

MainStay Money Market Fund

Message from the President and Semiannual Report

Unaudited | April 30, 2020

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

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

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

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



INVESTMENTS

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Message from the President

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

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

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

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

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

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

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

Sincerely,



Kirk C. Lehneis
President

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

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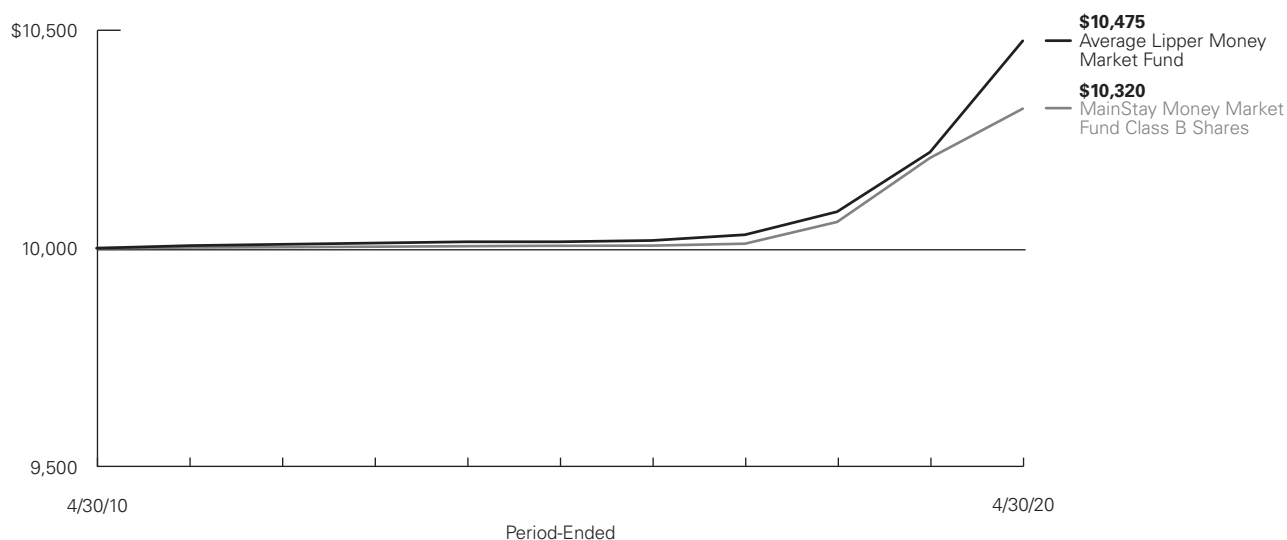
An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support at any time. The Fund may impose a fee upon the sale of your shares or may temporarily suspend your ability to sell shares if the Fund's liquidity falls below required minimums because of market conditions or other factors.

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

Investment and Performance Comparison¹ (Unaudited)

Performance data quoted represents past performance. Past performance is no guarantee of future results. Because of market volatility and other factors, current performance may be lower or higher than the figures shown. Investment return and principal value will fluctuate, and as a result, when shares are redeemed, they may be worth more or less than their original cost. The graph below depicts the historical performance of Class B² shares of the Fund. Performance will vary from class to class based on differences in class-specific expenses. For performance information current to the most recent month-end, please call 800-624-6782 or visit nylinvestments.com/funds.

An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.



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

Class	Sales Charge	Inception Date	Six Months	One Year	Five Years	Ten Years	Gross Expense Ratio ³
Class A Shares ⁴	No Sales Charge	1/3/1995	0.45%	1.33%	0.77%	0.39%	0.56%
Investor Class Shares ⁴	No Sales Charge	2/28/2008	0.34	1.10	0.62	0.32	0.88
Class B Shares ^{2,4}	No Sales Charge	5/1/1986	0.34	1.10	0.62	0.32	0.88
Class C Shares ⁴	No Sales Charge	9/1/1998	0.34	1.10	0.62	0.32	0.88

- 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 changes in share price, and reinvestment of dividend and capital gain distributions. The graph assumes the initial investment amount shown above. Performance figures may reflect certain fee waivers and/or expense limitations, without which total returns would 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.
- Class B shares are closed to all new purchases as well as additional investments by existing Class B shareholders.
- 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.
- As of April 30, 2020, MainStay Money Market Fund had an effective 7-day yield of 0.18% for Class A, 0.01% for Investor Class, 0.01% for Class B, and 0.01% for Class C shares. The 7-day current yield was 0.18% for Class A, 0.01% for Investor Class, 0.01% for Class B, and 0.01% for Class C shares. These yields reflect certain expense limitations. Had these expense limitations not been in effect, the effective 7-day yield would have been 0.18%, -0.15%, -0.15% and -0.15%, for Class A, Investor Class, Class B and C shares, respectively, and the 7-day current yield would have been 0.18%, -0.15%, -0.15% and -0.15%, for Class A, Investor Class, Class B and C shares, respectively. The current yield reflects the Fund's earnings better than the Fund's total return.

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

Benchmark Performance	Six Months	One Year	Five Years	Ten Years
Average Lipper Money Market Fund ⁵	0.54%	1.46%	0.89%	0.46%
Morningstar Prime Money Market Category Average ⁶	0.56	1.52	0.92	0.48

5. The Average Lipper Money Market Fund is an equally weighted performance average adjusted for capital gains distributions and income dividends of all of the money market funds in the Lipper Universe. Lipper Inc., a wholly-owned subsidiary of Thomson Reuters, is an independent monitor of mutual fund performance. Results do not reflect any deduction of sales charges. Lipper averages are not class specific. Lipper returns are unaudited. Results are based on average total returns of similar funds with all dividend and capital gain distributions reinvested.

6. The Morningstar Prime Money Market Category Average is representative of funds that invest in short-term money market securities in order to provide a level of current income that is consistent with the preservation of capital. 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 Money Market Fund (Unaudited)

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

Example

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

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

Actual Expenses

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

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

Hypothetical Example for Comparison Purposes

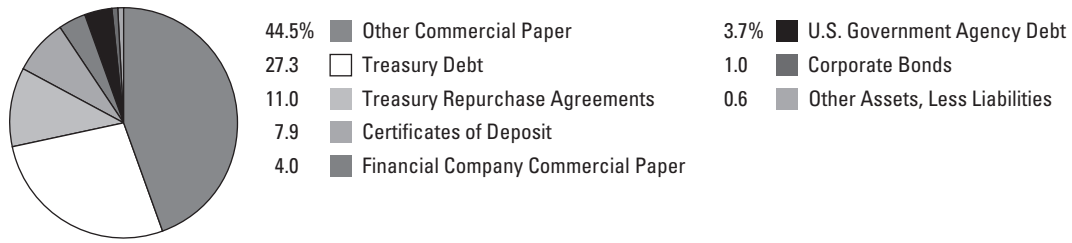
The fourth and fifth data columns in the table below provide information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values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

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

Share Class	Beginning Account Value 11/1/19	Ending Account Value (Based on Actual Returns and Expenses) 4/30/20	Expenses Paid During Period ¹	Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 4/30/20	Expenses Paid During Period ¹	Net Expense Ratio During Period ²
Class A Shares	\$1,000.00	\$1,004.50	\$2.69	\$1,022.18	\$2.72	0.54%
Investor Class Shares	\$1,000.00	\$1,003.40	\$3.74	\$1,021.13	\$3.77	0.75%
Class B Shares	\$1,000.00	\$1,003.40	\$3.74	\$1,021.13	\$3.77	0.75%
Class C Shares	\$1,000.00	\$1,003.40	\$3.69	\$1,021.18	\$3.72	0.74%

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

Portfolio Composition as of April 30, 2020 (Unaudited)



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

Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by NYL Investors LLC, the Fund's Subadvisor.

How did MainStay Money Market Fund perform relative to its benchmark and peer group during the six months ended April 30, 2020?

As of April 30, 2020, Class A shares of MainStay Money Market Fund provided a 7-day effective yield of 0.18% and a 7-day current yield of 0.18%. For the six months ended April 30, 2020, Class A shares returned 0.45%, underperforming the 0.54% return of the Average Lipper Money Market Fund. Over the same period, Class A shares also underperformed the 0.56% return of the Morningstar Prime Money Market Category Average.¹

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

By far, the three most significant factors affecting the Fund's relative performance during the reporting period were an oil supply war, a very rapid 150-basis-point cut to the Fed's target rate range, and the COVID-19 pandemic. (A basis point is one one-hundredth of a percentage point.) We believe the oil supply war significantly affected the Fund's relative performance in terms of coping with the financial repercussions of the developing pandemic. These combined events sent the financial markets into a downward spiral that will likely take some time to sort out.

What was the Fund's duration² strategy during the reporting period?

The Fund's duration as of April 30, 2020 stood at 41 days. This represented a meaningful extension (26 days) from the Fund's duration at the start of the reporting period, a change driven by the COVID-19 market upheaval. Given the fact that the Fed rapidly lowered interest rates by 150 basis points in the first half of March 2020, the Fund's extended duration was a function of available offerings. After the initial period of severe credit

aversion by investors, commercial paper issuers chose to extend their offering tenors to secure longer-term funding and avoid any remaining fear-based volatility in the markets.

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

As is typically the case, commercial paper and agency floaters were the strongest positive contributors to the Fund's relative performance. (Contributions take weightings and total returns into account.) However, returns were much higher in relative terms at the end of this reporting period because any perceived issuer risk resulted in significant price concessions by issuers. Over the same period, U.S. Treasury bills were the Fund's weakest relative performers as a flight to quality overwhelmed the Treasury yield curve³, forcing yields into negative territory.

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

The Fund made significant purchases of commercial paper after the two Fed rate cuts in March 2020. In addition, the Fund purchased several longer-dated agency discount notes before demand overwhelmed supply, and prices were driven higher. We believe these relatively longer-dated agencies should help buoy the Fund yield for several months.

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

In March 2020, the Fund made a purely defensive shift out of higher-credit-risk commercial paper into Treasury bills. As markets settled down later in March and April, the Fund moved back into cheap commercial paper to the extent our credit analysis allowed.

1. See page 5 for other share class returns, which may be higher or lower than Class A share returns. See page 6 for more information on benchmark and peer group returns.
2. Duration is a measure of the price sensitivity of a fixed-income investment to changes in interest rates. Duration is expressed as a number of years and is considered a more accurate sensitivity gauge than average maturity.
3. The yield curve is a line that plots the yields of various securities of similar quality—typically U.S. Treasury issues—across a range of maturities. The U.S. Treasury yield curve serves as a benchmark for other debt and is used in economic forecasting.

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Portfolio of Investments April 30, 2020 (Unaudited)

	Principal Amount	Value
Short-Term Investments 99.4%†		
Certificates of Deposit 7.9%		
Bank of Montreal (a)		
0.999% (1 Month LIBOR + 0.17%), due 5/14/20	\$ 5,000,000	\$ 5,000,003
0.21% (SOFR + 0.20%), due 6/5/20	10,000,000	10,000,000
Bank Of Nova Scotia		
1.94% (3 Month LIBOR + 0.09%), due 2/16/21 (a)	10,000,000	10,000,000
Canadian Imperial Bank of Commerce		
0.999% (1 Month LIBOR + 0.17%), due 5/14/20 (a)	5,000,000	5,000,001
Commonwealth Bank of Australia		
1.024% (1 Month LIBOR + 0.16%), due 7/9/20 (a)	10,000,000	10,000,000
Total Certificates of Deposit (Cost \$40,000,004)		<u>40,000,004</u>
Corporate Bonds 1.0%		
Toyota Motor Credit Corp.		
0.41% (SOFR + 0.40%), due 10/23/20 (a)	5,000,000	5,000,000
Total Corporate Bonds (Cost \$5,000,000)		<u>5,000,000</u>
Financial Company Commercial Paper 4.0%		
Nationwide Life Insurance Co.		
0.12%, due 5/13/20 (b)(c)	5,000,000	4,998,750
Royal Bank of Canada (a)(b)		
0.727% (1 Month LIBOR + 0.24%), due 8/26/20	5,000,000	5,000,000
1.463% (3 Month LIBOR + 0.09%), due 1/4/21	5,000,000	5,000,000
Westpac Securities NZ Ltd.		
0.80% (3 Month LIBOR + 0.04%), due 10/30/20 (a)(b)	5,000,000	5,000,000
Total Financial Company Commercial Paper (Cost \$19,998,750)		<u>19,998,750</u>
Other Commercial Paper 44.5% (c)		
Alabama Power Co.		
0.31%, due 5/1/20 (b)	10,000,000	10,000,000
Apple, Inc.		
0.06%, due 5/5/20 (b)	10,000,000	9,998,889
Canadian National Railway Co.		
0.26%, due 6/2/20 (b)	20,000,000	19,977,778
Cummins, Inc.		
0.31%, due 7/2/20 (b)	5,035,000	5,026,762
Emerson Electric Co.		
0.887%, due 6/16/20 (b)	20,000,000	19,957,833

	Principal Amount	Value
Other Commercial Paper (continued)		
GlaxoSmithKline LLC (b)		
0.80%, due 7/14/20	\$10,000,000	\$ 9,968,139
0.943%, due 9/1/20	10,000,000	9,965,150
Henkel of America, Inc. (b)		
0.33%, due 7/8/20	10,000,000	9,972,611
0.333%, due 7/9/20	10,000,000	9,978,917
Hershey Co. (b)		
0.257%, due 6/1/20	10,000,000	9,990,528
0.28%, due 6/1/20	10,000,000	9,990,500
John Deere Canada ULC		
0.129%, due 5/19/20 (b)	10,000,000	9,994,500
National Rural Utilities Cooperative Finance Corp.		
0.075%, due 5/4/20	20,000,000	19,998,333
Northern Illinois Gas Co.		
0.80%, due 5/1/20	10,000,000	10,000,000
Novartis Finance Corp.		
0.27%, due 6/24/20 (b)	20,000,000	19,972,400
UnitedHealth Group, Inc.		
0.195%, due 5/13/20 (b)	20,000,000	19,992,333
Walmart, Inc. (b)		
1.066%, due 5/26/20	10,000,000	9,992,708
1.27%, due 5/26/20	10,000,000	9,991,320
Total Other Commercial Paper (Cost \$224,768,701)		<u>224,768,701</u>
Treasury Debt 27.3% (c)		
United States Treasury Bills		
0.051%, due 6/4/20	5,000,000	4,999,764
0.066%, due 6/4/20	4,392,000	4,391,730
0.076%, due 5/26/20	12,700,000	12,699,383
0.081%, due 5/14/20	40,000,000	39,999,928
0.109%, due 8/6/20	51,000,000	50,998,626
0.109%, due 9/10/20	25,000,000	24,996,333
Total Treasury Debt (Cost \$138,085,764)		<u>138,085,764</u>
Treasury Repurchase Agreements 11.0%		
Bank of America N.A.		
0.02%, dated 4/30/20 due 5/1/20		
Proceeds at Maturity \$15,000,008 (Collateralized by United States Treasury securities with rates between 1.50% and maturity dates between 9/30/21, with a Principal Amount of \$15,003,500 and a Market Value of \$15,300,052)	15,000,000	15,000,000

	Principal Amount	Value
Short-Term Investments (continued)		
Treasury Repurchase Agreements (continued)		
RBC Capital Markets LLC 0.02%, dated 4/30/20 due 5/1/20 Proceeds at Maturity \$25,682,014 (Collateralized by United States Treasury securities with rates between 0.13% and 2.88% and maturity dates between 4/15/21 and 11/15/27, with a Principal Amount of \$23,751,300 and a Market Value of \$26,195,752)	\$25,682,000	\$ 25,682,000
TD Securities (U.S.A.) LLC 0.02%, dated 4/30/20 due 5/1/20 Proceeds at Maturity \$15,000,008 (Collateralized by a United States Treasury securities with a rate of 0.00% and 5.38% maturity date of 6/4/2020 and 2/15/2046, with a Principal Amount of \$13,327,700 and a Market Value of \$15,300,056)	15,000,000	15,000,000
Total Treasury Repurchase Agreements (Cost \$55,682,000)		55,682,000

	Principal Amount	Value
U.S. Government Agency Debt 3.7% (c)		
Federal Home Loan Bank 0.121%, due 7/20/20	\$ 1,500,000	\$ 1,499,333
0.121%, due 7/24/20	15,000,000	14,994,750
Federal National Mortgage Association 0.121%, due 8/14/20	2,000,000	1,998,717
Total U.S. Government Agency Debt (Cost \$18,492,800)		18,492,800
Total Short-Term Investments (Cost \$502,028,019)	99.4%	502,028,019
Other Assets, Less Liabilities	0.6	3,220,681
Net Assets	100.0%	\$505,248,700

† Percentages indicated are based on Fund net assets.

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

(b) 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.

(c) Interest rate shown represents yield to maturity.

The following abbreviations are used in the preceding pages:

LIBOR—London Interbank Offered Rate

SOFR—Secured Overnight Financing Rate

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

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments in Securities (a)				
Short-Term Investments				
Certificates of Deposit	\$ —	\$ 40,000,004	\$ —	\$ 40,000,004
Corporate Bonds	—	5,000,000	—	5,000,000
Financial Company Commercial Paper	—	19,998,750	—	19,998,750
Other Commercial Paper	—	224,768,701	—	224,768,701
Treasury Debt	—	138,085,764	—	138,085,764
Treasury Repurchase Agreements	—	55,682,000	—	55,682,000
U.S. Government Agency Debt	—	18,492,800	—	18,492,800
Total Investments in Securities	\$ —	\$502,028,019	\$ —	\$502,028,019

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

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

Assets

Investment in securities, at value (amortized cost \$446,346,019)	\$446,346,019
Repurchase agreements, at value (amortized cost \$55,682,000)	55,682,000
Cash	23,222
Receivables:	
Fund shares sold	5,240,970
Interest	81,801
Other assets	73,733
Total assets	<u>507,447,745</u>

Liabilities

Payables:	
Fund shares redeemed	1,918,671
Manager (See Note 3)	147,274
Transfer agent (See Note 3)	61,726
Professional fees	30,357
Shareholder communication	29,002
Custodian	10,623
Trustees	421
Accrued expenses	169
Dividend payable	802
Total liabilities	<u>2,199,045</u>
Net assets	<u>\$505,248,700</u>

Composition of Net Assets

Shares of beneficial interest outstanding (par value of \$.01 per share) unlimited number of shares authorized	\$ 5,052,705
Additional paid-in capital	500,166,900
	505,219,605
Total distributable earnings (loss)	29,095
Net assets	<u>\$505,248,700</u>

Class A

Net assets applicable to outstanding shares	<u>\$405,987,552</u>
Shares of beneficial interest outstanding	<u>405,994,593</u>
Net asset value and offering price per share outstanding	<u>\$ 1.00</u>

Investor Class

Net assets applicable to outstanding shares	<u>\$ 30,839,186</u>
Shares of beneficial interest outstanding	<u>30,849,488</u>
Net asset value and offering price per share outstanding	<u>\$ 1.00</u>

Class B

Net assets applicable to outstanding shares	<u>\$ 31,642,982</u>
Shares of beneficial interest outstanding	<u>31,646,961</u>
Net asset value and offering price per share outstanding	<u>\$ 1.00</u>

Class C

Net assets applicable to outstanding shares	<u>\$ 36,778,980</u>
Shares of beneficial interest outstanding	<u>36,779,467</u>
Net asset value and offering price per share outstanding	<u>\$ 1.00</u>

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

Investment Income (Loss)

Income

Interest	\$2,690,605
Other	<u>9</u>
Total income	<u>2,690,614</u>

Expenses

Manager (See Note 3)	786,748
Transfer agent (See Note 3)	269,948
Registration	59,610
Professional fees	37,233
Custodian	21,008
Shareholder communication	18,599
Trustees	4,190
Miscellaneous	<u>7,143</u>
Total expenses before waiver/reimbursement	1,204,479
Expense waiver/reimbursement from Manager (See Note 3)	<u>(51,303)</u>
Net expenses	<u>1,153,176</u>
Net investment income (loss)	<u>1,537,438</u>

Realized and Unrealized Gain (Loss) on Investments

Net realized gain (loss) on investments	<u>28,330</u>
Net increase (decrease) in net assets resulting from operations	<u>\$1,565,768</u>

Statements of Changes in Net Assets

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

	2020	2019
Increase (Decrease) in Net Assets		
Operations:		
Net investment income (loss)	\$ 1,537,438	\$ 6,249,000
Net realized gain (loss) on investments	28,330	1,026
Net increase (decrease) in net assets resulting from operations	1,565,768	6,250,026
Distributions to shareholders:		
Class A	(1,267,434)	(4,900,195)
Investor Class	(93,608)	(426,770)
Class B	(107,412)	(557,854)
Class C	(69,221)	(363,990)
Total distributions to shareholders	(1,537,675)	(6,248,809)
Capital share transactions:		
Net proceeds from sale of shares	436,327,453	454,831,292
Net asset value of shares issued to shareholders in reinvestment of distributions	1,493,878	6,060,427
Cost of shares redeemed	(304,443,105)	(411,720,332)
Increase (decrease) in net assets derived from capital share transactions	133,378,226	49,171,387
Net increase (decrease) in net assets	133,406,319	49,172,604
Net Assets		
Beginning of period	371,842,381	322,669,777
End of period	\$ 505,248,700	\$ 371,842,381

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	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Net investment income (loss) (a)	0.00 ‡	0.02	0.01	0.00 ‡	0.00 ‡	0.00 ‡
Net realized and unrealized gain (loss) on investments	0.00 ‡	0.00 ‡	(0.00) ‡	0.00 ‡	0.00 ‡	(0.00) ‡
Total from investment operations	0.00 ‡	0.02	0.01	0.00 ‡	0.00 ‡	0.00 ‡
Less distributions:						
From net investment income	(0.00) ‡	(0.02)	(0.01)	(0.00) ‡	(0.00) ‡	(0.00) ‡
Net asset value at end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Total investment return (b)	0.45%	1.84%	1.21%	0.35%	0.01%	0.01%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	0.82% ††	1.82%	1.20%	0.32%	0.02%	0.01%
Net expenses	0.54% ††	0.56%	0.57%	0.59%	0.43%	0.13%
Expenses (before waiver/reimbursement)	0.54% ††	0.56%	0.57%	0.60%	0.64%	0.64%
Net assets at end of period (in 000's)	\$ 405,988	\$ 290,421	\$ 235,855	\$ 227,572	\$ 226,181	\$ 243,517

* Unaudited.
‡ Less than one cent per share.
†† Annualized.
(a) Per share data based on average shares outstanding during the period.
(b) Total investment return is calculated exclusive of sales charges and assumes the reinvestment of dividends and distributions. For periods of less than one year, total return is not annualized.

Investor Class	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Net investment income (loss) (a)	0.00 ‡	0.02	0.01	0.00 ‡	0.00 ‡	0.00 ‡
Net realized and unrealized gain (loss) on investments	0.00 ‡	0.00 ‡	(0.00) ‡	0.00 ‡	0.00 ‡	(0.00) ‡
Total from investment operations	0.00 ‡	0.02	0.01	0.00 ‡	0.00 ‡	0.00 ‡
Less distributions:						
From net investment income	(0.00) ‡	(0.02)	(0.01)	(0.00) ‡	(0.00) ‡	(0.00) ‡
Net asset value at end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Total investment return (b)	0.34%	1.59%	0.98%	0.20%	0.01%	0.01%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	0.68% ††	1.58%	0.97%	0.18%	0.02%	0.01%
Net expenses	0.75% ††	0.80%	0.80%	0.73%	0.43%	0.14%
Expenses (before waiver/reimbursement)	0.87% ††	0.88%	0.84%	0.79%	0.83%	0.87%
Net assets at end of period (in 000's)	\$ 30,839	\$ 28,133	\$ 26,548	\$ 27,087	\$ 58,658	\$ 56,512

* 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.

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	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Net investment income (loss) (a)	0.00 ‡	0.02	0.01	0.00 ‡	0.00 ‡	0.00 ‡
Net realized and unrealized gain (loss) on investments	0.00 ‡	0.00 ‡	(0.00) ‡	0.00 ‡	0.00 ‡	(0.00) ‡
Total from investment operations	0.00 ‡	0.02	0.01	0.00 ‡	0.00 ‡	0.00 ‡
Less distributions:						
From net investment income	(0.00) ‡	(0.02)	(0.01)	(0.00) ‡	(0.00) ‡	(0.00) ‡
Net asset value at end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Total investment return (b)	0.34%	1.59%	0.98%	0.20%	0.01%	0.01%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	0.69% ††	1.59%	0.96%	0.17%	0.02%	0.01%
Net expenses	0.75% ††	0.80%	0.80%	0.73%	0.43%	0.14%
Expenses (before waiver/reimbursement)	0.87% ††	0.88%	0.84%	0.79%	0.83%	0.87%
Net assets at end of period (in 000's)	\$ 31,643	\$ 32,981	\$ 37,284	\$ 43,351	\$ 53,341	\$ 58,152

* 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.

Class C	Six months ended April 30, 2020*	Year ended October 31,				
		2019	2018	2017	2016	2015
Net asset value at beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Net investment income (loss) (a)	0.00 ‡	0.02	0.01	0.00 ‡	0.00 ‡	0.00 ‡
Net realized and unrealized gain (loss) on investments	0.00 ‡	0.00 ‡	(0.00) ‡	0.00 ‡	0.00 ‡	(0.00) ‡
Total from investment operations	0.00 ‡	0.02	0.01	0.00 ‡	0.00 ‡	0.00 ‡
Less distributions:						
From net investment income	(0.00) ‡	(0.02)	(0.01)	(0.00) ‡	(0.00) ‡	(0.00) ‡
Net asset value at end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Total investment return (b)	0.34%	1.60%	0.98%	0.20%	0.01%	0.01%
Ratios (to average net assets)/Supplemental Data:						
Net investment income (loss)	0.57% ††	1.59%	0.94%	0.17%	0.02%	0.01%
Net expenses	0.74% ††	0.80%	0.80%	0.73%	0.43%	0.13%
Expenses (before waiver/reimbursement)	0.87% ††	0.88%	0.84%	0.79%	0.83%	0.87%
Net assets at end of period (in 000's)	\$ 36,779	\$ 20,308	\$ 22,983	\$ 30,831	\$ 41,311	\$ 41,050

* 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.

Notes to Financial Statements (Unaudited)

Note 1—Organization and Business

The MainStay Funds (the “Trust”) was organized on January 9, 1986, as a Massachusetts business trust and is governed by a Declaration of Trust. The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company, and is comprised of twelve funds (collectively referred to as the “Funds”). These financial statements and notes relate to the MainStay Money Market Fund (the “Fund”), a “diversified” fund, as that term is defined in the 1940 Act, as interpreted or modified by regulatory authorities having jurisdiction, from time to time.

The Fund currently has five classes of shares registered for sale. Class A shares commenced operations on January 3, 1995. Class B shares commenced operations on May 1, 1986. Class C shares commenced operations on September 1, 1998. Investor Class shares commenced operations on February 28, 2008. Class R6 shares were registered for sale effective as of February 28, 2020. As of April 30, 2020, Class R6 shares were not yet offered for sale.

Class A, Class I and Investor Class shares are offered at net asset value (“NAV”) without an initial sales charge. 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. 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. Additionally, as disclosed in the Fund’s prospectus, Investor Class shares may convert automatically to Class A shares and Class A shares may convert automatically to Investor Class 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.

The Fund’s investment objective is to seek a high level of current income while preserving capital and maintaining liquidity.

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) Valuation of Shares. You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share by using the amortized cost method of valuation, it cannot guarantee it will do so. The Fund may impose a fee upon the sale of your shares or may temporarily suspend your ability to sell shares if the Fund’s liquidity falls below required minimums because of market conditions or other factors. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund’s sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

(B) Securities Valuation. Securities are valued using the amortized cost method of valuation, unless the use of such method would be inappropriate per the requirements of Rule 2a-7 under the 1940 Act. 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.

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

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

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

“Fair value” is defined as the price the Fund would reasonably expect to receive upon selling an asset or liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the

Notes to Financial Statements (Unaudited) (continued)

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)

Securities valued at amortized cost are not obtained from a quoted price in an active market and are generally categorized as Level 2 in the hierarchy. 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. As of April 30, 2020, the aggregate value by input level of the Fund's assets and liabilities 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 may utilize some of the following fair value techniques: multi-dimensional relational pricing models and option adjusted spread pricing. During the six-month period ended April 30, 2020, there were no material changes to the fair value methodologies.

Securities valued in this manner are generally categorized as Level 3 in the hierarchy. As of April 30, 2020, no securities held by the Fund were fair valued in such a manner.

(C) 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.

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

(E) 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. Income from payment-in-kind securities, to the extent the Fund held any such securities during the six-month period ended April 30, 2020, is recorded daily based on the effective interest method. Interest income is accrued daily and discounts and premiums on securities purchased for the Fund are accreted and amortized, respectively, on the straight-line method. The straight-line method approximates the effective interest rate for short-term investments. Income from payment-in-kind securities, to the extent the Fund held any such securities during the six-month period ended April 30, 2020, is recorded daily based on the effective interest method. Distributions received from real estate investment trusts may be classified as dividends, capital gains and/or return of capital.

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

(F) 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) 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.

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

(H) 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. Repurchase agreements as of April 30, 2020, are shown in the Portfolio of Investments.

(I) Debt Securities. The Fund's investments may include securities such as variable rate notes, floaters and mortgage-related and asset-backed securities. If expectations about changes in interest rates or assessments of an issuer's credit worthiness or market conditions are incorrect, investments in these types of securities could lose money for the Fund.

The Fund may also invest in U.S. dollar-denominated securities of foreign issuers, which carry certain risks in addition to the usual risks inherent in domestic instruments. These risks include those resulting from future adverse political or economic developments and possible imposition of foreign governmental laws or restrictions. 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.

(J) 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.

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

Note 3—Fees and Related Party Transactions

(A) Manager and Subadvisor. New York Life Investments, a registered investment adviser and an indirect, wholly-owned subsidiary of New York Life Insurance Company ("New York Life"), serves as the Fund's Manager, pursuant to an Amended and Restated Management Agreement ("Management Agreement"). The Manager provides offices, conducts clerical, recordkeeping and bookkeeping services and keeps most of the financial and accounting records required to be maintained by the Fund. Except for the portion of salaries and expenses that are the responsibility of the Fund, the Manager pays the salaries and expenses of all personnel affiliated with the Fund and certain operational expenses

Notes to Financial Statements (Unaudited) (continued)

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. NYL Investors LLC (“NYL Investors” or the “Subadvisor”), a registered investment adviser and a direct, 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 a Subadvisory Agreement (“Subadvisory Agreement”) between New York Life Investments and NYL Investors, New York Life Investments pays for the services of the Subadvisor.

Under the Management Agreement, the Fund pays the Manager a monthly fee for the services performed and the facilities furnished at an annual rate of the Fund’s average daily net assets as follows: 0.40% up to \$500 million; 0.35% from \$500 million to \$1 billion; and 0.30% in excess of \$1 billion. During the six-month period ended April 30, 2020, the effective management fee rate was 0.40% of the Fund’s average daily net assets, exclusive of any applicable waivers/reimbursements.

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 the Fund’s average daily net assets: Class A, 0.70%; Investor Class, 0.80%; Class B, 0.80%; and Class C, 0.80%. 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.

New York Life Investments may voluntarily waive or reimburse expenses of the Fund to the extent it deems appropriate to enhance the yield of the Fund’s during periods when expenses have a significant impact on the yield of the Fund, as applicable, because of low interest rates. This expense limitation policy is voluntary and in addition to any contractual arrangements that may be in place with respect to the Fund and described in the Fund’s prospectus.

During the six-month period ended April 30, 2020, New York Life Investments earned fees from the Fund in the amount of \$786,748 and paid the Subadvisor in the amount of \$376,464. Additionally, New York Life Investments reimbursed expenses in the amount of \$51,303, without which the Fund’s total returns would have been lower.

State Street Bank and Trust Company (“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 NAV of the Fund, maintaining the general ledger and sub-ledger accounts for the calculation of the Fund’s NAV, 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.

(B) Sales Charges. Although the Fund does not assess a CDSC upon redemption of Class B or Class C shares of the Fund, the applicable CDSC will be assessed when shares are redeemed from the Fund if the shareholder previously exchanged his or her investment into the Fund from another fund within the MainStay Group of Funds. The Fund

was advised that the Distributer received from shareholders the proceeds from CDSCs of Class A, Class B and Class C during the six-month period ended April 30, 2020, of \$54,111, \$11,888 and \$3,836, respectively.

(C) Transfer, Dividend Disbursing and Shareholder Servicing Agent.

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

Class	Expense	Waived
Class A	\$106,154	\$—
Investor Class	54,523	—
Class B	60,975	—
Class C	48,296	—

(D) 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. 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.

Note 4—Federal Income Tax

The amortized cost also represents the aggregate cost for federal income tax purposes.

The Fund utilized \$141 of capital loss carryforwards during the year ended October 31, 2019.

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	\$6,248,809

Note 5—Custodian

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

Note 6—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 7—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 (at \$1 per share)	Shares
Six-month period ended April 30, 2020:	
Shares sold	381,350,017
Shares issued to shareholders in reinvestment of distributions	1,229,728
Shares redeemed	(274,504,074)
Net increase (decrease) in shares outstanding before conversion	108,075,671
Shares converted into Class A (See Note 1)	8,371,387
Shares converted from Class A (See Note 1)	(902,430)
Net increase (decrease)	115,544,628
Year ended October 31, 2019:	
Shares sold	394,765,732
Shares issued to shareholders in reinvestment of distributions	4,747,751
Shares redeemed	(353,199,964)
Net increase (decrease) in shares outstanding before conversion	46,313,519
Shares converted into Class A (See Note 1)	11,931,559
Shares converted from Class A (See Note 1)	(3,680,285)
Net increase (decrease)	54,564,793

Investor Class (at \$1 per share)	Shares
Six-month period ended April 30, 2020:	
Shares sold	23,859,334
Shares issued to shareholders in reinvestment of distributions	89,811
Shares redeemed	(13,870,244)
Net increase (decrease) in shares outstanding before conversion	10,078,901
Shares converted into Investor Class (See Note 1)	926,532
Shares converted from Investor Class (See Note 1)	(8,301,175)
Net increase (decrease)	2,704,258
Year ended October 31, 2019:	
Shares sold	32,376,821
Shares issued to shareholders in reinvestment of distributions	410,863
Shares redeemed	(23,653,343)
Net increase (decrease) in shares outstanding before conversion	9,134,341
Shares converted into Investor Class (See Note 1)	4,004,631
Shares converted from Investor Class (See Note 1)	(11,554,017)
Net increase (decrease)	1,584,955

Class B (at \$1 per share)	Shares
Six-month period ended April 30, 2020:	
Shares sold	4,135,899
Shares issued to shareholders in reinvestment of distributions	106,063
Shares redeemed	(5,524,188)
Net increase (decrease) in shares outstanding before conversion	(1,282,226)
Shares converted from Class B (See Note 1)	(57,370)
Net increase (decrease)	(1,339,596)
Year ended October 31, 2019:	
Shares sold	11,573,190
Shares issued to shareholders in reinvestment of distributions	544,149
Shares redeemed	(16,351,512)
Net increase (decrease) in shares outstanding before conversion	(4,234,173)
Shares converted from Class B (See Note 1)	(69,054)
Net increase (decrease)	(4,303,227)

Class C (at \$1 per share)	Shares
Six-month period ended April 30, 2020:	
Shares sold	26,982,203
Shares issued to shareholders in reinvestment of distributions	68,276
Shares redeemed	(10,544,599)
Net increase (decrease) in shares outstanding before conversion	16,505,880
Shares converted from Class C (See Note 1)	(36,944)
Net increase (decrease)	16,468,936
Year ended October 31, 2019:	
Shares sold	16,115,549
Shares issued to shareholders in reinvestment of distributions	357,664
Shares redeemed	(18,515,513)
Net increase (decrease) in shares outstanding before conversion	(2,042,300)
Shares converted from Class C (See Note 1)	(632,834)
Net increase (decrease)	(2,675,134)

Notes to Financial Statements (Unaudited) (continued)

Note 8—Recent Accounting Pronouncement

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

Note 9—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 10—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 Money Market Fund (“Fund”) and New York Life Investment Management LLC (“New York Life Investments”) and the Subadvisory Agreement between New York Life Investments and NYL Investors LLC (“NYL Investors”) with respect to the Fund (together, “Advisory Agreements”), following an initial term of up to two years, is subject to annual review and approval by the Board of Trustees of The MainStay Funds (“Board” of the “Trust”) in accordance with Section 15 of the Investment Company Act of 1940, as amended (“1940 Act”). At its December 10-11, 2019 in-person meeting, the Board, including the Trustees who are not an “interested person” (as such term is defined in the 1940 Act) of the Trust (“Independent Trustees”) voting separately, unanimously approved the continuation of each of the Advisory Agreements for a one-year period.

In reaching the decision to approve the continuation of each of the Advisory Agreements, the Board considered information furnished by New York Life Investments and NYL Investors 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 NYL Investors 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 NYL Investors 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 NYL Investors 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 NYL Investors; (ii) the qualifications of the portfolio managers of the Fund and the historical investment performance of the Fund, New York Life Investments and NYL Investors; (iii) the costs of the services provided, and profits realized, by New York Life Investments and NYL Investors 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 NYL Investors. 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 NYL Investors. 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 NYL Investors 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,

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

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

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

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 NYL Investors, 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 sub-advisors. 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 NYL Investors and ongoing analysis of, and interactions with, NYL Investors with respect to, among other things, the Fund's investment performance and risks as well as NYL Investors' 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. 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.

The Board also examined the nature, extent and quality of the investment advisory services that NYL Investors provides to the Fund. The Board evaluated NYL Investors' experience in serving as subadvisor to the Fund and advising other portfolios and NYL Investors' track record and experience in providing investment advisory services, the experience of investment advisory, senior management and administrative personnel at NYL Investors, and New York Life Investments' and NYL Investors' 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 NYL Investors 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 NYL Investors. The Board reviewed NYL Investors' 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 NYL Investors 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 NYL Investors had taken, or had agreed with the Board to take, to seek to enhance Fund investment performance and the results of those actions.

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

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

The Board considered information provided by New York Life Investments and NYL Investors 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 NYL Investors, due to their relationships with the Fund. Because NYL Investors 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 NYL Investors 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 NYL Investors and profits realized by New York Life Investments and its affiliates, including NYL Investors, 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 NYL Investors and acknowledged that New York Life Investments and NYL Investors 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 NYL Investors 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 NYL Investors and their affiliates due to their relationships with the Fund, including reputational and other indirect benefits.

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 NYL Investors, 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 NYL Investors is paid by New York Life Investments, not the Fund. The Board also considered the reasonableness of the subadvisory fee paid by New York Life Investments and the amount of the management fee retained by New York Life Investments.

In assessing the reasonableness of the Fund's fees and expenses, the Board primarily considered comparative data provided by Strategic Insight on the fees and expenses charged by similar mutual funds managed by other investment advisers. In addition, the Board considered information provided by New York Life Investments and NYL Investors 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

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

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's liquidity classification determinations are made by taking into account the Fund's reasonably anticipated trade size, various market, trading and investment-specific considerations, as well as market depth, and, in certain cases, third-party vendor data.

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

Federal Income Tax Information (Unaudited)

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

Proxy Voting Policies and Procedures and Proxy Voting Record

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

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

Shareholder Reports and Quarterly Portfolio Disclosure

The Fund is required to file a Form N-MFP every month disclosing its portfolio holdings. The Fund's Form N-MFP is available free of charge by visiting the SEC's website at www.sec.gov or upon request by calling New York Life Investments at 800-624-6782.

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MainStay Funds

Equity

U.S. Equity

MainStay Epoch U.S. All Cap Fund
MainStay Epoch U.S. Equity Yield Fund
MainStay MacKay Common Stock Fund
MainStay MacKay Growth Fund
MainStay MacKay S&P 500 Index Fund
MainStay MacKay Small Cap Core Fund
MainStay MacKay U.S. Equity Opportunities Fund
MainStay MAP Equity Fund
MainStay Winslow Large Cap Growth Fund¹

International Equity

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

Emerging Markets Equity

MainStay Candriam Emerging Markets Equity Fund

Global Equity

MainStay Epoch Capital Growth Fund
MainStay Epoch Global Equity Yield Fund

Fixed Income

Taxable Income

MainStay Candriam Emerging Markets Debt Fund²
MainStay Floating Rate Fund
MainStay MacKay High Yield Corporate Bond Fund
MainStay MacKay Infrastructure Bond Fund³
MainStay MacKay Short Duration High Yield Fund

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

Tax-Exempt Income

MainStay MacKay California Tax Free Opportunities Fund⁵
MainStay MacKay High Yield Municipal Bond Fund
MainStay MacKay Intermediate Tax Free Bond Fund
MainStay MacKay New York Tax Free Opportunities Fund⁶
MainStay MacKay Short Term Municipal Fund
MainStay MacKay Tax Free Bond Fund

Money Market

MainStay Money Market Fund

Mixed Asset

MainStay Balanced Fund
MainStay Income Builder Fund
MainStay MacKay Convertible Fund

Speciality

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

Asset Allocation

MainStay Conservative Allocation Fund
MainStay Growth Allocation Fund⁷
MainStay Moderate Allocation Fund
MainStay Moderate Growth Allocation Fund⁸

Manager

New York Life Investment Management LLC

New York, New York

Subadvisors

Candriam Belgium S.A.⁹

Brussels, Belgium

Candriam Luxembourg S.C.A.⁹

Strassen, Luxembourg

CBRE Clarion Securities LLC

Radnor, Pennsylvania

Cushing Asset Management, LP

Dallas, Texas

Epoch Investment Partners, Inc.

New York, New York

MacKay Shields LLC⁹

New York, New York

Markston International LLC

White Plains, New York

NYL Investors LLC⁹

New York, New York

Winslow Capital Management, LLC

Minneapolis, Minnesota

Legal Counsel

Dechert LLP

Washington, District of Columbia

Independent Registered Public Accounting Firm

KPMG LLP

Philadelphia, Pennsylvania

1. Formerly known as MainStay Large Cap Growth Fund.

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

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

4. Formerly known as MainStay Indexed Bond Fund.

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

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

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

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

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

For more information

800-624-6782

nylinvestments.com/funds

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

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