due 9/15/54 (a)	6,075,000	6,028,491
Wells Fargo Commercial Mortgage Trust (a)(g)		
Series 2018-1745, Class A		
3.874%, due 6/15/36	2,900,000	3,054,597
Series 2018-AUS, Class A		
4.194%, due 8/17/36	4,125,000	4,287,987
		<u>74,936,327</u>
<b>Residential Mortgages (Collateralized Mortgage Obligations) 0.2%</b>		
JP Morgan Mortgage Trust (a)(f)		
Series 2019-1, Class A3		
4.00%, due 5/25/49	1,111,785	1,152,450
Series 2019-LTV1, Class A4		
4.00%, due 6/25/49	703,336	709,511
		<u>1,861,961</u>

	Principal Amount	Value
<b>Whole Loan (Collateralized Mortgage Obligations) 1.4%</b>		
Chase Home Lending Mortgage Trust		
Series 2019-ATR2, Class A3		
3.50%, due 7/25/49 (a)(f)	\$ 769,317	\$ 775,965
Fannie Mae Connecticut		
Avenue Securities (b)		
Series 2017-C02, Class 2M2		
4.137% (1 Month LIBOR + 3.65%), due 9/25/29	1,579,917	1,492,620
Series 2016-C04, Class 1M2		
4.737% (1 Month LIBOR + 4.25%), due 1/25/29	2,576,614	2,530,491
Series 2016-C06, Class 1M2		
4.737% (1 Month LIBOR + 4.25%), due 4/25/29	2,210,000	2,157,837
Series 2016-C07, Class 2M2		
4.837% (1 Month LIBOR + 4.35%), due 5/25/29	2,363,043	2,316,253
Federal Home Loan Mortgage Corporation		
Structured Agency Credit Risk Debt Notes (b)		
Series 2016-DNA4, Class M3		
4.287% (1 Month LIBOR + 3.80%), due 3/25/29	2,450,707	2,368,343
Series 2016-DNA2, Class M3		
5.597% (1 Month LIBOR + 4.65%), due 10/25/28	3,366,526	3,316,358
JP Morgan Mortgage Trust (a)(f)		
Series 2019-3, Class A3		
4.00%, due 9/25/49	779,131	800,006
Series 2019-5, Class A4		
4.00%, due 11/25/49	832,505	841,861
		<u>16,599,734</u>
Total Mortgage-Backed Securities (Cost \$182,147,666)		
		<u>185,897,383</u>
<b>Municipal Bonds 0.4%</b>		
<b>California 0.3%</b>		
Regents of the University of California		
Medical Center Pooled, Revenue Bonds		
Series N		
3.006%, due 5/15/50	4,410,000	4,293,576
<b>New York 0.1%</b>		
New York State Thruway Authority, Revenue Bonds		
Series M		
2.90%, due 1/1/35	735,000	722,696
Total Municipal Bonds (Cost \$5,145,000)		
		<u>5,016,272</u>

	Principal Amount	Value
<b>U.S. Government &amp; Federal Agencies 24.8%</b>		
<b>Fannie Mae (Collateralized Mortgage Obligation) 0.2%</b>		
Series 2018-26, Class P		
3.50%, due 8/25/46	\$ 2,087,038	\$ 2,181,419
Series 1991-66, Class J		
8.125%, due 6/25/21	25	25
		<u>2,181,444</u>

<b>Federal Home Loan Mortgage Corporation (Mortgage Pass-Through Securities) 2.5%</b>		
2.50%, due 5/1/30	345,400	361,611
3.50%, due 1/1/43	1,300,281	1,440,344
3.50%, due 1/1/44	2,261,677	2,439,463
3.50%, due 1/1/45	1,821,092	2,001,331
3.50%, due 11/1/45	1,698,236	1,836,719
3.50%, due 3/1/46	2,984,921	3,246,822
4.00%, due 6/1/42	2,703,578	2,960,859
4.00%, due 3/1/45	1,250,673	1,371,428
4.00%, due 10/1/48	1,751,073	1,934,848
4.50%, due 8/1/44	1,299,862	1,478,965
4.50%, due 12/1/44	5,703,851	6,336,377
4.50%, due 4/1/46	604,243	670,525
4.50%, due 8/1/47	1,242,153	1,401,691
5.00%, due 11/1/41	1,797,280	2,051,559
6.50%, due 4/1/37	55,027	63,677
		<u>29,596,219</u>

<b>Federal National Mortgage Association (Mortgage Pass-Through Securities) 6.8%</b>		
3.00%, due 12/1/47	526,700	557,414
3.00%, due 3/1/50	5,243,028	5,538,154
3.00%, due 6/1/57	4,928,602	5,266,773
3.50%, due 2/1/42	3,230,257	3,492,733
3.50%, due 2/1/43	1,341,463	1,485,512
3.50%, due 5/1/43	3,671,420	3,958,900
3.50%, due 7/1/43	3,547,734	3,897,526
3.50%, due 11/1/44	1,872,104	2,018,694
3.50%, due 12/1/44	1,328,882	1,445,035
3.50%, due 3/1/46	7,363,613	7,940,128
4.00%, due 3/1/42	1,306,220	1,429,743
4.00%, due 1/1/43	2,319,406	2,537,975
4.00%, due 1/1/46	5,758,766	6,292,990
4.00%, due 3/1/46	603,796	662,730
4.00%, due 9/1/48	4,630,992	5,021,969
4.50%, due 2/1/41	1,990,750	2,225,125
4.50%, due 4/1/41	617,793	698,897
4.50%, due 8/1/42	9,795,140	10,877,739
4.50%, due 12/1/43	3,190,849	3,539,399
4.50%, due 8/1/44	1,757,080	1,949,162
5.00%, due 9/1/33	2,078,250	2,367,839
5.00%, due 9/1/41	525,156	599,262
5.00%, due 10/1/41	2,605,956	2,973,230
5.50%, due 7/1/41	2,320,610	2,651,426

	Principal Amount	Value
<b>Federal National Mortgage Association (Mortgage Pass-Through Securities) (continued)</b>		
6.00%, due 4/1/37	\$ 8,912	\$ 10,111
6.00%, due 10/1/37	26,893	29,879
6.00%, due 7/1/39	469,371	541,154
6.50%, due 10/1/39	464,696	540,905
		<u>80,550,404</u>

<b>United States Treasury Bonds 7.1%</b>		
2.00%, due 2/15/50	42,355,000	49,960,700
2.50%, due 2/15/45	6,250,000	7,888,672
4.375%, due 11/15/39	7,755,000	12,361,652
4.375%, due 5/15/40	3,360,000	5,371,669
4.50%, due 5/15/38	5,715,000	9,115,202
		<u>84,697,895</u>

<b>United States Treasury Notes 5.4%</b>		
0.125%, due 4/30/22	47,940,000	47,878,202
0.25%, due 4/15/23	12,100,000	12,104,254
0.50%, due 3/31/25 (c)	3,500,000	3,525,840
1.50%, due 2/15/30	920,000	996,403
		<u>64,504,699</u>

<b>United States Treasury Inflation—Indexed Notes 2.8% (h)</b>		
0.125%, due 1/15/30	6,791,004	7,183,405
0.75%, due 7/15/28	6,429,883	7,058,576
0.875%, due 1/15/29	17,424,364	19,396,730
		<u>33,638,711</u>

Total U.S. Government & Federal Agencies (Cost \$278,785,375)	<u>295,169,372</u>
Total Long-Term Bonds (Cost \$1,142,066,125)	<u>1,171,061,582</u>

	Shares	
<b>Common Stocks 0.0%‡</b>		
<b>Commercial Services &amp; Supplies 0.0%‡</b>		
Quad/Graphics, Inc.	1	4
<b>Media 0.0%‡</b>		
ION Media Networks, Inc. (i)(j)(k)(l)	2	754
Total Common Stocks (Cost \$0)		<u>758</u>

<b>Short-Term Investments 2.2%</b>		
<b>Affiliated Investment Company 1.5%</b>		
MainStay U.S. Government Liquidity Fund, 0.01% (m)	18,283,219	<u>18,283,219</u>

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

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

	Shares	Value
<b>Short-Term Investments (continued)</b>		
<b>Unaffiliated Investment Company 0.7%</b>		
State Street Navigator Securities Lending		
Government Money Market Portfolio, 0.19% (m)(n)	8,489,855	\$ 8,489,855
Total Short-Term Investments (Cost \$26,773,074)		<u>26,773,074</u>
Total Investments (Cost \$1,168,839,199)	100.8%	1,197,835,414
Other Assets, Less Liabilities	<u>(0.8)</u>	<u>(9,339,639)</u>
Net Assets	<u>100.0%</u>	<u>\$1,188,495,775</u>

† 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) Floating rate—Rate shown was the rate in effect as of April 30, 2020.
- (c) All or a portion of this security was held on loan. As of April 30, 2020, the aggregate market value of securities on loan was \$8,310,434. The Fund received cash collateral with a value of \$8,489,855 (See Note 2(M)).
- (d) Fixed to floating rate—Rate shown was the rate in effect as of April 30, 2020.
- (e) Securities are perpetual and, thus, do not have a predetermined maturity date. The date shown, if applicable, reflects the next call date.

- (f) Coupon rate may change based on changes of the underlying collateral or prepayments of principal. Rate shown was the rate in effect as of April 30, 2020.
- (g) Collateral strip rate—A bond whose interest was based on the weighted net interest rate of the collateral. The coupon rate adjusts periodically based on a predetermined schedule. Rate shown was the rate in effect as of April 30, 2020.
- (h) Treasury Inflation Protected Security—Pays a fixed rate of interest on a principal amount that is continuously adjusted for inflation based on the Consumer Price Index-Urban Consumers.
- (i) Security in which significant unobservable inputs (Level 3) were used in determining fair value.
- (j) Illiquid security—As of April 30, 2020, the total market value of the security deemed illiquid under procedures approved by the Board of Trustees was \$754, which represented less than one-tenth of a percent of the Fund's net assets.
- (k) 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 security was \$754, which represented less than one-tenth of a percent of the Fund's net assets.
- (l) Restricted security. (See Note 5)
- (m) Current yield as of April 30, 2020.
- (n) Represents a security purchased with cash collateral received for securities on loan.

## Futures Contracts

As of April 30, 2020, the Portfolio held the following futures contracts<sup>1</sup>:

Type	Number of Contracts	Expiration Date	Value at Trade Date	Current Notional Amount	Unrealized Appreciation (Depreciation) <sup>2</sup>
<b>Long Contracts</b>					
2-Year United States Treasury Note	282	June 2020	\$ 62,162,887	\$ 62,161,172	\$ (1,715)
United States Treasury Long Bond	42	June 2020	7,606,036	7,603,312	(2,724)
United States Treasury Ultra Bond	31	June 2020	6,957,064	6,968,219	11,155
Total Long Contracts					<u>6,716</u>
<b>Short Contracts</b>					
10-Year United States Treasury Note	(201)	June 2020	(27,718,694)	(27,951,563)	(232,869)
10-Year United States Treasury Ultra Note	(403)	June 2020	(60,114,338)	(63,283,594)	(3,169,256)
5-Year United States Treasury Note	(275)	June 2020	(34,414,026)	(34,508,203)	(94,177)
Total Short Contracts					<u>(3,496,302)</u>
Net Unrealized Depreciation					<u>\$(3,489,586)</u>

1. As of April 30, 2020, cash in the amount of \$1,509,927 was on deposit with a broker or futures commission merchant for futures transactions.
2. Represents the difference between the value of the contracts at the time they were opened and the value as of April 30, 2020.

## Foreign Currency Forward Contracts

As of April 30, 2020, the Fund held the following foreign currency forward contracts<sup>1</sup>:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
EUR 3,343,000	USD 3,628,880	JPMorgan Chase Bank N.A.	5/4/20	\$ 34,545
Total unrealized appreciation				34,545
USD 3,643,783	EUR 3,343,000	JPMorgan Chase Bank N.A.	5/4/20	(19,641)
USD 3,088,471	EUR 2,846,000	JPMorgan Chase Bank N.A.	8/3/20	(36,186)
Total unrealized depreciation				(55,827)
Net unrealized depreciation				\$(21,282)

1. Foreign Currency Forward Contracts are subject to limitations such that they cannot be "sold or repurchased," although the Fund would be able to exit the transaction through other means, such as through the execution of an offsetting transaction.

The following abbreviations are used in the preceding pages:

EUAM—European Union Advisory Mission

EUR—Euro

LIBOR—London Interbank Offered Rate

REMIC—Real Estate Mortgage Investment Conduit

USD—United States Dollar

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

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<b>Asset Valuation Inputs</b>				
Investments in Securities (a)				
Long-Term Bonds				
Asset-Backed Securities	\$ —	\$ 41,830,564	\$ —	\$ 41,830,564
Corporate Bonds	—	620,180,391	—	620,180,391
Foreign Government Bonds	—	10,278,630	—	10,278,630
Loan Assignments	—	12,688,970	—	12,688,970
Mortgage-Backed Securities	—	185,897,383	—	185,897,383
Municipal Bonds	—	5,016,272	—	5,016,272
U.S. Government & Federal Agencies	—	295,169,372	—	295,169,372
Total Long-Term Bonds	—	1,171,061,582	—	1,171,061,582
Common Stocks (b)	4	—	754	758
Short-Term Investments				
Affiliated Investment Company	18,283,219	—	—	18,283,219
Unaffiliated Investment Company	8,489,855	—	—	8,489,855
Total Short-Term Investments	26,773,074	—	—	26,773,074
Total Investments in Securities	26,773,078	1,171,061,582	754	1,197,835,414
Other Financial Instruments				
Foreign Currency Forward Contracts (c)	—	34,545	—	34,545
Futures Contracts (c)	11,155	—	—	11,155
Total Other Financial Instruments	11,155	34,545	—	45,700
Total Investments in Securities and Other Financial Instruments	\$26,784,233	\$1,171,096,127	\$ 754	\$1,197,881,114

# Portfolio of Investments

April 30, 2020 (Unaudited) (continued)

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<b>Liability Valuation Inputs</b>				
Other Financial Instruments				
Foreign Currency Forward Contracts (c)	\$ —	\$ (55,827)	\$ —	\$ (55,827)
Futures Contracts (c)	(3,500,741)	—	—	(3,500,741)
Total Other Financial Instruments	<u>\$ (3,500,741)</u>	<u>\$ (55,827)</u>	<u>\$ —</u>	<u>\$ (3,556,568)</u>

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

(b) The Level 3 security valued at \$754 is held in Media within the Common Stocks section of the Portfolio of Investments.

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

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

## Assets

Investment in unaffiliated securities, at value (identified cost \$1,150,555,980) including securities on loan of \$8,310,434	\$1,179,552,195
Investment in affiliated investment company, at value (identified cost \$18,283,219)	18,283,219
Cash collateral on deposit at broker for futures contracts	1,509,257
Due from custodian	117,293
Cash	15,316
Receivables:	
Dividends and interest	7,553,002
Fund shares sold	1,746,554
Investment securities sold	1,078,371
Securities lending	1,935
Other assets	96,020
Unrealized appreciation on foreign currency forward contracts	34,545
Total assets	<u>\$1,209,987,707</u>

## Liabilities

Cash collateral received for securities on loan	8,489,855
Payables:	
Investment securities purchased	11,550,812
Manager (See Note 3)	523,440
Fund shares redeemed	493,167
Transfer agent (See Note 3)	192,822
Shareholder communication	59,402
Professional fees	40,376
NYLIFE Distributors (See Note 3)	26,783
Variation margin on futures contracts	16,211
Custodian	7,805
Trustees	1,266
Accrued expenses	20,886
Unrealized depreciation on foreign currency forward contracts	55,827
Dividend payable	13,280
Total liabilities	<u>21,491,932</u>
Net assets	<u>\$1,188,495,775</u>

## Composition of Net Assets

Shares of beneficial interest outstanding (par value of \$.001 per share) unlimited number of shares authorized	\$ 107,858
Additional paid-in capital	<u>1,148,839,909</u>
	1,148,947,767
Total distributable earnings (loss)	<u>39,548,008</u>
Net assets	<u>\$1,188,495,775</u>

## Class A

Net assets applicable to outstanding shares	<u>\$ 66,680,904</u>
Shares of beneficial interest outstanding	<u>6,053,214</u>
Net asset value per share outstanding	\$ 11.02
Maximum sales charge (4.50% of offering price)	0.52
Maximum offering price per share outstanding	<u>\$ 11.54</u>

## Investor Class

Net assets applicable to outstanding shares	<u>\$ 6,769,418</u>
Shares of beneficial interest outstanding	<u>611,136</u>
Net asset value per share outstanding	\$ 11.08
Maximum sales charge (4.50% of offering price)	0.52
Maximum offering price per share outstanding	<u>\$ 11.60</u>

## Class B

Net assets applicable to outstanding shares	<u>\$ 2,072,294</u>
Shares of beneficial interest outstanding	<u>187,910</u>
Net asset value and offering price per share outstanding	<u>\$ 11.03</u>

## Class C

Net assets applicable to outstanding shares	<u>\$ 12,890,882</u>
Shares of beneficial interest outstanding	<u>1,167,484</u>
Net asset value and offering price per share outstanding	<u>\$ 11.04</u>

## Class I

Net assets applicable to outstanding shares	<u>\$ 648,193,735</u>
Shares of beneficial interest outstanding	<u>58,821,271</u>
Net asset value and offering price per share outstanding	<u>\$ 11.02</u>

## Class R1

Net assets applicable to outstanding shares	<u>\$ 27,603</u>
Shares of beneficial interest outstanding	<u>2,506</u>
Net asset value and offering price per share outstanding (a)	<u>\$ 11.01</u>

## Class R2

Net assets applicable to outstanding shares	<u>\$ 83,262</u>
Shares of beneficial interest outstanding	<u>7,561</u>
Net asset value and offering price per share outstanding	<u>\$ 11.01</u>

## Class R3

Net assets applicable to outstanding shares	<u>\$ 314,269</u>
Shares of beneficial interest outstanding	<u>28,532</u>
Net asset value and offering price per share outstanding	<u>\$ 11.01</u>

## Class R6

Net assets applicable to outstanding shares	<u>\$ 451,463,408</u>
Shares of beneficial interest outstanding	<u>40,978,212</u>
Net asset value and offering price per share outstanding	<u>\$ 11.02</u>

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

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

## Investment Income (Loss)

### Income

Interest	\$ 20,861,332
Dividends-affiliated	324,872
Securities lending	35,186
Total income	<u>21,221,390</u>

### Expenses

Manager (See Note 3)	3,235,872
Transfer agent (See Note 3)	403,474
Distribution/Service—Class A (See Note 3)	73,924
Distribution/Service—Investor Class (See Note 3)	8,165
Distribution/Service—Class B (See Note 3)	11,282
Distribution/Service—Class C (See Note 3)	59,414
Distribution/Service—Class R2 (See Note 3)	102
Distribution/Service—Class R3 (See Note 3)	698
Registration	89,740
Professional fees	67,520
Shareholder communication	42,517
Custodian	23,026
Trustees	15,270
Shareholder service (See Note 3)	194
Miscellaneous	31,060
Total expenses before waiver/reimbursement	4,062,258
Expense waiver/reimbursement from Manager (See Note 3)	(84,052)
Net expenses	<u>3,978,206</u>
Net investment income (loss)	<u>17,243,184</u>

## Realized and Unrealized Gain (Loss) on Investments, Futures Contracts and Foreign Currency Transactions

### Net realized gain (loss) on:

Unaffiliated investment transactions	38,322,994
Futures transactions	2,580,057
Foreign currency transactions	6,356

Net realized gain (loss) on investments, futures transactions and foreign currency transactions	<u>40,909,407</u>
---	-------------------

### Net change in unrealized appreciation (depreciation) on:

Unaffiliated investments	(26,677,877)
Futures contracts	(2,844,924)
Foreign currency forward contracts	(21,282)
Translation of other assets and liabilities in foreign currencies	2,136

Net change in unrealized appreciation (depreciation) on investments, futures contracts and foreign currencies	<u>(29,541,947)</u>
---	---------------------

Net realized and unrealized gain (loss) on investments, futures transactions and foreign currency transactions	<u>11,367,460</u>
--	-------------------

Net increase (decrease) in net assets resulting from operations	<u>\$ 28,610,644</u>
---	----------------------



# Statements of Changes in Net Assets

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

	2020	2019
<b>Increase (Decrease) in Net Assets</b>		
Operations:		
Net investment income (loss)	\$ 17,243,184	\$ 36,546,738
Net realized gain (loss) on investments, futures transactions and foreign currency transactions	40,909,407	14,315,136
Net change in unrealized appreciation (depreciation) on investments, futures contracts and foreign currencies	(29,541,947)	82,910,698
Net increase (decrease) in net assets resulting from operations	28,610,644	133,772,572
Distributions to shareholders:		
Class A	(771,444)	(1,280,678)
Investor Class	(77,447)	(143,070)
Class B	(18,268)	(44,686)
Class C	(97,130)	(233,901)
Class I	(10,504,967)	(29,763,400)
Class R1	(368)	(47,586)
Class R2	(1,016)	(1,981)
Class R3	(3,181)	(4,787)
Class R6	(6,690,019)	(4,801,485)
Total distributions to shareholders	(18,163,840)	(36,321,574)
Capital share transactions:		
Net proceeds from sale of shares	435,828,276	331,151,915
Net asset value of shares issued to shareholders in reinvestment of distributions	18,089,878	36,167,837
Cost of shares redeemed	(596,015,676)	(352,868,893)
Increase (decrease) in net assets derived from capital share transactions	(142,097,522)	14,450,859
Net increase (decrease) in net assets	(131,650,718)	111,901,857
<b>Net Assets</b>		
Beginning of period	1,320,146,493	1,208,244,636
End of period	\$1,188,495,775	\$1,320,146,493

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	\$ 10.91	\$ 10.10	\$ 10.64	\$ 10.66	\$ 10.46	\$ 10.82
Net investment income (loss)	0.12	0.27	0.25 (a)	0.29	0.28	0.27
Net realized and unrealized gain (loss) on investments	0.13	0.82	(0.54)	(0.06)	0.18	(0.32)
Net realized and unrealized gain (loss) on foreign currency transactions	(0.00)‡	(0.00)‡	(0.00)‡	0.00 ‡	0.01	0.00 ‡
Total from investment operations	0.25	1.09	(0.29)	0.23	0.47	(0.05)
<b>Less distributions:</b>						
From net investment income	(0.14)	(0.28)	(0.25)	(0.25)	(0.27)	(0.27)
From net realized gain on investments	—	—	—	—	—	(0.04)
Return of capital	—	—	(0.00)‡	(0.00)‡	—	—
Total distributions	(0.14)	(0.28)	(0.25)	(0.25)	(0.27)	(0.31)
Net asset value at end of period	\$ 11.02	\$ 10.91	\$ 10.10	\$ 10.64	\$ 10.66	\$ 10.46
Total investment return (b)	2.31%	10.88%	(2.78%)	2.23%	4.56%	(0.43%)
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	2.37%††	2.63%	2.40%	2.44%	2.55%	2.56%
Net expenses (c)	0.87%††	0.88%	0.90%	0.91%	1.00%	1.08%
Expenses (before waiver/reimbursement) (c)	0.87%††	0.89%	0.90%	0.94%	1.13%	1.11%
Portfolio turnover rate	66%(d)	100%(d)	95% (d)	56%(d)	21%	28%
Net assets at end of period (in 000's)	\$ 66,681	\$ 56,473	\$ 44,527	\$ 55,474	\$ 294,002	\$ 507,633

\* Unaudited.

‡ Less than one cent per share.

†† Annualized.

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 66%, 96%, 63% and 42% for the six months ended April 30, 2020 and for the years ended October 31, 2019, 2018 and 2017, respectively.

# Financial Highlights selected per share data and ratios

Investor Class	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 10.97	\$ 10.15	\$ 10.70	\$ 10.71	\$ 10.51	\$ 10.88
Net investment income (loss)	0.12	0.26	0.24 (a)	0.24	0.29	0.28
Net realized and unrealized gain (loss) on investments	0.12	0.82	(0.56)	(0.01)	0.19	(0.33)
Net realized and unrealized gain (loss) on foreign currency transactions	(0.00)‡	(0.00)‡	(0.00)‡	0.00 ‡	0.01	0.00 ‡
Total from investment operations	0.24	1.08	(0.32)	0.23	0.49	(0.05)
<b>Less distributions:</b>						
From net investment income	(0.13)	(0.26)	(0.23)	(0.24)	(0.29)	(0.28)
From net realized gain on investments	—	—	—	—	—	(0.04)
Return of capital	—	—	(0.00)‡	(0.00)‡	—	—
Total distributions	(0.13)	(0.26)	(0.23)	(0.24)	(0.29)	(0.32)
Net asset value at end of period	\$ 11.08	\$ 10.97	\$ 10.15	\$ 10.70	\$ 10.71	\$ 10.51
Total investment return (b)	2.19%	10.74%	(2.99%)	2.11%	4.81%	(0.46%)
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	2.16%††	2.46%	2.27%	2.28%	2.71%	2.64%
Net expenses (c)	1.09%††	1.05%	1.04%	1.00%	0.83%	1.01%
Expenses (before waiver/reimbursement) (c)	1.09%††	1.06%	1.05%	1.03%	0.98%	1.03%
Portfolio turnover rate	66%(d)	100%(d)	95% (d)	56%(d)	21%	28%
Net assets at end of period (in 000's)	\$ 6,769	\$ 6,557	\$ 5,514	\$ 6,265	\$ 9,232	\$ 8,350

\* Unaudited.

‡ Less than one cent per share.

†† Annualized.

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 66%, 96%, 63% and 42% for the six months ended April 30, 2020 and for the years ended October 31, 2019, 2018 and 2017, respectively.

# Financial Highlights selected per share data and ratios

Class B	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 10.92	\$ 10.11	\$ 10.65	\$ 10.67	\$ 10.47	\$ 10.84
Net investment income (loss)	0.09	0.20	0.16 (a)	0.17	0.21	0.20
Net realized and unrealized gain (loss) on investments	0.11	0.79	(0.55)	(0.03)	0.19	(0.33)
Net realized and unrealized gain (loss) on foreign currency transactions	(0.00)‡	(0.00)‡	(0.00)‡	0.00 ‡	0.01	0.00 ‡
Total from investment operations	0.20	0.99	(0.39)	0.14	0.41	(0.13)
<b>Less distributions:</b>						
From net investment income	(0.09)	(0.18)	(0.15)	(0.16)	(0.21)	(0.20)
From net realized gain on investments	—	—	—	—	—	(0.04)
Return of capital	—	—	(0.00)‡	(0.00)‡	—	—
Total distributions	(0.09)	(0.18)	(0.15)	(0.16)	(0.21)	(0.24)
Net asset value at end of period	\$ 11.03	\$ 10.92	\$ 10.11	\$ 10.65	\$ 10.67	\$ 10.47
Total investment return (b)	1.82%	9.85%	(3.64%)	1.36%	3.95%	(1.21%)
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	1.40%††	1.73%	1.51%	1.53%	1.96%	1.89%
Net expenses (c)	1.84%††	1.80%	1.79%	1.75%	1.57%	1.76%
Expenses (before waiver/reimbursement) (c)	1.84%††	1.81%	1.80%	1.78%	1.73%	1.78%
Portfolio turnover rate	66%(d)	100%(d)	95% (d)	56%(d)	21%	28%
Net assets at end of period (in 000's)	\$ 2,072	\$ 2,515	\$ 2,987	\$ 4,913	\$ 6,746	\$ 6,205

\* Unaudited.

‡ Less than one cent per share.

†† Annualized.

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 66%, 96%, 63% and 42% for the six months ended April 30, 2020 and for the years ended October 31, 2019, 2018 and 2017, respectively.

# 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	\$ 10.93	\$ 10.12	\$ 10.66	\$ 10.68	\$ 10.48	\$ 10.85
Net investment income (loss)	0.08	0.20	0.16 (a)	0.17	0.21	0.20
Net realized and unrealized gain (loss) on investments	0.12	0.79	(0.55)	(0.03)	0.19	(0.33)
Net realized and unrealized gain (loss) on foreign currency transactions	(0.00)‡	(0.00)‡	(0.00)‡	0.00 ‡	0.01	0.00 ‡
Total from investment operations	0.20	0.99	(0.39)	0.14	0.41	(0.13)
<b>Less distributions:</b>						
From net investment income	(0.09)	(0.18)	(0.15)	(0.16)	(0.21)	(0.20)
From net realized gain on investments	—	—	—	—	—	(0.04)
Return of capital	—	—	(0.00)‡	(0.00)‡	—	—
Total distributions	(0.09)	(0.18)	(0.15)	(0.16)	(0.21)	(0.24)
Net asset value at end of period	\$ 11.04	\$ 10.93	\$ 10.12	\$ 10.66	\$ 10.68	\$ 10.48
Total investment return (b)	1.82%	9.84%	(3.64%)	1.36%	3.95%	(1.20%)
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	1.41%††	1.74%	1.51%	1.53%	1.96%	1.89%
Net expenses (c)	1.84%††	1.80%	1.79%	1.75%	1.58%	1.75%
Expenses (before waiver/reimbursement) (c)	1.84%††	1.81%	1.80%	1.78%	1.73%	1.78%
Portfolio turnover rate	66%(d)	100%(d)	95% (d)	56%(d)	21%	28%
Net assets at end of period (in 000's)	\$ 12,891	\$ 11,916	\$ 14,837	\$ 20,215	\$ 28,430	\$ 24,259

\* Unaudited.

‡ Less than one cent per share.

†† Annualized.

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 66%, 96%, 63% and 42% for the six months ended April 30, 2020 and for the years ended October 31, 2019, 2018 and 2017, respectively.

# Financial Highlights selected per share data and ratios

Class I	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 10.91	\$ 10.10	\$ 10.64	\$ 10.66	\$ 10.46	\$ 10.83
Net investment income (loss)	0.15	0.31	0.28 (a)	0.28	0.31	0.32
Net realized and unrealized gain (loss) on investments	0.11	0.81	(0.54)	(0.01)	0.19	(0.33)
Net realized and unrealized gain (loss) on foreign currency transactions	(0.00)‡	(0.00)‡	(0.00)‡	(0.00)‡	0.01	0.00 ‡
Total from investment operations	0.26	1.12	(0.26)	0.27	0.51	(0.01)
<b>Less distributions:</b>						
From net investment income	(0.15)	(0.31)	(0.28)	(0.29)	(0.31)	(0.32)
From net realized gain on investments	—	—	—	—	—	(0.04)
Return of capital	—	—	(0.00)	(0.00)‡	—	—
Total distributions	(0.15)	(0.31)	(0.28)	(0.29)	(0.31)	(0.36)
Net asset value at end of period	\$ 11.02	\$ 10.91	\$ 10.10	\$ 10.64	\$ 10.66	\$ 10.46
Total investment return (b)	2.44%	11.20%	(2.49%)	2.56%	4.96%	(0.05%)
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	2.64%††	2.93%	2.70%	2.66%	2.94%	3.05%
Net expenses (c)	0.60%††	0.60%	0.60%	0.60%	0.60%	0.60%
Expenses (before waiver/reimbursement) (c)	0.62%††	0.64%	0.65%	0.67%	0.88%	0.86%
Portfolio turnover rate	66%(d)	100%(d)	95% (d)	56%(d)	21%	28%
Net assets at end of period (in 000's)	\$ 648,194	\$ 1,056,594	\$ 1,016,022	\$ 1,173,384	\$ 935,533	\$ 1,021,724

\* Unaudited.

‡ Less than one cent per share.

†† Annualized.

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 66%, 96%, 63% and 42% for the six months ended April 30, 2020 and for the years ended October 31, 2019, 2018 and 2017, respectively.

# Financial Highlights selected per share data and ratios

Class R1	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 10.90	\$ 10.10	\$ 10.64	\$ 10.66	\$ 10.46	\$ 10.83
Net investment income (loss)	0.13	0.29	0.27 (a)	0.27	0.30	0.31
Net realized and unrealized gain (loss) on investments	0.13	0.80	(0.54)	(0.01)	0.19	(0.33)
Net realized and unrealized gain (loss) on foreign currency transactions	(0.00)‡	(0.00)‡	(0.00)‡	0.00 ‡	0.01	0.00 ‡
Total from investment operations	0.26	1.09	(0.27)	0.26	0.50	(0.02)
<b>Less distributions:</b>						
From net investment income	(0.15)	(0.29)	(0.27)	(0.28)	(0.30)	(0.31)
From net realized gain on investments	—	—	—	—	—	(0.04)
Return of capital	—	—	(0.00)‡	(0.00)‡	—	—
Total distributions	(0.15)	(0.29)	(0.27)	(0.28)	(0.30)	(0.35)
Net asset value at end of period	\$ 11.01	\$ 10.90	\$ 10.10	\$ 10.64	\$ 10.66	\$ 10.46
Total investment return (b)	2.48%	10.98%	(2.59%)	2.46%	4.86%	(0.14%)
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	2.55%††	2.97%	2.61%	2.58%	2.84%	2.95%
Net expenses (c)	0.70%††	0.70%	0.70%	0.70%	0.70%	0.70%
Expenses (before waiver/reimbursement) (c)	0.72%††	0.74%	0.75%	0.77%	0.98%	0.96%
Portfolio turnover rate	66%(d)	100%(d)	95% (d)	56%(d)	21%	28%
Net assets at end of period (in 000's)	\$ 28	\$ 27	\$ 4,148	\$ 3,627	\$ 3,846	\$ 3,907

\* Unaudited.

‡ Less than one cent per share.

†† Annualized.

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

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. Class R1 shares are not subject to sales charges. For periods of less than one year, total return is not annualized.

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 66%, 96%, 63% and 42% for the six months ended April 30, 2020 and for the years ended October 31, 2019, 2018 and 2017, respectively.

# 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	\$ 10.90	\$ 10.09	\$ 10.63	\$ 10.65	\$ 10.46	\$ 10.82
Net investment income (loss)	0.13	0.27	0.24 (a)	0.24	0.31	0.29
Net realized and unrealized gain (loss) on investments	0.12	0.81	(0.54)	(0.01)	0.15	(0.33)
Net realized and unrealized gain (loss) on foreign currency transactions	(0.00)‡	(0.00)‡	(0.00)‡	0.00 ‡	0.00 ‡	0.00 ‡
Total from investment operations	0.25	1.08	(0.30)	0.23	0.46	(0.04)
<b>Less distributions:</b>						
From net investment income	(0.14)	(0.27)	(0.24)	(0.25)	(0.27)	(0.28)
From net realized gain on investments	—	—	—	—	—	(0.04)
Return of capital	—	—	(0.00)‡	(0.00)‡	—	—
Total distributions	(0.14)	(0.27)	(0.24)	(0.25)	(0.27)	(0.32)
Net asset value at end of period	\$ 11.01	\$ 10.90	\$ 10.09	\$ 10.63	\$ 10.65	\$ 10.46
Total investment return (b)	2.27%	10.82%	(2.83%)	2.18%	4.44%	(0.35%)
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	2.29%††	2.57%	2.35%	2.32%	2.64%	2.67%
Net expenses (c)	0.95%††	0.95%	0.95%	0.95%	0.95%	0.95%
Expenses (before waiver/reimbursement) (c)	0.97%††	0.99%	1.00%	1.02%	1.24%	1.20%
Portfolio turnover rate	66%(d)	100%(d)	95% (d)	56%(d)	21%	28%
Net assets at end of period (in 000's)	\$ 83	\$ 81	\$ 73	\$ 127	\$ 115	\$ 1,266

\* Unaudited.

‡ Less than one cent per share.

†† Annualized.

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 66%, 96%, 63% and 42% for the six months ended April 30, 2020 and for the years ended October 31, 2019, 2018 and 2017, respectively.



# Financial Highlights selected per share data and ratios

Class R3	Six months ended April 30, 2020*	Year ended October 31,			February 29, 2016^ through October 31, 2016
		2019	2018	2017	
Net asset value at beginning of period	\$ 10.90	\$ 10.10	\$ 10.64	\$ 10.66	\$ 10.31
Net investment income (loss)	0.11	0.24	0.22 (a)	0.21	0.15
Net realized and unrealized gain (loss) on investments	0.12	0.80	(0.54)	(0.01)	0.35
Net realized and unrealized gain (loss) on foreign currency transactions	(0.00)‡	(0.00)‡	(0.00)‡	0.00 ‡	0.01
Total from investment operations	0.23	1.04	(0.32)	0.20	0.51
<b>Less distributions:</b>					
From net investment income	(0.12)	(0.24)	(0.22)	(0.22)	(0.16)
Return of capital	—	—	(0.00)‡	(0.00)‡	—
Total distributions	(0.12)	(0.24)	(0.22)	(0.22)	(0.16)
Net asset value at end of period	\$ 11.01	\$ 10.90	\$ 10.10	\$ 10.64	\$ 10.66
Total investment return (b)	2.23%	10.44%	(3.08%)	1.93%	4.98%
<b>Ratios (to average net assets)/Supplemental Data:</b>					
Net investment income (loss)	2.04%††	2.30%	2.15%	2.07%	2.26%††
Net expenses (c)	1.20%††	1.20%	1.20%	1.20%	1.20%††
Expenses (before reimbursement/waiver) (c)	1.22%††	1.24%	1.24%	1.27%	1.48%††
Portfolio turnover rate	66%(d)	100%(d)	95% (d)	56%(d)	21%
Net assets at end of period (in 000's)	\$ 314	\$ 251	\$ 173	\$ 93	\$ 79

\* Unaudited.

^ Inception date.

‡ Less than one cent per share.

†† Annualized.

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

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

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 66%, 96%, 63% and 42% for the six months ended April 30, 2020 and for the years ended October 31, 2019, 2018 and 2017, respectively.

# Financial Highlights selected per share data and ratios

Class R6	Six months ended April 30, 2020*	Year ended October 31,				December 29, 2014^ through October 31, 2015
		2019	2018	2017	2016	
Net asset value at beginning of period	\$ 10.91	\$ 10.10	\$ 10.64	\$ 10.66	\$ 10.46	\$ 10.71
Net investment income (loss)	0.14	0.30	0.29 (a)	0.29	0.36	0.27
Net realized and unrealized gain (loss) on investments	0.13	0.82	(0.54)	(0.02)	0.15	(0.25)
Net realized and unrealized gain (loss) on foreign currency transactions	(0.00)‡	(0.00)‡	(0.00)‡	0.00 ‡	0.01	—
Total from investment operations	0.27	1.12	(0.25)	0.27	0.52	0.02
<b>Less distributions:</b>						
From net investment income	(0.16)	(0.31)	(0.29)	(0.29)	(0.32)	(0.27)
Return of capital	—	—	(0.00)‡	(0.00)‡	—	—
Total distributions	(0.16)	(0.31)	(0.29)	(0.29)	(0.32)	(0.27)
Net asset value at end of period	\$ 11.02	\$ 10.91	\$ 10.10	\$ 10.64	\$ 10.66	\$ 10.46
Total investment return (b)	2.48%	11.27%	(2.42%)	2.62%	5.04%	0.20%
<b>Ratios (to average net assets)/Supplemental Data:</b>						
Net investment income (loss)	2.71%††	2.98%	2.81%	2.74%	3.02%	3.07%††
Net expenses (c)	0.54%††	0.53%	0.53%	0.54%	0.53%	0.53%††
Expenses (before waiver/reimbursement) (c)	0.54%††	0.53%	0.53%	0.54%	0.53%	0.55%††
Portfolio turnover rate	66%(d)	100%(d)	95% (d)	56%(d)	21%	28%
Net assets at end of period (in 000's)	\$ 451,463	\$ 185,733	\$ 119,963	\$ 27	\$ 26	\$ 26

\* Unaudited.

^ Inception date.

‡ Less than one cent per share.

†† Annualized.

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

(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. Class R6 shares are not subject to sales charges. For periods of less than one year, total return is not annualized.

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

(d) The portfolio turnover rates not including mortgage dollar rolls were 66%, 96%, 63% and 42% for the six months ended April 30, 2020 and for the years ended October 31, 2019, 2018 and 2017, respectively.

# 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 Total Return Bond Fund (the “Fund”), a “diversified” fund, as that term is defined in the 1940 Act, as interpreted or modified by regulatory authorities having jurisdiction, from time to time.

The Fund currently has nine classes of shares registered for sale. Class I shares commenced operations on January 2, 1991. Class A, Class B, and Class C shares commenced operations on January 2, 2004. Investor Class shares commenced operations on February 28, 2008. Class R1 and Class R2 shares commenced operations on June 29, 2012. Class R6 shares commenced operations on December 29, 2014. Class R3 shares commenced operations on February 29, 2016.

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

Class A and Investor Class shares are offered at net asset value (“NAV”) per share plus an initial sales charge. No initial sales charge applies to investments of \$1 million or more (and certain other qualified purchases) in Class A and Investor Class shares. However, a CDSC of 1.00% may be imposed on certain redemptions made within 18 months of the date of purchase on shares that were purchased without an initial sales charge. Class C shares are offered at NAV without an initial sales charge, although a 1.00% CDSC may be imposed on certain redemptions of such shares made within one year of the date of purchase of Class C shares. When Class B shares were offered, they were offered at NAV without an initial sales charge, although a CDSC that declines depending on the number of years a shareholder held its Class B shares may be imposed on certain redemptions of such shares made within six years of the date of purchase of such shares. Class I, Class R1, Class R2, Class R3 and class R6 shares are offered at NAV without a sales charge. Depending upon eligibility, Class B shares convert to either Class A or Investor Class shares at the end of the calendar quarter eight years after the date they were purchased. In addition, depending upon eligibility, Class C shares convert to either Class A or Investor Class shares at the end of the calendar quarter ten years after the date they were purchased. Additionally, as disclosed in the Fund’s prospectus, Class A shares may convert automatically to Investor Class shares and Investor Class shares may convert automatically to Class A shares. Under certain circumstances and as may be

permitted by the Trust’s multiple class plan pursuant to Rule 18f-3 under the 1940 Act, specified share classes of the Fund may be converted to one or more other share classes of the Fund as disclosed in the capital share transactions within these Notes. The classes of shares have the same voting (except for issues that relate solely to one class), dividend, liquidation and other rights, and the same terms and conditions, except that under distribution plans pursuant to Rule 12b-1 under the 1940 Act, Class B and Class C shares are subject to higher distribution and/or service fees than Class A, Investor Class, Class R2 and Class R3 shares. Class I, Class R1 and Class R6 shares are not subject to a distribution and/or service fee. Class R1, Class R2 and Class R3 shares are subject to a shareholder service fee, which is in addition to fees paid under the distribution plans for Class R2 and Class R3 shares.

The Fund’s investment objective is to seek total return.

## 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

# Notes to Financial Statements (Unaudited) (continued)

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.

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

Debt securities (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.

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.

Foreign currency forward contracts are valued at their fair market values measured on the basis of the mean between the last current bid and ask prices based on dealer or exchange quotations 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.

A portfolio investment may be classified as an illiquid investment under the Trust's written liquidity risk management program ("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. 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 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. Interest income is accrued as earned using the effective interest rate method and includes any realized gains and losses from repayments of principal on mortgage-backed securities. Distributions received from real estate investment trusts may be classified as dividends, capital gains and/or return of capital. Discounts and premiums on securities purchased, for the Fund are accreted and amortized, respectively. 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



# Notes to Financial Statements (Unaudited) (continued)

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) Repurchase Agreements.** The Fund may enter into repurchase agreements (i.e., buy a security from another party with the agreement that it will be sold back in the future) to earn income. The Fund may enter into repurchase agreements only with counterparties, usually financial institutions, that are deemed by the Manager or the Subadvisor to be creditworthy, pursuant to guidelines established by the Board. During the term of any repurchase agreement, the Manager or the Subadvisor will continue to monitor the creditworthiness of the counterparty. Under the 1940 Act, repurchase agreements are considered to be collateralized loans by the Fund to the counterparty secured by the securities transferred to the Fund.

Repurchase agreements are subject to counterparty risk, meaning the Fund could lose money by the counterparty's failure to perform under the terms of the agreement. The Fund mitigates this risk by ensuring the repurchase agreement is collateralized by cash, U.S. government securities, fixed income securities and/or other securities. The collateral is held by the Fund's custodian and valued daily on a mark to market basis to determine if the value, including accrued interest, exceeds the repurchase price. In the event of the counterparty's default on the obligation to repurchase, the Fund has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. Under certain circumstances, such as in the event of default or bankruptcy by the counterparty, realization and/or retention of the collateral may be limited or subject to delay, to legal proceedings and possible realized loss to the Fund. As of April 30, 2020, the Fund did not hold any repurchase agreements.

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

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

**(I) Foreign Currency Forward Contracts.** The Fund may enter into foreign currency forward contracts, which are agreements to buy or sell foreign currencies on a specified future date at a specified rate. The Fund is subject to foreign currency exchange rate risk in the normal course of investing in these transactions. During the period the forward contract is open, changes in the value of the contract are recognized as unrealized appreciation or depreciation by marking to market such contract on a daily basis to reflect the market value of the contract at

the end of each day's trading. Cash movement occurs on settlement date. When the forward contract is closed, the Fund records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Fund's basis in the contract. The Fund may purchase and sell foreign currency forward contracts for purposes of seeking to enhance portfolio returns and manage portfolio risk more efficiently. Foreign currency forward contracts may also be used to gain exposure to a particular currency or to hedge against the risk of loss due to changing currency exchange rates. Foreign currency forward contracts to purchase or sell a foreign currency may also be used in anticipation of future purchases or sales of securities denominated in foreign currency, even if the specific investments have not yet been selected.

The use of foreign currency forward contracts involves, to varying degrees, elements of risk in excess of the amount recognized in the Statement of Assets and Liabilities, including counterparty risk, market risk and illiquidity risk. Counterparty risk is heightened for these instruments because foreign currency forward contracts are not exchange-traded and therefore no clearinghouse or exchange stands ready to meet the obligations under such contracts. Thus, the Fund faces the risk that its counterparties under such contracts may not perform their obligations. Market risk is the risk that the value of a foreign currency forward contract will depreciate due to unfavorable changes in exchange rates. Illiquidity risk arises because the secondary market for foreign currency forward contracts may have less liquidity relative to markets for other securities and financial instruments. Risks also arise from the possible movements in the foreign exchange rates underlying these instruments. While the Fund may enter into forward contracts to reduce currency exchange risks, changes in currency exchange rates may result in poorer overall performance for the Fund than if it had not engaged in such transactions. Exchange rate movements can be large, depending on the currency, and can last for extended periods of time, affecting the value of the Fund's assets. Moreover, there may be an imperfect correlation between the Fund's holdings of securities denominated in a particular currency and forward contracts entered into by the Fund. Such imperfect correlation may prevent the Fund from achieving the intended hedge or expose the Fund to the risk of currency exchange loss. The unrealized appreciation (depreciation) on forward contracts also reflects the Fund's exposure at the valuation date to credit loss in the event of a counterparty's failure to perform its obligations. Open foreign currency forward contracts as of April 30, 2020, are shown in the Portfolio of Investments.

**(J) Foreign Currency Transactions.** The Fund's books and records are maintained in U.S. dollars. Prices of securities denominated in foreign currency amounts are translated into U.S. dollars at the mean between the buying and selling rates last quoted by any major U.S. bank at the following dates:

- (i) market value of investment securities, other assets and liabilities—at the valuation date; and
- (ii) purchases and sales of investment securities, income and expenses—at the date of such transactions.

The assets and liabilities that are denominated in foreign currency amounts are presented at the exchange rates and market values at the close of the period. The realized and unrealized changes in net assets

arising from fluctuations in exchange rates and market prices of securities are not separately presented.

Net realized gain (loss) on foreign currency transactions represents net currency gains or losses realized as a result of differences between the amounts of securities sale proceeds or purchase cost, dividends, interest and withholding taxes as recorded on the Fund's books, and the U.S. dollar equivalent amount actually received or paid. Net currency gains or losses from valuing such foreign currency denominated assets and liabilities, other than investments at valuation date exchange rates, are reflected in unrealized foreign exchange gains or losses.

**(K) Rights and Warrants.** Rights are certificates that permit the holder to purchase a certain number of shares, or a fractional share, of a new stock from the issuer at a specific price. Warrants are instruments that entitle the holder to buy an equity security at a specific price for a specific period of time. These investments can provide a greater potential for profit or loss than an equivalent investment in the underlying security. Prices of these investments do not necessarily move in tandem with the prices of the underlying securities.

Rights and warrants are speculative investments. The Fund could lose the entire value of its investment in warrants if such warrants are not exercised by the date of its expiration. To the extent the Fund invests in rights and warrants, the Fund is exposed to risk until the sale or exercise of each right or warrant is completed. As of April 30, 2020, the Fund did not hold any rights or warrants.

**(L) Dollar Rolls.** The Fund may enter into dollar roll transactions in which it sells mortgage-backed securities ("MBS") from its portfolio to a counterparty from whom it simultaneously agrees to buy a similar security on a delayed delivery basis. The Fund generally transfers MBS where the MBS are "to be announced," therefore, the Fund accounts for these transactions as purchases and sales.

When accounted for as purchase and sales, the securities sold in connection with the dollar rolls are removed from the portfolio and a realized gain or loss is recognized. The securities the Fund has agreed to acquire are included at market value in the Portfolio of Investments and liabilities for such purchase commitments are included as payables for investments purchased. During the roll period, the Fund foregoes principal and interest paid on the securities. The Fund is compensated by the difference between the current sales price and the forward price for the future as well as by the earnings on the cash proceeds of the initial sale. Dollar rolls may be renewed without physical delivery of the securities subject to the contract. The Fund maintains liquid assets from its portfolio having a value not less than the repurchase price, including accrued interest. Dollar roll transactions involve certain risks, including the risk that the securities returned to the Fund at the end of the roll period, while substantially similar, could be inferior to what was initially sold to the counterparty.

**(M) 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

# Notes to Financial Statements (Unaudited) (continued)

Fund and State Street, and indemnify the Fund against counterparty risk. The loans will be collateralized by cash (which may be invested in a money market fund) and/or non-cash collateral (which may include U.S. Treasury securities and/or U.S. government agency securities issued or guaranteed by the United States government or its agencies or instrumentalities) at least equal at all times to the market value of the securities loaned. The Fund bears the risk of delay in recovery of, or loss of rights in, the securities loaned. The Fund may also record a realized gain or loss on securities deemed sold due to a borrower's inability to return securities on loan. The Fund bears the risk of any loss on investment of cash collateral. The Fund will receive compensation for lending its securities in the form of fees or it will retain a portion of interest earned on the investment of any cash collateral. The Fund will also continue to receive interest and dividends on the securities loaned and any gain or loss in the market price of the securities loaned that may occur during the term of the loan will be for the account of the Fund. Income earned from securities lending activities, if any, is reflected in the Statement of Operations. As of April 30, 2020, the Fund had securities on loan with an aggregate market value of \$8,310,434 and received cash collateral, which was invested into the State Street Navigator Securities Lending Government Money Market Portfolio, with a value of \$8,489,855.

**(N) Foreign 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 may invest in foreign securities, which carry certain risks that are in addition to the usual risks inherent in domestic securities. These risks include those resulting from currency fluctuations, future adverse political or economic developments and possible imposition of currency exchange blockages or other foreign governmental laws or restrictions. These risks are likely to be greater in emerging markets than in developed markets. The ability of issuers of 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.

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

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.

**(P) 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.

**(Q) Large Transaction Risks.** From time to time, the Fund may receive large purchase or redemption orders from affiliated or unaffiliated mutual funds or other investors. Such large transactions could have adverse effects on the Fund's performance if the Fund were required to sell securities or invest cash at times when it otherwise would not do so. This activity could also accelerate the realization of capital gains and increase the Fund's transaction costs. The Fund has adopted procedures designed to mitigate the negative impacts of such large transactions, but there can be no assurance that these procedures will be effective.

**(R) Quantitative Disclosure of Derivative Holdings.** The following tables show additional disclosures related to the Fund's derivative and hedging activities, including how such activities are accounted for and their effect on the Fund's financial positions, performance and cash flows. In order to keep the Fund nearly fully invested, while maintaining a short duration posture, the Fund executed a duration tilt with U.S. Treasury futures. The Fund entered into futures contracts to help manage the duration and yield curve positioning of the portfolio while minimizing the exposure to wider bid/ask spreads in traditional bonds. These derivatives are not accounted for as hedging instruments.



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

### Asset Derivatives

	Statement of Assets and Liabilities Location	Foreign Exchange Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts	Net Assets—Net unrealized appreciation on investments and futures contracts	\$	\$11,155	\$11,155
Forward Contracts	Unrealized appreciation on foreign currency forward contracts	34,545	—	34,545
Total Fair Value		\$34,545	\$11,155	\$45,700

### Liability Derivatives

	Statement of Assets and Liabilities Location	Foreign Exchange Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts	Net Assets—Net unrealized depreciation on investments and futures contracts (a)	\$ —	\$(3,500,741)	\$(3,500,741)
Forward Contracts	Unrealized depreciation on foreign currency forward contracts	(55,827)	—	(55,827)
Total Fair Value		\$(55,827)	\$(3,500,741)	\$(3,556,568)

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

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

### Realized Gain (Loss)

	Statement of Operations Location	Foreign Exchange Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts	Net realized gain (loss) on futures transactions	\$—	\$2,580,057	\$2,580,057
Total Realized Gain (Loss)		\$—	\$2,580,057	\$2,580,057

### Change in Unrealized Appreciation (Depreciation)

	Statement of Operations Location	Foreign Exchange Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts	Net change in unrealized appreciation (depreciation) on futures contracts	\$ —	\$(2,844,924)	\$(2,844,924)
Forward Contracts	Net change in unrealized appreciation (depreciation) on foreign currency forward contracts	(21,282)	—	(21,282)
Total Change in Unrealized Appreciation (Depreciation)		\$(21,282)	\$(2,844,924)	\$(2,866,206)

### Average Notional Amount

	Foreign Exchange Contracts Risk	Interest Rate Contracts Risk	Total
Futures Contracts Long	\$ —	\$ 179,635,579	\$ 179,635,579
Futures Contracts Short	\$ —	\$(107,396,805)	\$(107,396,805)
Forward Contracts Long (a)	\$ 2,053,300	\$ —	\$ 2,053,300
Forward Contracts Short (b)	\$(4,541,436)	\$ —	\$(4,541,436)

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

(b) Positions were open three months during the reporting period.

### Note 3—Fees and Related Party Transactions

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

Under the Management Agreement, the Fund pays the Manager a monthly fee for the services performed and the facilities furnished at an annual rate of the Fund’s average daily net assets as follows: 0.50% up to \$1 billion; 0.475% from \$1 billion to \$3 billion; and 0.465% in excess of \$3 billion. During the six-month period ended April 30, 2020, the effective management fee rate (exclusive of any applicable waivers/reimbursements) was 0.49%.

New York Life Investments has contractually agreed to waive fees and/or reimburse expenses so that Total Annual Fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase or sale of portfolio investments and acquired (underlying) fund fees and expenses) do not exceed the following percentages of average daily net assets: Class A, 0.88% and Class I, 0.60%. New York Life Investments will apply an equivalent waiver or reimbursement, in an equal number of basis points of the Class A shares waiver/reimbursement to Investor Class shares, Class B shares, Class C shares, Class R1 shares, Class R2 shares and Class R3 shares. New York Life Investments has also contractually agreed to waive fees and/or reimburse expenses so that Total Annual Fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase or sale of portfolio investments, and acquired (underlying) fund

# Notes to Financial Statements (Unaudited) (continued)

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 of the Board.

In addition, New York Life Investments has agreed to voluntarily waive fees and/or reimburse expenses so that the Total Annual fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase and sale of portfolio investments, and acquired (underlying) fund fees and expenses) for Class R1, Class R2 and Class R3 shares of the Fund do not exceed 0.70%, 0.95% and 1.20%, respectively, of the Fund's average daily net assets. This voluntary waiver or reimbursement may be discontinued at any time without notice.

During the six-month period ended April 30, 2020, New York Life Investments earned fees from the Fund in the amount of \$3,235,872 and waived its fees and/or reimbursed expenses in the amount of \$84,052 and paid the Subadvisor in the amount of \$1,575,978.

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

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

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

Pursuant to the Class A, Investor Class and Class R2 Plans, the Distributor receives a monthly distribution fee from the Class A, Investor Class and Class R2 shares at an annual rate of 0.25% of the average daily net assets of the Class A, Investor Class and Class R2 shares for distribution and/or service activities as designated by the Distributor. Pursuant to the Class B and Class C Plans, Class B and Class C shares pay the Distributor a monthly distribution fee at an annual rate of 0.75% of the average daily net assets of the Class B and Class C shares, along with a service fee at an annual rate of 0.25% of the average daily net assets of the Class B and Class C shares, for a total 12b-1 fee of

1.00%. Pursuant to the Class R3 Plan, the Distributor receives a monthly distribution and/or service fee from the Class R3 shares at an annual rate of 0.50% of the average daily net assets of the Class R3 shares. Class I, Class R1 and Class R6 shares are not subject to a distribution and/or service fee.

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

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

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

Class R1	\$ 13
Class R2	41
Class R3	140

**(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 \$17,479 and \$1,843, respectively.

The Fund was also advised that the Distributor retained CDSCs on redemptions of Class A, Class B and Class C shares during the six-month period ended April 30, 2020, of \$323, \$991 and \$608, 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	Expenses	Waived
Class A	\$ 24,926	\$—
Investor Class	9,782	—
Class B	3,383	—
Class C	17,778	—
Class I	338,500	—
Class R1	11	—
Class R2	35	—
Class R3	115	—
Class R6	8,944	—

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

Affiliated Investment Company	Value, Beginning of Period	Purchases at Cost	Proceeds from Sales	Net Realized Gain/(Loss) on Sales	Change in Unrealized Appreciation/ (Depreciation)	Value, End of Period	Dividend Income	Other Distributions	Shares End of Period
MainStay U.S. Government Liquidity Fund	\$83,216	\$771,786	\$(836,719)	\$ —	\$ —	\$18,283	\$325	\$ —	18,283

**(G) 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 R1	\$27,546	99.8%
Class R2	31,385	37.7
Class R3	29,213	9.3
Class R6	29,968	0.0

#### 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 (Depreciation)	Gross Unrealized Depreciation (Depreciation)	Net Unrealized Appreciation/ (Depreciation)
Investments in Securities	\$1,174,947,947	\$50,694,276	\$(27,806,809)	\$22,887,467

As of October 31, 2019, for federal income tax purposes, capital loss carryforwards of \$21,237,829 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.

**(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.

Capital Loss Available Through	Short-Term Capital Loss Amounts (000's)	Long-Term Capital Loss Amounts (000's)
Unlimited	\$—	\$21,238

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	\$36,321,574

#### 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 security.

Security	Date(s) of Acquisition	Shares	Cost	4/30/20 Value	Percent of Net Assets
ION Media Networks, Inc.					
Common Stock	3/12/10	2	\$ —	\$754	0.0%‡

‡ Less than one-tenth of a percent.

# Notes to Financial Statements (Unaudited) (continued)

## 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 U.S. government securities were \$544,481 and \$718,210, respectively. Purchases and sales of securities, other than U.S. government securities and short-term securities, were \$290,968 and \$233,964, respectively.

## Note 10—Capital Share Transactions

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

Class A	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	1,669,375	\$ 18,279,444
Shares issued to shareholders in reinvestment of distributions	65,131	712,362
Shares redeemed	(914,737)	(10,016,807)
Net increase (decrease) in shares outstanding before conversion	819,769	8,974,999
Shares converted into Class A (See Note 1)	57,299	616,057
Shares converted from Class A (See Note 1)	(2,256)	(24,819)
Net increase (decrease)	874,812	\$ 9,566,237
Year ended October 31, 2019:		
Shares sold	1,961,925	\$ 20,782,770
Shares issued to shareholders in reinvestment of distributions	110,347	1,164,200
Shares redeemed	(1,368,306)	(14,364,700)
Net increase (decrease) in shares outstanding before conversion	703,966	7,582,270
Shares converted into Class A (See Note 1)	96,727	1,017,787
Shares converted from Class A (See Note 1)	(32,288)	(342,020)
Net increase (decrease)	768,405	\$ 8,258,037
Investor Class	Shares	Amount
Six-month period ended April 30, 2020:		
Shares sold	118,422	\$ 1,291,673
Shares issued to shareholders in reinvestment of distributions	6,946	76,377
Shares redeemed	(82,722)	(901,952)
Net increase (decrease) in shares outstanding before conversion	42,646	466,098
Shares converted into Investor Class (See Note 1)	12,629	140,706
Shares converted from Investor Class (See Note 1)	(42,075)	(453,218)
Net increase (decrease)	13,200	\$ 153,586
Year ended October 31, 2019:		
Shares sold	173,484	\$ 1,869,342
Shares issued to shareholders in reinvestment of distributions	13,294	140,875
Shares redeemed	(130,835)	(1,397,745)
Net increase (decrease) in shares outstanding before conversion	55,943	612,472
Shares converted into Investor Class (See Note 1)	53,502	567,455
Shares converted from Investor Class (See Note 1)	(54,590)	(580,575)
Net increase (decrease)	54,855	\$ 599,352

<b>Class B</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares sold	17,144	\$ 183,682
Shares issued to shareholders in reinvestment of distributions	1,573	17,218
Shares redeemed	(46,123)	(499,112)
Net increase (decrease) in shares outstanding before conversion	(27,406)	(298,212)
Shares converted from Class B (See Note 1)	(15,065)	(165,352)
Net increase (decrease)	(42,471)	\$ (463,564)
Year ended October 31, 2019:		
Shares sold	38,675	\$ 416,459
Shares issued to shareholders in reinvestment of distributions	3,852	40,495
Shares redeemed	(88,087)	(925,155)
Net increase (decrease) in shares outstanding before conversion	(45,560)	(468,201)
Shares converted from Class B (See Note 1)	(19,572)	(206,789)
Net increase (decrease)	(65,132)	\$ (674,990)

<b>Class C</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares sold	347,107	\$ 3,798,115
Shares issued to shareholders in reinvestment of distributions	8,318	91,128
Shares redeemed	(267,617)	(2,915,287)
Net increase (decrease) in shares outstanding before conversion	87,808	973,956
Shares converted from Class C (See Note 1)	(10,321)	(113,374)
Net increase (decrease)	77,487	\$ 860,582
Year ended October 31, 2019:		
Shares sold	323,808	\$ 3,392,307
Shares issued to shareholders in reinvestment of distributions	20,603	216,688
Shares redeemed	(675,789)	(7,150,038)
Net increase (decrease) in shares outstanding before conversion	(331,378)	(3,541,043)
Shares converted from Class C (See Note 1)	(44,673)	(466,470)
Net increase (decrease)	(376,051)	\$ (4,007,513)

<b>Class I</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares sold	7,633,299	\$ 83,338,607
Shares issued to shareholders in reinvestment of distributions	959,987	10,499,992
Shares redeemed	(46,630,754)	(507,379,910)
Net increase (decrease)	(38,037,468)	\$(413,541,311)
Year ended October 31, 2019:		
Shares sold	22,359,355	\$ 236,859,763
Shares issued to shareholders in reinvestment of distributions	2,824,136	29,753,290
Shares redeemed	(22,826,631)	(242,710,140)
Net increase (decrease) in shares outstanding before conversion	2,356,860	23,902,913
Shares converted into Class I (See Note 1)	1,037	10,612
Shares converted from Class I (See Note 1)	(6,097,904)	(63,113,303)
Net increase (decrease)	(3,740,007)	\$ (39,199,778)

<b>Class R1</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares issued to shareholders in reinvestment of distributions	34	368
Net increase (decrease)	34	\$ 368
Year ended October 31, 2019:		
Shares sold	20,574	\$ 210,604
Shares issued to shareholders in reinvestment of distributions	4,637	47,586
Shares redeemed	(433,599)	(4,522,526)
Net increase (decrease)	(408,388)	\$ (4,264,336)

<b>Class R2</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares issued to shareholders in reinvestment of distributions	93	1,016
Net increase (decrease)	93	\$ 1,016
Year ended October 31, 2019:		
Shares issued to shareholders in reinvestment of distributions	188	1,981
Net increase (decrease)	188	\$ 1,981

<b>Class R3</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares sold	5,414	\$ 59,053
Shares issued to shareholders in reinvestment of distributions	128	1,398
Shares redeemed	(9)	(93)
Net increase (decrease)	5,533	\$ 60,358
Year ended October 31, 2019:		
Shares sold	6,170	\$ 65,149
Shares issued to shareholders in reinvestment of distributions	116	1,237
Shares redeemed	(461)	(4,687)
Net increase (decrease)	5,825	\$ 61,699

<b>Class R6</b>	<b>Shares</b>	<b>Amount</b>
Six-month period ended April 30, 2020:		
Shares sold	30,316,375	\$ 328,877,702
Shares issued to shareholders in reinvestment of distributions	611,426	6,690,019
Shares redeemed	(6,980,565)	(74,302,515)
Net increase (decrease)	23,947,236	\$ 261,265,206
Year ended October 31, 2019:		
Shares sold	6,429,841	\$ 67,555,521
Shares issued to shareholders in reinvestment of distributions	454,761	4,801,485
Shares redeemed	(7,834,175)	(81,793,902)
Net increase (decrease) in shares outstanding before conversion	(949,573)	(9,436,896)
Shares converted into Class R6 (See Note 1)	6,097,904	63,113,303
Net increase (decrease)	5,148,331	\$ 53,676,407

# Notes to Financial Statements (Unaudited) (continued)

## Note 11—Recent Accounting Pronouncements

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

## Note 12—Subsequent Events

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

## Note 13—Other Matters

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Investment Performance

In evaluating the Fund's investment performance, the Board considered investment performance results over various periods in light of the Fund's investment objective, strategies and risks, generally placing greater emphasis on the Fund's long-term performance track record. The Board considered investment reports on, and analysis of, the Fund's performance provided to the Board throughout the year by the Investment Consulting Group of New York Life Investments. These reports include, among other items, information on the Fund's gross and net returns, the Fund's investment performance compared to relevant investment categories and the Fund's 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 managers and the members of the Board's Investment Committee, which generally occur on an annual basis. In addition, the Board considered any specific actions that New York Life Investments or MacKay had taken, or had agreed with the Board to take, to seek to enhance Fund investment performance and the results of those actions. In considering the investment performance of the Fund, the Board noted that the Fund underperformed its peer funds for the one-, three-, five- and ten-year periods ended July 31, 2019. The Board considered its discussions with representatives from New York Life Investments and MacKay regarding the Fund's investment performance relative to that of its benchmark index and peer funds.

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

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

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

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

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

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

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

The Board also considered certain fall-out benefits that may be realized by New York Life Investments and MacKay and their affiliates due to their relationships with the Fund, including reputational and other indirect benefits. 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.

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

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

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

The Board considered that, because the Fund's transfer agent fees are billed on a per-account basis, the impact of transfer agent fees on a share class's expense ratio may be more significant in cases where the share class has a high number of small accounts. The Board considered the extent to which transfer agent fees comprised total expenses of the Fund. The Board acknowledged the role that the MainStay Group of Funds historically has played in serving the investment needs of New York Life Insurance Company customers, who often maintain smaller account balances than other shareholders of funds, and the impact of small accounts on the expense ratios of Fund share classes. The Board also recognized measures that it and New York Life Investments have taken to mitigate the effect of small accounts on the expense ratios of Fund share classes, including through the imposition of an expense limitation on net transfer agency expenses. The Board noted that, for purposes of allocating transfer agency fees and expenses, each retail fund in the MainStay Group of Funds combines the shareholder accounts of its Class A, I, R1, R2, and Class R3 shares (as applicable) into one group and the shareholder accounts of its Investor Class and Class B and C shares (as applicable) into another

group. The Board also noted that the per-account fees attributable to each group of share classes is then allocated among the constituent share classes based on relative net assets and that a MainStay Fund's Class R6 shares, if any, are not combined with any other share class for this purpose. The Board considered New York Life Investments' rationale with respect to these groupings and received a report from an independent consultant engaged to conduct comparative analysis of these groupings. The Board also considered that NYLIM Service Company LLC had waived its contractual cost of living adjustments during the past six years.

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

## Economies of Scale

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

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

## Conclusion

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

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

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

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

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

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

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

## Proxy Voting Policies and Procedures and Proxy Voting Record

A description of the policies and procedures that New York Life Investments uses to vote proxies related to the Fund's securities is available free of charge upon request, by visiting the MainStay Funds' website at [nylinvestments.com/funds](http://nylinvestments.com/funds) or visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

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

## Shareholder Reports and Quarterly Portfolio Disclosure

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

This page intentionally left blank

This page intentionally left blank

# MainStay Funds

## Equity

### U.S. Equity

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

### International Equity

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

### Emerging Markets Equity

MainStay Candriam Emerging Markets Equity Fund

### Global Equity

MainStay Epoch Capital Growth Fund  
MainStay Epoch Global Equity Yield Fund

## Fixed Income

### Taxable Income

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

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

### Tax-Exempt Income

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

### Money Market

MainStay Money Market Fund

## Mixed Asset

MainStay Balanced Fund  
MainStay Income Builder Fund  
MainStay MacKay Convertible Fund

## Speciality

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

## Asset Allocation

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

---

## Manager

### New York Life Investment Management LLC

New York, New York

## Subadvisors

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

Brussels, Belgium

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

Strassen, Luxembourg

### CBRE Clarion Securities LLC

Radnor, Pennsylvania

### Cushing Asset Management, LP

Dallas, Texas

### Epoch Investment Partners, Inc.

New York, New York

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

New York, New York

### Markston International LLC

White Plains, New York

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

New York, New York

### Winslow Capital Management, LLC

Minneapolis, Minnesota

## Legal Counsel

### Dechert LLP

Washington, District of Columbia

## Independent Registered Public Accounting Firm

### KPMG LLP

Philadelphia, Pennsylvania

1. Formerly known as MainStay Large Cap Growth Fund.

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

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

4. Formerly known as MainStay Indexed Bond Fund.

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

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

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

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

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

**For more information**

800-624-6782

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

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

©2020 NYLIFE Distributors LLC. All rights reserved.

1737263 MS086-20

MSTRB10-06/20  
(NYLIM) NL229