

# MainStay VP Indexed Bond Portfolio

## Message from the President and Annual Report

December 31, 2019

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the MainStay VP Portfolio annual and semi-annual shareholder reports may no longer be sent by mail, unless you specifically request paper copies of the reports from the insurance company that offers your policy. Instead, the reports will be made available online, and you will be notified by mail each time a report is posted and provided with a website link to access the report. Instructions for requesting paper copies will be provided by your insurance company.

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 the insurance company electronically by following the instructions provided by the insurance company.

You may elect to receive all future shareholder reports in paper form free of charge. You can inform the insurance company that you wish to receive paper copies of reports by following the instructions provided by the insurance company. Your election to receive reports in paper form will apply to all portfolio companies available under your contract.

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INVESTMENTS

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# Message from the President

Equity and fixed-income markets rose broadly during the 12-month reporting period ended December 31, 2019, despite a wide range of global economic and political uncertainties.

The year began on a positive note, with markets recovering from a sharp, late-2018 dip precipitated by concerns regarding the pace of economic growth, a U.S. federal government shutdown and the potential impact of trade disputes between the United States and other nations, particularly China. A wide spectrum of equity and fixed-income sectors gained ground through April 2019 as the government reopened, trade tensions eased and the U.S. Federal Reserve Board ("Fed") signaled a pause in interest rate increases. Mixed macroeconomic signals and the inability of China and the United States to reach a trade agreement caused the market's recovery to suffer during the spring and summer months of 2019. However, accommodative monetary policies from several central banks, including a series of interest rate cuts by the Fed, along with better-than-expected corporate earnings, reassured investors and enabled markets to resume their advance.

Persistent, albeit slow, U.S. economic growth underpinned the U.S. stock market's advance during the reporting period, positioning major U.S. equity indices to reach record territory by late October 2019 and continue rising from there. Sector strength shifted as investor sentiment alternated between risk-on and risk-off positions. In general, for the reporting period, growth-oriented stocks outperformed their value-oriented counterparts by a wide margin, with the information technology sector leading the large-cap S&P 500® Index. However, the traditionally more defensive areas of utilities and communications services generated above-average performance as well. The industrials and consumer discretionary sectors performed in the middle of the pack, while real estate, consumer staples, utilities, health care and materials lagged, and energy brought up the rear on weak oil prices and concerns about future energy demand. Nevertheless, all eleven S&P 500® sectors produced positive returns, with all but energy generating double-digit gains.

In the fixed-income markets, slowing economic growth, modest inflation and the Fed's interest rate cuts created an environment of fluctuating but ultimately falling yields and rising prices for most bonds. Higher-credit-quality, longer-duration instruments generally outperformed lower-credit-quality, shorter-duration securities. Long-term Treasury bonds rallied strongly, with the yield on the 10-year note closing the reporting period at 1.92%,

down from 2.68% in December 2018. Prices for corporate credit also produced significant gains, with yields on both investment-grade and high-yield corporate bonds finishing near the tightest levels of this credit cycle. Spreads of credit-related securitized product (asset-backed and commercial mortgage-backed securities) tightened as well.

International stock and bond markets tended to underperform their U.S. counterparts, constrained by lackluster economic growth in the eurozone and dramatically slowing growth in China and related parts of Asia amid persistent trade tensions with the United States. Uncertainties surrounding the long-standing Brexit drama took a further toll on investor confidence, with progress delayed until the December 2019 election of Boris Johnson's pro-Brexit Conservative Party finally pointed clearly toward an eventual British exit from the European Union. Nevertheless, on average, international securities delivered positive returns supported by the accommodative monetary policies implemented by European and Asian central banks. In general, stocks tended to outperform bonds, with gains in developed-market equities followed closely by those of emerging-market equities. Among bonds, prices for emerging-market securities advanced more than those of developed-market instruments, bolstered by rising risk-on sentiment in the closing months of the reporting period.

As the economic growth cycle lengthens, investors are left to ponder how best to position their portfolios for an uncertain future. When the yield curve inverted in mid-2019 prompting concerns of a potential recession, we were reminded that the direction of the economy is continually subject to change, and perceptions of the economy can shift even more rapidly. As a MainStay VP investor, you can rely on us to manage our portfolios with unflagging energy and dedication so that you can remain focused on your long-term objectives in the face of uncertainty and change. Our goal remains to provide you with the consistently reliable financial tools you need to achieve your long-term objectives.

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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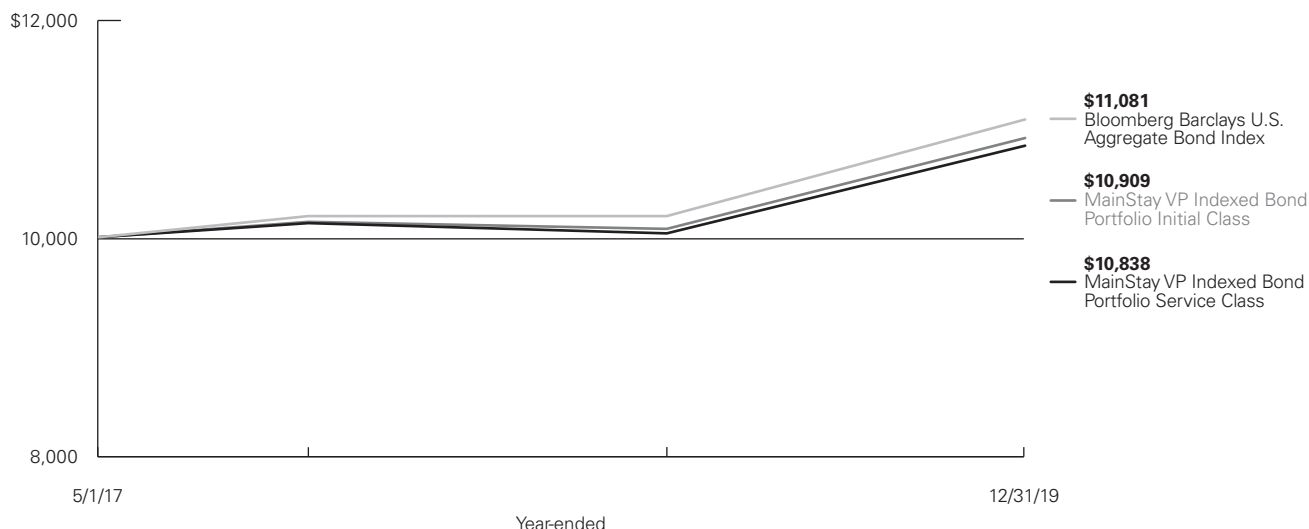
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**Investors should refer to the Portfolio's Summary Prospectus and/or Prospectus and consider the Portfolio's investment objectives, strategies, risks, charges and expenses carefully before investing. The Summary Prospectus and/or Prospectus contain this and other information about the Portfolio. You may obtain copies of the Portfolio's Summary Prospectus and/or the Prospectus and the Statement of Additional Information free of charge, upon request, by calling toll-free 800-598-2019, by writing to New York Life Insurance and Annuity Corporation, 51 Madison Avenue, Room 251, New York, New York 10010 or by sending an email to [MainStayShareholdersServices@nylim.com](mailto:MainStayShareholdersServices@nylim.com). These documents are also available at [nylinvestments.com/vpddocuments](http://nylinvestments.com/vpddocuments). Please read the Summary Prospectus and/or Prospectus carefully before investing. MainStay VP Funds Trust portfolios are separate account options which are purchased through a variable insurance or variable annuity contract.**

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

Performance data quoted represents past performance. Past performance is no guarantee of future results. Because of market volatility and other factors, current performance may be lower or higher than the figures shown. Investment return and principal value will fluctuate, and as a result, when shares are redeemed, they may be worth more or less than their original cost. The performance table and graph do not reflect any deduction of sales charges, mortality and expense charges, contract charges or administrative charges. Please refer to the Performance Summary appropriate for your policy. For performance information current to the most recent month-end, please call 800-598-2019 or visit [www.newyorklife.com](http://www.newyorklife.com).



## Average Annual Total Returns for the Year-Ended December 31, 2019

Class	Inception Date	One Year	Since Inception	Gross Expense Ratio <sup>2</sup>
Initial Class Shares	5/1/2017	8.30%	3.31%	0.31%
Service Class Shares	5/1/2017	8.03	3.06	0.56

## Benchmark Performance

	One Year	Since Inception
Bloomberg Barclays U.S. Aggregate Bond Index <sup>3</sup>	8.72%	3.93%
Morningstar Intermediate Core Bond Category Average <sup>4</sup>	8.06	3.56

- Performance figures may reflect certain fee waivers and/or expense limitations, without which total returns may have been different. For information on current fee waivers and/or expense limitations (if any), please refer to the Notes to Financial Statements.
- The gross expense ratios presented reflect the Portfolio's "Total Annual Portfolio Operating Expenses" from the most recent Prospectus, as supplemented, and may differ from other expense ratios disclosed in this report.
- The Bloomberg Barclays U.S. Aggregate Bond Index is the Portfolio's primary broad-based securities market index for comparison purposes. The Bloomberg Barclays U.S. Aggregate Bond Index measures performance of the investment-grade, U.S. dollar denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities,

- mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities and commercial mortgage-backed securities. Results assume reinvestment of all dividends and capital gains. An investment cannot be made directly in an index.
- The Morningstar Intermediate Core Bond is representative of funds that invest primarily in investment-grade U.S. fixed-income issues including government, corporate, and securitized debt, and hold less than 5% in below-investment-grade exposures. Their durations (a measure of interest-rate sensitivity) typically range between 75% and 125% of the three-year average of the effective duration of the Morningstar Core Bond Index. Results are based on average total returns of similar funds with all dividends and capital gain distributions reinvested.

## Cost in Dollars of a \$1,000 Investment in MainStay VP Indexed Bond Portfolio (Unaudited)

The example below is intended to describe the fees and expenses borne by shareholders during the six-month period from July 1, 2019, to December 31, 2019, and the impact of those costs on your investment.

### Example

As a shareholder of the Portfolio 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 Portfolio expenses (as applicable). This example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio 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 July 1, 2019, to December 31, 2019. Shares are only sold in connection with variable life and annuity contracts and the example does not reflect any contract level or transactional fees or expenses. If these costs had been included, your costs would have been higher.

This example illustrates your Portfolio'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 December 31, 2019. 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 Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio'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 Portfolio 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 7/1/19	Ending Account Value (Based on Actual Returns and Expenses) 12/31/19	Expenses Paid During Period <sup>1</sup>	Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 12/31/19	Expenses Paid During Period <sup>1</sup>	Net Expense Ratio During Period <sup>2</sup>
Initial Class Shares	\$1,000.00	\$1,021.70	\$1.48	\$1,023.74	\$1.48	0.29%
Service Class Shares	\$1,000.00	\$1,020.40	\$2.75	\$1,022.48	\$2.75	0.54%

- Expenses are equal to the Portfolio's annualized expense ratio of each class multiplied by the average account value over the period, divided by 365 and multiplied by 184 (to reflect the six-month period). The table above represents the actual expenses incurred during the six-month period. In addition to the fees and expenses which the Portfolio bears directly, it also indirectly bears a pro rata share of the fees and expenses of the underlying funds in which it invests. Such indirect expenses are not included in the above-reported expense figures.
- Expenses are equal to the Portfolio's annualized expense ratio to reflect the six-month period.

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## Portfolio Composition as of December 31, 2019 (Unaudited)



See Portfolio of Investments beginning on page 9 for specific holdings within these categories. The Portfolio's holdings are subject to change.

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## Top Ten Holdings or Issuers Held as of December 31, 2019 (excluding short-term investments) (Unaudited)

- |   |   |
|---|---|
| 1. United States Treasury Notes, 1.375%–3.125%, due 6/30/20–11/15/29  | 6. iShares Long-Term Corporate Bond ETF                                       |
| 2. Federal National Mortgage Association (Mortgage Pass-Through Securities), 2.50%–5.50%, due 7/1/21–9/1/49       | 7. iShares Intermediate-Term Corporate Bond ETF                               |
| 3. United States Treasury Bonds, 2.25%–4.625%, due 2/15/36–8/15/49  | 8. KfW, 1.50%–2.125%, due 4/20/20–3/7/22                                      |
| 4. Government National Mortgage Association (Mortgage Pass-Through Securities), 2.50%–5.00%, due 11/20/42–7/20/49 | 9. Federal National Mortgage Association, 1.375%–2.875%, due 10/30/20–9/24/26 |
| 5. Federal Home Loan Mortgage Corporation (Mortgage Pass-Through Securities), 2.50%–5.50%, due 12/1/25–1/1/49     | 10. iShares Short-Term Corporate Bond ETF                                     |
-

# Portfolio Management Discussion and Analysis (Unaudited)

Answers to the questions reflect the views of portfolio managers Kenneth Sommer and AJ Rzad, CFA, of NYL Investors LLC, the Portfolio's Subadvisor.

## How did MainStay VP Indexed Bond Portfolio perform relative to its benchmark and peers during the 12 months ended December 31, 2019?

For the 12 months ended December 31, 2019, MainStay VP Indexed Bond Portfolio returned 8.30% for Initial Class shares and 8.03% for Service Class shares. Over the same period, both share classes underperformed the 8.72% return of the Bloomberg Barclays U.S. Aggregate Bond Index,<sup>1</sup> which is the Portfolio's broad-based securities-market index. Although the Portfolio seeks investment results that correspond to the total return performance of fixed-income securities in the aggregate, as represented by the Portfolio's broad-based securities-market index, the Portfolio's performance will typically lag that of the Index because the Portfolio incurs fees and expenses that the Index does not. For the 12 months ended December 31, 2019, Initial Class shares outperformed and Service Class shares underperformed the 8.06% return of the Morningstar Intermediate Core Bond Category Average.<sup>1</sup>

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

The Portfolio used U.S. Treasury futures to reduce variations between the Portfolio and its benchmark. These trades reduced tracking error between the Portfolio and its benchmark.

## During the reporting period, which credit-rating categories were strong performers and which credit rating categories were weak?

During the reporting period we saw lower-quality securities outperform higher-quality securities. BBB-rated<sup>2</sup> credits produced the highest excess returns,<sup>3</sup> followed by credits rated A.<sup>4</sup> Credits rated AAA and AA underperformed all the lower-quality segments of the market.<sup>5</sup>

## What was the Portfolio's duration<sup>6</sup> strategy during the reporting period?

The Portfolio uses a passive strategy that seeks to replicate the duration of its benchmark. The Portfolio's duration strategy had a neutral impact on performance during the reporting period. As of December 31, 2019, the Portfolio's duration was approximately 5.86 years compared to a duration of 5.88 years for the Bloomberg Barclays U.S. Aggregate Bond Index.

## Which market segments made the strongest contributions to the Portfolio's performance, and which market segments detracted the most?

During the reporting period, all broad sectors in the Bloomberg Barclays U.S. Aggregate Bond Index produced positive total returns. The corporate sector contributed the strongest performance, led by industrials and financial institutions. (Contributions take weightings and total returns into account.) In the non-corporate sector, the sovereign subsector was the Portfolio's best performer. Among securitized products, commercial mortgage-backed securities outperformed both mortgage-backed securities and asset-backed securities. U.S. government agencies outperformed U.S. Treasury bonds during the same period.

## Were there any significant changes to the Portfolio's benchmark during the reporting period?

No changes to the Bloomberg Barclays U.S. Aggregate Bond Index were material enough to lead us to change our investment strategy.

1. See page 5 for more information on benchmark and peer group returns.

2. An obligation rated 'BBB' by Standard & Poor's ("S&P") is deemed by S&P to exhibit adequate protection parameters. In the opinion of S&P, however, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. When applied to Portfolio holdings, ratings are based solely on the creditworthiness of the bonds in the portfolio and are not meant to represent the security or safety of the Portfolio.

3. The expression "excess return" may refer to the return that a security or portfolio provides above (or below) an investment with the lowest perceived risk, such as comparable U.S. Treasury securities. The expression may also refer to the return that a security or portfolio provides above (or below) an index or other benchmark.

4. An obligation rated 'A' by S&P is deemed by S&P to be somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. In the opinion of S&P, however, the obligor's capacity to meet its financial commitment on the obligation is still strong.

5. An obligation rated 'AAA' has the highest rating assigned by S&P, and in the opinion of S&P, the obligor's capacity to meet its financial commitment on the obligation is extremely strong. An obligation rated 'AA' by S&P is deemed by S&P to differ from the highest-rated obligations only to a small degree. In the opinion of S&P, the obligor's capacity to meet its financial commitment on the obligation is very strong.

6. 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.

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Not all MainStay VP Portfolios and/or share classes are available under all policies.



# Portfolio of Investments December 31, 2019

	Principal Amount	Value
<b>Long-Term Bonds 93.9%†</b>		
<b>Asset-Backed Securities 0.4%</b>		
<b>Automobile 0.4%</b>		
Ally Auto Receivables Trust		
Series 2018-3, Class A3		
3.00%, due 1/17/23	\$ 99,000	\$ 99,768
BMW Vehicle Lease Trust		
Series 2018-1, Class A4		
3.26%, due 7/20/21	200,000	201,819
Ford Credit Floorplan Master Owner Trust		
Series 2017-2, Class A1		
2.16%, due 9/15/22	300,000	300,334
GM Financial Securitized Term Auto		
Receivables Trust		
Series 2018-3, Class A3		
3.02%, due 5/16/23	700,000	708,589
Honda Auto Receivables Owner Trust		
Series 2018-3, Class A3		
2.95%, due 8/22/22	800,000	808,062
Hyundai Auto Lease Securitization Trust		
Series 2018-B, Class A3		
3.04%, due 10/15/21 (a)	100,000	100,535
Total Asset-Backed Securities		<u>2,219,107</u>
(Cost \$2,198,755)		

## Corporate Bonds 22.2%

### Aerospace & Defense 0.5%

Boeing Co.		
3.25%, due 3/1/28	460,000	479,105
General Dynamics Corp.		
3.00%, due 5/11/21	255,000	259,292
Lockheed Martin Corp.		
4.07%, due 12/15/42	255,000	291,207
Northrop Grumman Corp.		
7.75%, due 2/15/31	210,000	301,842
Raytheon Co.		
3.15%, due 12/15/24	255,000	267,800
Rockwell Collins, Inc.		
3.50%, due 3/15/27	210,000	223,050
United Technologies Corp.		
2.65%, due 11/1/26	610,000	624,551
3.65%, due 8/16/23	50,000	52,720
		<u>2,499,567</u>

### Apparel 0.0%‡

Nike, Inc.		
3.625%, due 5/1/43	65,000	70,477

	Principal Amount	Value
<b>Auto Manufacturers 0.4%</b>		
Ford Motor Credit Co. LLC		
3.219%, due 1/9/22	\$ 1,300,000	\$ 1,309,581
General Motors Financial Co., Inc.		
4.35%, due 1/17/27	665,000	699,101
Toyota Motor Credit Corp.		
2.25%, due 10/18/23	290,000	292,851
		<u>2,301,533</u>
<b>Banks 5.9%</b>		
Bank of America Corp.		
3.248%, due 10/21/27	405,000	422,195
3.30%, due 1/11/23	835,000	863,292
3.419%, due 12/20/28 (b)	510,000	535,573
5.00%, due 1/21/44	520,000	678,239
5.625%, due 7/1/20	375,000	381,880
Bank of New York Mellon Corp.		
2.05%, due 5/3/21	95,000	95,302
2.50%, due 4/15/21	610,000	614,218
3.00%, due 2/24/25	410,000	426,451
Bank of Nova Scotia		
2.70%, due 3/7/22	720,000	732,711
Barclays PLC		
5.25%, due 8/17/45	270,000	328,104
BNP Paribas S.A.		
3.25%, due 3/3/23	445,000	461,341
Capital One Financial Co.		
3.05%, due 3/9/22	565,000	576,859
Citigroup, Inc.		
2.65%, due 10/26/20	610,000	613,330
3.375%, due 3/1/23	915,000	948,729
4.45%, due 9/29/27	735,000	809,809
4.65%, due 7/30/45	170,000	210,638
Coöperatieve Centrale Raiffeisen-		
Boerenleenbank B.A.		
5.25%, due 5/24/41	405,000	553,633
Credit Suisse Group Funding Guernsey, Ltd.		
3.80%, due 6/9/23	335,000	350,752
Fifth Third Bank		
2.25%, due 6/14/21	470,000	472,546
Goldman Sachs Group, Inc.		
2.60%, due 12/27/20	525,000	526,101
2.905%, due 7/24/23 (b)	1,420,000	1,445,634
3.85%, due 1/26/27	520,000	553,565
4.80%, due 7/8/44	220,000	266,479
HSBC Holdings PLC		
2.65%, due 1/5/22	1,060,000	1,071,695
3.90%, due 5/25/26	750,000	800,042
JPMorgan Chase & Co.		
4.25%, due 10/1/27	1,340,000	1,483,623
4.26%, due 2/22/48 (b)	500,000	590,954

# Portfolio of Investments

December 31, 2019 (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Banks (continued)</b>		
Keybank N.A.		
2.40%, due 6/9/22	\$ 335,000	\$ 338,511
KfW		
1.50%, due 4/20/20	830,000	829,443
2.125%, due 3/7/22	2,730,000	2,757,081
Lloyds Banking Group PLC		
3.75%, due 1/11/27	270,000	283,996
Mitsubishi UFJ Financial Group, Inc.		
3.455%, due 3/2/23	510,000	527,836
Morgan Stanley		
2.50%, due 4/21/21	450,000	453,412
3.625%, due 1/20/27	1,500,000	1,597,221
4.10%, due 5/22/23	555,000	586,058
National Australia Bank, Ltd.		
2.50%, due 5/22/22	335,000	338,968
PNC Bank N.A.		
2.625%, due 2/17/22	335,000	339,715
Royal Bank of Canada		
2.75%, due 2/1/22	330,000	335,972
Royal Bank of Scotland Group PLC		
3.875%, due 9/12/23	270,000	282,969
Santander UK PLC		
2.375%, due 3/16/20	610,000	610,322
State Street Corp.		
4.375%, due 3/7/21	350,000	360,368
Sumitomo Mitsui Banking Corp.		
2.65%, due 7/23/20	1,355,000	1,360,223
Toronto-Dominion Bank		
2.50%, due 12/14/20	445,000	447,557
Truist Financial Corp.		
2.05%, due 5/10/21	705,000	706,485
2.75%, due 4/1/22	255,000	259,519
Wells Fargo & Co.		
2.55%, due 12/7/20	300,000	301,828
3.00%, due 4/22/26	600,000	617,211
3.50%, due 3/8/22	355,000	366,613
4.75%, due 12/7/46	500,000	600,448
Westpac Banking Corp.		
2.80%, due 1/11/22	445,000	452,268
		<u>31,567,719</u>
<b>Beverages 0.6%</b>		
Anheuser-Busch Cos LLC / Anheuser-Busch		
InBev Worldwide, Inc.		
2.50%, due 7/15/22	97,000	98,734
4.60%, due 4/15/48	1,265,000	1,447,671
Coca Cola Co.		
2.25%, due 9/1/26	290,000	291,952
Constellation Brands, Inc.		
3.60%, due 2/15/28	100,000	105,827

	Principal Amount	Value
<b>Beverages (continued)</b>		
Diageo Capital PLC		
5.875%, due 9/30/36	\$ 218,000	\$ 293,174
Keurig Dr. Pepper, Inc.		
4.985%, due 5/25/38	65,000	76,756
Molson Coors Brewing Co.		
4.20%, due 7/15/46	65,000	64,880
PepsiCo, Inc.		
2.75%, due 3/1/23	330,000	339,184
2.85%, due 2/24/26	210,000	218,134
4.45%, due 4/14/46	105,000	128,996
		<u>3,065,308</u>
<b>Biotechnology 0.3%</b>		
Amgen, Inc.		
2.70%, due 5/1/22	180,000	182,432
3.125%, due 5/1/25	255,000	266,056
4.40%, due 5/1/45	180,000	201,699
Baxalta, Inc.		
3.60%, due 6/23/22	39,000	40,039
Gilead Sciences, Inc.		
3.65%, due 3/1/26	440,000	473,878
4.60%, due 9/1/35	180,000	214,942
		<u>1,379,046</u>
<b>Building Materials 0.0%‡</b>		
Johnson Controls International PLC		
6.00%, due 1/15/36	50,000	61,381
<b>Chemicals 0.3%</b>		
Dow Chemical Co.		
3.00%, due 11/15/22	445,000	455,058
DuPont de Nemours, Inc.		
4.493%, due 11/15/25	375,000	413,021
Mosaic Co.		
4.05%, due 11/15/27	405,000	420,588
Nutrien, Ltd.		
5.875%, due 12/1/36	210,000	249,891
Sherwin-Williams Co.		
3.95%, due 1/15/26	255,000	272,918
		<u>1,811,476</u>
<b>Commercial Services 0.0%‡</b>		
Ecolab, Inc.		
2.70%, due 11/1/26	210,000	215,770
<b>Computers 0.6%</b>		
Apple, Inc.		
2.15%, due 2/9/22	180,000	181,528
2.90%, due 9/12/27	250,000	260,285
3.35%, due 2/9/27	16,000	17,043
4.25%, due 2/9/47	180,000	215,526
4.50%, due 2/23/36	745,000	905,377

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	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Computers (continued)</b>		
Dell International LLC / EMC Corp. (a)		
5.45%, due 6/15/23	\$ 445,000	\$ 482,709
6.02%, due 6/15/26	300,000	345,360
Hewlett Packard Enterprise Co.		
4.40%, due 10/15/22	180,000	190,193
IBM Corp.		
1.875%, due 8/1/22	200,000	199,980
3.45%, due 2/19/26	175,000	186,681
3.50%, due 5/15/29	290,000	312,013
		<u>3,296,695</u>
<b>Cosmetics &amp; Personal Care 0.1%</b>		
Procter & Gamble Co.		
2.70%, due 2/2/26	210,000	218,772
Unilever Capital Corp.		
3.10%, due 7/30/25	100,000	104,768
		<u>323,540</u>
<b>Diversified Financial Services 0.4%</b>		
American Express Co.		
2.50%, due 8/1/22	300,000	303,584
3.40%, due 2/27/23	365,000	379,001
GE Capital International Funding Co.		
3.373%, due 11/15/25	925,000	963,840
National Rural Utilities Cooperative Finance Corp.		
2.70%, due 2/15/23	90,000	91,704
Visa, Inc.		
2.80%, due 12/14/22	405,000	416,773
4.30%, due 12/14/45	175,000	215,129
		<u>2,370,031</u>
<b>Electric 1.4%</b>		
American Electric Power Co., Inc.		
2.15%, due 11/13/20	525,000	526,027
CenterPoint Energy Houston Electric LLC		
4.25%, due 2/1/49	250,000	294,227
Commonwealth Edison Co.		
3.65%, due 6/15/46	390,000	414,236
Consolidated Edison Co. of New York, Inc.		
5.85%, due 3/15/36	565,000	731,877
DTE Electric Co.		
3.375%, due 3/1/25	180,000	189,816
Duke Energy Carolinas LLC		
3.875%, due 3/15/46	690,000	765,953
4.00%, due 9/30/42	210,000	234,400
Edison International		
2.95%, due 3/15/23	180,000	180,181
Emera U.S. Finance, L.P.		
2.70%, due 6/15/21	180,000	181,675

	Principal Amount	Value
<b>Electric (continued)</b>		
Exelon Corp.		
2.85%, due 6/15/20	\$ 375,000	\$ 375,862
Florida Power & Light Co.		
2.75%, due 6/1/23	120,000	123,015
3.80%, due 12/15/42	165,000	179,979
Kentucky Utilities Co.		
3.25%, due 11/1/20	260,000	261,917
MidAmerican Energy Co.		
3.95%, due 8/1/47	330,000	374,160
Ohio Power Co.		
Series G		
6.60%, due 2/15/33	165,000	223,861
PPL Electric Utilities Corp.		
3.95%, due 6/1/47	100,000	111,212
San Diego Gas & Electric Co.		
4.15%, due 5/15/48	210,000	231,104
Sempra Energy		
3.80%, due 2/1/38	210,000	219,594
Southern California Edison Co.		
4.125%, due 3/1/48	210,000	224,386
Southern Co.		
2.95%, due 7/1/23	180,000	184,646
4.40%, due 7/1/46	250,000	277,267
Virginia Electric & Power Co.		
4.00%, due 1/15/43	365,000	403,598
Xcel Energy, Inc.		
3.30%, due 6/1/25	730,000	762,384
		<u>7,471,377</u>
<b>Environmental Controls 0.1%</b>		
Republic Services, Inc.		
3.20%, due 3/15/25	255,000	265,333
Waste Management, Inc.		
3.15%, due 11/15/27	255,000	266,097
		<u>531,430</u>
<b>Food 0.3%</b>		
General Mills, Inc.		
3.15%, due 12/15/21	180,000	184,036
4.20%, due 4/17/28	65,000	72,457
Kraft Heinz Food Co.		
3.00%, due 6/1/26	555,000	555,161
Sysco Corp.		
3.25%, due 7/15/27	255,000	267,270
Tyson Foods, Inc.		
5.10%, due 9/28/48	250,000	314,790
		<u>1,393,714</u>
<b>Forest Products &amp; Paper 0.1%</b>		
Fibria Overseas Finance, Ltd.		
5.50%, due 1/17/27	405,000	442,973

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

# Portfolio of Investments December 31, 2019 (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Forest Products &amp; Paper (continued)</b>		
International Paper Co.		
3.80%, due 1/15/26	\$ 260,000	\$ 277,520
		<u>720,493</u>
<b>Gas 0.0%‡</b>		
NiSource, Inc.		
3.49%, due 5/15/27	210,000	<u>220,925</u>
<b>Health Care—Products 0.3%</b>		
Abbott Laboratories		
3.75%, due 11/30/26	150,000	163,898
4.90%, due 11/30/46	100,000	131,426
Becton Dickinson & Co.		
3.70%, due 6/6/27	131,000	139,410
Boston Scientific Corp.		
4.70%, due 3/1/49	200,000	243,386
Medtronic, Inc.		
4.625%, due 3/15/45	349,000	439,585
Stryker Corp.		
3.65%, due 3/7/28	210,000	226,023
Thermo Fisher Scientific, Inc.		
2.95%, due 9/19/26	290,000	<u>298,235</u>
		<u>1,641,963</u>
<b>Health Care—Services 0.3%</b>		
Aetna, Inc.		
6.625%, due 6/15/36	210,000	283,656
Anthem, Inc.		
4.375%, due 12/1/47	255,000	281,551
Laboratory Corporation of America Holdings		
3.60%, due 2/1/25	255,000	268,473
UnitedHealth Group, Inc.		
3.10%, due 3/15/26	500,000	523,745
4.45%, due 12/15/48	250,000	<u>299,022</u>
		<u>1,656,447</u>
<b>Household Products &amp; Wares 0.1%</b>		
Clorox Co.		
3.90%, due 5/15/28	210,000	230,843
Kimberly-Clark Corp.		
2.75%, due 2/15/26	210,000	<u>216,313</u>
		<u>447,156</u>
<b>Housewares 0.0%‡</b>		
Newell Brands, Inc.		
3.85%, due 4/1/23	175,000	<u>181,862</u>
<b>Insurance 0.5%</b>		
Allstate Corp.		
5.35%, due 6/1/33	210,000	261,449

	Principal Amount	Value
<b>Insurance (continued)</b>		
American International Group, Inc.		
6.25%, due 5/1/36	\$ 350,000	\$ 467,798
Berkshire Hathaway Finance Corp.		
4.30%, due 5/15/43	355,000	410,468
Chubb INA Holdings, Inc.		
3.35%, due 5/3/26	180,000	191,435
Marsh & McLennan Cos., Inc.		
2.75%, due 1/30/22	390,000	396,252
Metlife, Inc.		
3.00%, due 3/1/25	330,000	343,363
Progressive Corp.		
3.75%, due 8/23/21	300,000	309,447
Prudential Financial, Inc.		
4.418%, due 3/27/48	125,000	145,415
4.50%, due 11/15/20	330,000	<u>337,390</u>
		<u>2,863,017</u>
<b>Internet 0.2%</b>		
Alphabet, Inc.		
3.375%, due 2/25/24	300,000	319,125
Amazon.com, Inc.		
3.875%, due 8/22/37	810,000	<u>920,633</u>
		<u>1,239,758</u>
<b>Machinery—Construction &amp; Mining 0.1%</b>		
Caterpillar, Inc.		
5.30%, due 9/15/35	260,000	<u>324,456</u>
<b>Machinery—Diversified 0.0%‡</b>		
Deere & Co.		
3.90%, due 6/9/42	145,000	<u>163,178</u>
<b>Media 1.1%</b>		
Charter Communications Operating LLC / Charter Communications Operating Capital		
4.908%, due 7/23/25	750,000	825,883
5.75%, due 4/1/48	250,000	291,981
Comcast Corp.		
1.625%, due 1/15/22	615,000	613,472
2.65%, due 2/1/30	625,000	627,678
3.40%, due 7/15/46	1,215,000	1,233,188
Discovery Communications LLC		
3.95%, due 3/20/28	350,000	373,633
TWDC Enterprises 18 Corp.		
2.35%, due 12/1/22	510,000	517,609
Walt Disney Co.		
3.00%, due 9/15/22	615,000	633,539
6.40%, due 12/15/35	410,000	<u>582,748</u>
		<u>5,699,731</u>

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Mining 0.2%</b>		
Barrick North America Finance LLC		
5.70%, due 5/30/41	\$ 100,000	\$ 123,352
BHP Billiton Finance USA, Ltd.		
3.85%, due 9/30/23	430,000	459,175
Rio Tinto Finance USA, Ltd.		
3.75%, due 6/15/25	405,000	435,488
		<u>1,018,015</u>
<b>Miscellaneous—Manufacturing 0.2%</b>		
3M Co.		
4.00%, due 9/14/48	250,000	276,031
Eaton Corp.		
4.00%, due 11/2/32	210,000	238,258
General Electric Co.		
4.125%, due 10/9/42	44,000	45,392
Ingersoll-Rand Luxembourg Finance S.A.		
2.625%, due 5/1/20	375,000	375,491
Parker-Hannifin Corp.		
3.50%, due 9/15/22	240,000	249,035
4.20%, due 11/21/34	65,000	71,973
		<u>1,256,180</u>
<b>Multi-National 1.4%</b>		
Asian Development Bank		
2.75%, due 3/17/23	1,000,000	1,033,238
European Investment Bank		
2.25%, due 8/15/22	1,525,000	1,547,652
2.375%, due 5/24/27	570,000	588,283
Inter-American Development Bank		
1.75%, due 4/14/22	915,000	916,439
International Bank for Reconstruction & Development		
2.00%, due 1/26/22	1,525,000	1,535,924
3.00%, due 9/27/23	1,000,000	1,046,896
Japan Bank for International Cooperation		
2.875%, due 6/1/27	576,000	602,529
		<u>7,270,961</u>
<b>Oil &amp; Gas 1.1%</b>		
BP Capital Markets America, Inc.		
3.588%, due 4/14/27	250,000	267,674
Canadian Natural Resources, Ltd.		
6.25%, due 3/15/38	100,000	130,131
Cenovus Energy, Inc.		
5.25%, due 6/15/37	300,000	332,516
Chevron Corp.		
3.191%, due 6/24/23	410,000	426,836
ConocoPhillips Co.		
5.95%, due 3/15/46	95,000	135,985
Devon Energy Corp.		
4.75%, due 5/15/42	210,000	235,600

	Principal Amount	Value
<b>Oil &amp; Gas (continued)</b>		
Enterprise Products Operating LLC		
4.80%, due 2/1/49	\$ 350,000	\$ 411,163
EOG Resources, Inc.		
3.90%, due 4/1/35	180,000	199,684
Equinor ASA		
5.10%, due 8/17/40	360,000	459,109
Exxon Mobil Corp.		
4.114%, due 3/1/46	390,000	457,881
Hess Corp.		
7.125%, due 3/15/33	100,000	126,483
Marathon Petroleum Corp.		
5.125%, due 3/1/21	1,020,000	1,056,103
Occidental Petroleum Corp.		
3.00%, due 2/15/27	380,000	380,724
5.55%, due 3/15/26	320,000	362,915
Petroleos Mexicanos		
6.50%, due 6/2/41	250,000	248,250
Shell International Finance B.V.		
2.375%, due 8/21/22	290,000	294,037
3.75%, due 9/12/46	510,000	560,861
		<u>6,085,952</u>
<b>Oil &amp; Gas Services 0.1%</b>		
Halliburton Co.		
3.80%, due 11/15/25	450,000	480,056
<b>Pharmaceuticals 1.2%</b>		
AbbVie, Inc.		
3.20%, due 11/6/22	440,000	451,494
3.75%, due 11/14/23	70,000	73,684
4.70%, due 5/14/45	180,000	201,144
Allergan Funding SCS		
3.80%, due 3/15/25	200,000	210,182
4.75%, due 3/15/45	100,000	108,911
AstraZeneca PLC		
6.45%, due 9/15/37	440,000	620,608
Bristol-Myers Squibb Co. (a)		
2.75%, due 2/15/23	25,000	25,480
3.40%, due 7/26/29	530,000	567,219
3.55%, due 8/15/22	155,000	161,092
3.625%, due 5/15/24	510,000	539,017
Cigna Corp.		
3.90%, due 2/15/22 (a)	405,000	419,459
4.125%, due 11/15/25	225,000	244,180
4.90%, due 12/15/48	250,000	298,624
Eli Lilly & Co.		
3.95%, due 3/15/49	250,000	289,594
GlaxoSmithKline Capital, Inc.		
3.875%, due 5/15/28	255,000	281,670
Johnson & Johnson		
3.55%, due 3/1/36	40,000	43,776
4.95%, due 5/15/33	250,000	312,073

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# Portfolio of Investments December 31, 2019 (continued)

	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Pharmaceuticals (continued)</b>		
Merck & Co., Inc.		
3.70%, due 2/10/45	\$ 210,000	\$ 232,318
Mylan, Inc.		
4.20%, due 11/29/23	50,000	52,945
5.20%, due 4/15/48	65,000	72,777
Novartis Capital Corp.		
4.00%, due 11/20/45	260,000	301,986
Pfizer, Inc.		
3.00%, due 6/15/23	155,000	161,160
3.20%, due 9/15/23	25,000	26,084
4.00%, due 12/15/36	440,000	499,026
4.10%, due 9/15/38	70,000	80,048
		<u>6,274,551</u>
<b>Pipelines 0.8%</b>		
Enbridge, Inc.		
4.50%, due 6/10/44	210,000	231,563
Energy Transfer Operating, L.P.		
4.05%, due 3/15/25	1,330,000	1,398,335
Enterprise Products Operating LLC		
3.70%, due 2/15/26	400,000	425,858
Kinder Morgan Energy Partners, L.P.		
5.80%, due 3/15/35	255,000	308,735
Kinder Morgan, Inc.		
4.30%, due 6/1/25	515,000	558,767
MPLX, L.P.		
4.125%, due 3/1/27	255,000	267,862
Phillips 66 Partners, L.P.		
4.68%, due 2/15/45	412,000	447,233
Plains All American Pipeline, L.P. / PAA Finance Corp.		
3.65%, due 6/1/22	180,000	184,680
TransCanada Pipelines, Ltd.		
4.875%, due 1/15/26	260,000	291,109
4.875%, due 5/15/48	100,000	118,289
Williams Cos., Inc.		
3.35%, due 8/15/22	250,000	256,158
		<u>4,488,589</u>
<b>Real Estate 0.0%†</b>		
Prologis, L.P.		
3.75%, due 11/1/25	180,000	194,889
<b>Real Estate Investment Trusts 0.3%</b>		
American Tower Corp.		
5.00%, due 2/15/24	170,000	186,977
AvalonBay Communities, Inc.		
2.90%, due 10/15/26	180,000	185,129
ERP Operating, L.P.		
3.25%, due 8/1/27	210,000	220,782
4.625%, due 12/15/21	225,000	235,082

	Principal Amount	Value
<b>Real Estate Investment Trusts (continued)</b>		
Realty Income Corp.		
4.65%, due 3/15/47	\$ 125,000	\$ 151,564
Simon Property Group, L.P.		
4.25%, due 11/30/46	368,000	421,051
		<u>1,400,585</u>
<b>Retail 0.7%</b>		
CVS Health Corp.		
2.75%, due 12/1/22	330,000	335,360
2.80%, due 7/20/20	300,000	300,855
4.30%, due 3/25/28	210,000	229,413
5.05%, due 3/25/48	405,000	479,936
Home Depot, Inc.		
4.25%, due 4/1/46	355,000	418,633
Lowe's Cos., Inc.		
4.05%, due 5/3/47	360,000	388,922
McDonald's Corp.		
3.375%, due 5/26/25	560,000	592,482
Target Corp.		
3.50%, due 7/1/24	250,000	267,601
Walmart, Inc.		
2.85%, due 7/8/24	225,000	233,448
3.30%, due 4/22/24	65,000	68,363
4.30%, due 4/22/44	300,000	356,600
		<u>3,671,613</u>
<b>Semiconductors 0.4%</b>		
Applied Materials, Inc.		
5.10%, due 10/1/35	210,000	265,523
Broadcom Corp. / Broadcom Cayman Finance, Ltd.		
2.20%, due 1/15/21	300,000	300,230
3.00%, due 1/15/22	180,000	182,663
Intel Corp.		
3.70%, due 7/29/25	510,000	551,676
QUALCOMM, Inc.		
4.65%, due 5/20/35	210,000	249,664
Texas Instruments, Inc.		
2.625%, due 5/15/24	300,000	308,011
		<u>1,857,767</u>
<b>Software 0.5%</b>		
Fidelity National Information Services, Inc.		
3.50%, due 4/15/23	63,000	65,591
Fiserv, Inc.		
4.20%, due 10/1/28	50,000	55,462
Microsoft Corp.		
2.40%, due 2/6/22	410,000	415,796
3.30%, due 2/6/27	365,000	390,151
4.25%, due 2/6/47	605,000	742,371
Oracle Corp.		
2.95%, due 5/15/25	405,000	421,625

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	Principal Amount	Value
<b>Corporate Bonds (continued)</b>		
<b>Software (continued)</b>		
Oracle Corp. (continued)		
4.00%, due 7/15/46	\$ 180,000	\$ 200,370
5.375%, due 7/15/40	300,000	389,953
		<u>2,681,319</u>
<b>Sovereign 0.1%</b>		
Svensk Exportkredit A.B.		
2.375%, due 3/9/22	400,000	405,332
<b>Telecommunications 1.1%</b>		
AT&T, Inc.		
3.60%, due 7/15/25	260,000	275,224
4.25%, due 3/1/27	1,150,000	1,263,139
5.15%, due 11/15/46	750,000	898,007
Cisco Systems, Inc.		
2.95%, due 2/28/26	410,000	427,671
Deutsche Telekom International Finance B.V.		
8.75%, due 6/15/30	210,000	309,373
Telefonica Emisiones SAU		
7.045%, due 6/20/36	300,000	419,922
Verizon Communications, Inc.		
4.016%, due 12/3/29	515,000	574,094
5.50%, due 3/16/47	850,000	1,154,198
Vodafone Group PLC		
4.375%, due 5/30/28	405,000	449,047
		<u>5,770,675</u>
<b>Transportation 0.5%</b>		
Burlington Northern Santa Fe LLC		
3.25%, due 6/15/27	180,000	192,158
Canadian National Railway Co.		
6.25%, due 8/1/34	210,000	293,307
CSX Corp.		
3.70%, due 11/1/23	615,000	653,202
FedEx Corp.		
2.625%, due 8/1/22	260,000	263,760
3.20%, due 2/1/25	255,000	264,549
Norfolk Southern Corp.		
3.942%, due 11/1/47	66,000	71,135
4.80%, due 8/15/43	40,000	45,826
Union Pacific Corp.		
2.75%, due 3/1/26	705,000	722,555
United Parcel Service, Inc.		
3.40%, due 11/15/46	405,000	404,010
		<u>2,910,502</u>
Total Corporate Bonds		
(Cost \$111,749,902)		<u>119,285,036</u>

	Principal Amount	Value
<b>Foreign Government Bonds 1.6%</b>		
<b>Canada 0.3%</b>		
Province of Ontario Canada		
2.50%, due 4/27/26	\$ 970,000	\$ 990,624
Province of Quebec Canada		
2.50%, due 4/20/26	650,000	667,270
		<u>1,657,894</u>
<b>Colombia 0.1%</b>		
Republic of Colombia		
6.125%, due 1/18/41	545,000	705,230
<b>Mexico 0.5%</b>		
United Mexican States		
4.125%, due 1/21/26	2,380,000	2,541,840
<b>Panama 0.1%</b>		
Panama Government International Bond		
3.75%, due 3/16/25	750,000	796,875
<b>Peru 0.2%</b>		
Peruvian Government International Bond		
7.35%, due 7/21/25	920,000	1,159,660
<b>Philippines 0.1%</b>		
Philippine Government International Bond		
5.00%, due 1/13/37	400,000	510,342
<b>Republic of Korea 0.3%</b>		
Korea Development Bank		
2.25%, due 5/18/20	500,000	500,159
3.25%, due 2/19/24	850,000	884,208
		<u>1,384,367</u>
Total Foreign Government Bonds		
(Cost \$8,246,579)		<u>8,756,208</u>
<b>Mortgage-Backed Securities 1.3%</b>		
<b>Commercial Mortgage Loans</b>		
<b>(Collateralized Mortgage Obligations) 1.3%</b>		
Bank		
Series 2018-BN14, Class A3		
3.966%, due 9/15/60	800,000	880,623
Benchmark Mortgage Trust		
Series 2018-B1, Class A2		
3.571%, due 1/15/51	100,000	103,360
Series 2018-B1, Class A5		
3.666%, due 1/15/51 (c)	800,000	861,272
Series 2018-B6, Class A3		
3.995%, due 10/10/51	900,000	993,352

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# Portfolio of Investments December 31, 2019 (continued)

	Principal Amount	Value
<b>Mortgage-Backed Securities (continued)</b>		
<b>Commercial Mortgage Loans</b>		
<b>(Collateralized Mortgage Obligations) (continued)</b>		
CFCRE Commercial Mortgage Trust		
Series 2016-C6, Class A3		
3.217%, due 11/10/49 (c)	\$ 300,000	\$ 311,342
Series 2017-C8, Class A3		
3.305%, due 6/15/50	200,000	208,388
Citigroup Commercial Mortgage Trust		
Series 2017-P8, Class A4		
3.465%, due 9/15/50	300,000	318,516
Series 2015-GC35, Class A4		
3.818%, due 11/10/48	300,000	321,918
CSAIL Commercial Mortgage Trust		
Series 2017-CX9, Class A5		
3.446%, due 9/15/50	300,000	315,590
GS Mortgage Securities Trust		
Series 2016-GS3, Class A4		
2.85%, due 10/10/49	300,000	306,374
Series 2014-GC22, Class A5		
3.862%, due 6/10/47	300,000	318,098
Series 2018-GS9, Class A4		
3.992%, due 3/10/51 (c)	800,000	877,173
Morgan Stanley Bank of America Merrill Lynch Trust		
Series 2013-C7, Class A4		
2.918%, due 2/15/46	300,000	305,456
Morgan Stanley Capital I Trust		
Series 2018-H3, Class A4		
3.914%, due 7/15/51	500,000	546,181
Wells Fargo Commercial Mortgage Trust		
Series 2015-SG1, Class A4		
3.789%, due 9/15/48	300,000	319,893
WFRBS Commercial Mortgage Trust		
Series 2012-C8, Class A3		
3.001%, due 8/15/45	200,000	203,682
Total Mortgage-Backed Securities (Cost \$6,806,138)		<u>7,191,218</u>

## **U.S. Government & Federal Agencies 68.4%**

### **Federal Home Loan Bank 0.1%**

3.25%, due 11/16/28	700,000	765,528
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### **Federal Home Loan Mortgage Corporation 0.4%**

1.875%, due 11/17/20	400,000	400,785
2.00%, due 5/28/24	1,300,000	1,300,124
2.375%, due 1/13/22	500,000	507,708
		<u>2,208,617</u>

	Principal Amount	Value
<b>Federal Home Loan Mortgage Corporation</b>		
<b>(Mortgage Pass-Through Securities) 5.0%</b>		
2.50%, due 10/1/31	\$ 67,068	\$ 68,005
2.50%, due 2/1/32	364,663	369,072
2.50%, due 2/1/33	448,268	453,702
2.50%, due 4/1/33	585,732	592,833
2.50%, due 6/1/33	95,268	96,423
2.50%, due 7/1/33	231,860	234,375
3.00%, due 9/1/27	210,396	216,037
3.00%, due 4/1/32	264,353	271,861
3.00%, due 6/1/32	69,168	71,132
3.00%, due 9/1/32	34,940	35,932
3.00%, due 10/1/32	153,640	158,005
3.00%, due 5/1/33	238,094	244,864
3.00%, due 9/1/33	281,184	288,487
3.00%, due 9/1/36	142,356	147,109
3.00%, due 11/1/37	150,753	154,834
3.00%, due 12/1/37	241,079	247,023
3.00%, due 9/1/46	1,131,304	1,160,934
3.00%, due 12/1/46	76,826	78,643
3.00%, due 2/1/47	81,335	83,353
3.00%, due 3/1/47	367,065	375,777
3.00%, due 4/1/47	106,917	109,430
3.00%, due 1/1/48	975,881	996,675
3.00%, due 2/1/48	628,531	640,405
3.00%, due 3/1/48	538,204	549,666
3.00%, due 4/1/48	682,042	699,784
3.00%, due 6/1/48	817,784	832,973
3.50%, due 12/1/25	50,915	52,780
3.50%, due 5/1/33	222,745	232,129
3.50%, due 9/1/33	69,948	72,664
3.50%, due 2/1/37	203,123	211,921
3.50%, due 1/1/38	240,773	250,879
3.50%, due 6/1/43	217,929	229,813
3.50%, due 9/1/44	204,195	216,150
3.50%, due 8/1/45	456,756	477,161
3.50%, due 8/1/46	634,365	662,679
3.50%, due 8/1/47	78,652	81,712
3.50%, due 9/1/47	178,811	185,881
3.50%, due 11/1/47	338,633	352,615
3.50%, due 12/1/47	800,167	833,673
3.50%, due 1/1/48	80,124	83,355
3.50%, due 3/1/48	961,925	999,568
3.50%, due 5/1/48	337,937	350,707
3.50%, due 6/1/48	582,789	603,922
3.50%, due 8/1/48	714,870	736,541
3.50%, due 9/1/48	679,339	700,325
3.50%, due 11/1/48	238,765	245,618
3.50%, due 12/1/48	616,430	635,737
4.00%, due 4/1/46	488,783	517,251
4.00%, due 5/1/46	165,251	174,794
4.00%, due 4/1/47	146,723	154,500

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



	Principal Amount	Value
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### U.S. Government & Federal Agencies (continued)

#### Federal Home Loan Mortgage Corporation

##### (Mortgage Pass-Through Securities) (continued)

4.00%, due 6/1/47	\$ 410,306	\$ 431,874
4.00%, due 8/1/47	706,786	743,954
4.00%, due 10/1/47	176,199	185,277
4.00%, due 12/1/47	467,459	491,383
4.00%, due 1/1/48	152,100	160,325
4.00%, due 5/1/48	294,794	308,480
4.00%, due 9/1/48	1,160,421	1,209,311
4.00%, due 12/1/48	669,577	697,525
4.50%, due 5/1/38	140,955	150,192
4.50%, due 9/1/46	60,363	63,864
4.50%, due 9/1/46	30,820	32,711
4.50%, due 10/1/46	235,508	250,778
4.50%, due 2/1/47	53,767	56,904
4.50%, due 11/1/47	72,199	76,683
4.50%, due 2/1/48	141,575	149,566
4.50%, due 4/1/48	211,669	223,251
4.50%, due 6/1/48	133,233	140,243
4.50%, due 7/1/48	465,635	490,196
4.50%, due 8/1/48	475,752	503,152
4.50%, due 1/1/49	778,845	819,308
5.00%, due 9/1/38	72,964	80,437
5.00%, due 11/1/41	125,890	138,846
5.00%, due 3/1/47	250,920	269,197
5.00%, due 9/1/48	364,068	389,967
5.00%, due 1/1/49	251,422	269,302
5.50%, due 1/1/29	85,175	91,606
5.50%, due 7/1/38	123,923	138,946
		<u>26,802,987</u>

#### Federal National Mortgage Association 0.6%

1.375%, due 9/6/22	725,000	720,230
1.875%, due 4/5/22	300,000	301,933
1.875%, due 9/24/26	1,650,000	1,647,047
2.875%, due 10/30/20	650,000	656,544
		<u>3,325,754</u>

#### Federal National Mortgage Association

##### (Mortgage Pass-Through Securities) 11.3%

2.50%, due 10/1/27	229,846	232,607
2.50%, due 4/1/30	193,832	197,143
2.50%, due 10/1/31	329,547	333,973
2.50%, due 2/1/32	278,361	281,585
2.50%, due 2/1/32	283,180	286,459
2.50%, due 8/1/32	482,827	487,717
2.50%, due 3/1/33	323,752	328,506
2.50%, due 6/1/33	333,515	337,364
2.50%, due 4/1/46	83,456	83,054
2.50%, due 10/1/46	173,526	172,510
3.00%, due 4/1/25	76,470	78,355
3.00%, due 11/1/31	229,557	235,937

	Principal Amount	Value
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### Federal National Mortgage Association

#### (Mortgage Pass-Through Securities) (continued)

3.00%, due 1/1/32	\$ 336,927	\$ 346,303
3.00%, due 6/1/32	197,121	202,372
3.00%, due 1/1/33	181,275	186,330
3.00%, due 2/1/33	252,662	260,838
3.00%, due 4/1/33	427,569	439,440
3.00%, due 5/1/33	420,898	432,651
3.00%, due 9/1/33	195,070	200,357
3.00%, due 9/1/34	2,370,545	2,430,996
3.00%, due 2/1/37	218,051	225,064
3.00%, due 1/1/38	707,224	725,027
3.00%, due 9/1/42	1,344,812	1,385,480
3.00%, due 12/1/43	987,199	1,015,496
3.00%, due 10/1/44	857,227	882,724
3.00%, due 10/1/46	190,143	194,738
3.00%, due 12/1/46	1,764,236	1,806,944
3.00%, due 2/1/47	269,451	275,853
3.00%, due 8/1/47	989,968	1,019,072
3.00%, due 10/1/47	855,337	873,900
3.00%, due 11/1/47	242,830	248,597
3.00%, due 6/1/48	177,919	180,986
3.00%, due 9/1/49	2,939,463	2,981,995
3.50%, due 7/1/21	23,406	24,242
3.50%, due 3/1/22	50,063	51,851
3.50%, due 5/1/26	57,070	59,123
3.50%, due 11/1/31	61,916	64,160
3.50%, due 5/1/33	128,696	133,764
3.50%, due 6/1/33	296,255	307,493
3.50%, due 7/1/33	144,392	149,863
3.50%, due 9/1/33	204,454	211,924
3.50%, due 5/1/45	911,048	969,982
3.50%, due 9/1/45	150,948	157,582
3.50%, due 12/1/45	526,578	554,912
3.50%, due 12/1/45	346,302	361,211
3.50%, due 1/1/46	314,111	334,419
3.50%, due 1/1/46	317,736	333,156
3.50%, due 4/1/46	154,625	161,141
3.50%, due 9/1/46	565,607	598,412
3.50%, due 10/1/46	152,807	158,699
3.50%, due 10/1/46	322,655	335,371
3.50%, due 1/1/47	293,586	304,893
3.50%, due 7/1/47	82,364	85,510
3.50%, due 7/1/47	305,357	321,452
3.50%, due 10/1/47	306,219	317,894
3.50%, due 11/1/47	831,090	862,968
3.50%, due 11/1/47	416,052	432,019
3.50%, due 11/1/47	1,105,287	1,149,588
3.50%, due 12/1/47	79,852	83,015
3.50%, due 8/1/48	701,355	723,882
3.50%, due 9/1/48	872,468	899,425
3.50%, due 2/1/49	1,737,314	1,788,116

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

# Portfolio of Investments December 31, 2019 (continued)

	Principal Amount	Value
<b>U.S. Government &amp; Federal Agencies (continued)</b>		
<b>Federal National Mortgage Association</b>		
<b>(Mortgage Pass-Through Securities) (continued)</b>		
3.50%, due 9/1/49	\$ 6,894,288	\$ 7,091,658
4.00%, due 5/1/24	89,618	93,456
4.00%, due 11/1/29	208,299	217,256
4.00%, due 2/1/37	56,232	59,579
4.00%, due 8/1/38	594,066	620,766
4.00%, due 8/1/44	280,556	299,683
4.00%, due 2/1/45	347,771	368,477
4.00%, due 9/1/45	66,879	70,855
4.00%, due 5/1/46	329,624	348,257
4.00%, due 9/1/46	117,315	124,261
4.00%, due 9/1/46	138,306	145,798
4.00%, due 2/1/47	53,236	55,833
4.00%, due 4/1/47	32,497	34,193
4.00%, due 5/1/47	250,256	262,609
4.00%, due 5/1/47	238,135	250,549
4.00%, due 6/1/47	751,831	789,751
4.00%, due 10/1/47	82,034	86,184
4.00%, due 11/1/47	76,544	80,478
4.00%, due 12/1/47	214,639	223,972
4.00%, due 1/1/48	75,538	79,282
4.00%, due 1/1/48	444,837	466,955
4.00%, due 1/1/48	557,763	579,522
4.00%, due 2/1/48	228,706	240,082
4.00%, due 6/1/48	870,578	908,965
4.00%, due 7/1/48	1,183,327	1,230,208
4.00%, due 7/1/48	323,167	336,120
4.00%, due 7/1/48	756,112	785,889
4.00%, due 8/1/48	210,755	219,003
4.00%, due 9/1/48	209,617	218,340
4.00%, due 9/1/48	743,960	774,241
4.00%, due 10/1/48	143,627	149,572
4.00%, due 11/1/48	364,887	379,223
4.00%, due 1/1/49	271,587	282,201
4.00%, due 9/1/49	4,064,714	4,241,490
4.50%, due 7/1/46	66,355	70,589
4.50%, due 12/1/46	63,394	67,284
4.50%, due 4/1/47	481,731	510,540
4.50%, due 5/1/47	29,874	31,518
4.50%, due 7/1/47	97,742	103,422
4.50%, due 7/1/47	437,863	462,184
4.50%, due 8/1/47	34,800	36,779
4.50%, due 2/1/48	420,950	444,054
4.50%, due 4/1/48	57,175	60,205
4.50%, due 4/1/48	161,183	169,737
4.50%, due 4/1/48	125,331	131,910
4.50%, due 5/1/48	370,563	391,416
4.50%, due 6/1/48	204,701	216,234
4.50%, due 8/1/48	403,699	426,063
4.50%, due 10/1/48	140,099	147,935

	Principal Amount	Value
<b>Federal National Mortgage Association</b>		
<b>(Mortgage Pass-Through Securities) (continued)</b>		
4.50%, due 9/1/49	\$ 1,920,116	\$ 2,026,286
5.00%, due 8/1/31	199,607	212,930
5.00%, due 6/1/39	182,128	200,292
5.00%, due 6/1/40	40,594	44,751
5.00%, due 7/1/47	140,973	150,909
5.00%, due 1/1/48	240,090	260,645
5.00%, due 4/1/48	93,597	100,740
5.00%, due 5/1/48	211,551	226,386
5.00%, due 9/1/48	175,664	189,154
5.50%, due 8/1/27	71,052	76,561
5.50%, due 6/1/36	99,994	112,180
5.50%, due 5/1/44	111,272	124,987
5.50%, due 9/1/48	484,068	522,361
		<u>60,939,200</u>
<b>Government National Mortgage Association</b>		
<b>(Mortgage Pass-Through Securities) 6.5%</b>		
2.50%, due 4/20/47	80,826	81,179
3.00%, due 6/15/45	51,557	52,989
3.00%, due 10/15/45	30,590	31,440
3.00%, due 11/20/45	840,593	868,388
3.00%, due 8/20/46	322,137	332,600
3.00%, due 9/20/46	170,409	176,033
3.00%, due 10/20/46	1,059,839	1,094,092
3.00%, due 1/20/47	1,193,633	1,231,827
3.00%, due 5/20/47	204,674	211,186
3.00%, due 12/20/47	709,113	729,583
3.00%, due 2/20/48	805,238	828,457
3.00%, due 3/20/48	954,884	982,337
3.00%, due 5/15/48	180,258	185,262
3.00%, due 7/1/49 TBA (d)	1,000,000	1,027,383
3.50%, due 11/20/42	288,547	302,504
3.50%, due 9/20/44	446,490	466,368
3.50%, due 3/15/45	37,317	38,810
3.50%, due 4/15/45	56,413	58,712
3.50%, due 7/20/45	1,187,363	1,237,943
3.50%, due 11/20/45	542,359	565,449
3.50%, due 7/20/46	62,060	64,468
3.50%, due 10/20/46	62,186	64,637
3.50%, due 11/20/46	768,375	798,348
3.50%, due 1/20/47	896,690	929,386
3.50%, due 5/20/47	752,138	782,436
3.50%, due 9/20/47	802,776	833,869
3.50%, due 10/20/47	1,427,850	1,476,247
3.50%, due 12/20/47	702,338	729,595
3.50%, due 5/15/48	132,084	137,118
3.50%, due 7/20/48	385,047	397,893
3.50%, due 9/20/48	442,867	456,640
3.50%, due 10/20/48	459,933	474,237
3.50%, due 4/20/49	3,200,000	3,299,521

	Principal Amount	Value
<b>U.S. Government &amp; Federal Agencies (continued)</b>		
<b>Government National Mortgage Association</b>		
<b>(Mortgage Pass-Through Securities) (continued)</b>		
4.00%, due 8/15/46	\$ 104,735	\$ 111,832
4.00%, due 12/20/46	50,322	52,463
4.00%, due 1/20/47	421,027	438,840
4.00%, due 2/20/47	112,031	116,499
4.00%, due 3/20/47	87,491	91,408
4.00%, due 4/20/47	193,232	201,805
4.00%, due 5/20/47	162,019	169,241
4.00%, due 7/20/47	65,404	68,340
4.00%, due 11/15/47	195,086	204,045
4.00%, due 11/20/47	791,004	825,878
4.00%, due 12/20/47	176,275	184,056
4.00%, due 4/20/48	795,444	826,283
4.00%, due 5/20/48	337,305	350,384
4.00%, due 6/20/48	137,386	142,695
4.00%, due 8/20/48	900,846	937,801
4.00%, due 9/20/48	479,913	500,009
4.00%, due 3/20/49	158,405	164,026
4.00%, due 7/15/49	493,096	515,742
4.00%, due 7/20/49	3,922,977	4,065,355
4.50%, due 8/15/46	71,918	77,048
4.50%, due 8/20/46	152,701	162,721
4.50%, due 2/15/47	33,447	36,476
4.50%, due 4/15/47	54,946	59,806
4.50%, due 4/20/47	167,338	176,002
4.50%, due 8/15/47	393,453	421,965
4.50%, due 8/15/47	261,455	285,169
4.50%, due 11/20/47	166,954	176,728
4.50%, due 1/20/48	412,009	432,694
4.50%, due 3/20/48	184,409	194,208
4.50%, due 5/20/48	179,285	188,301
4.50%, due 6/20/48	308,349	324,796
4.50%, due 8/20/48	554,536	583,517
5.00%, due 8/20/45	165,864	179,227
5.00%, due 11/20/46	103,434	114,226
5.00%, due 4/15/47	65,188	69,999
5.00%, due 11/20/47	134,936	144,689
5.00%, due 12/15/47	89,005	95,134
5.00%, due 3/20/48	107,320	115,420
5.00%, due 6/20/48	238,971	253,890
		<u>35,005,655</u>
<b>United States Treasury Bonds 8.2%</b>		
2.25%, due 8/15/49 (e)	7,250,000	7,052,891
2.75%, due 8/15/47	1,035,000	1,112,746
2.75%, due 11/15/47	300,000	322,535
2.875%, due 5/15/43	1,950,000	2,128,928
2.875%, due 11/15/46	140,000	153,945
2.875%, due 5/15/49	3,500,000	3,868,184
3.00%, due 2/15/47	815,000	917,957

	Principal Amount	Value
<b>United States Treasury Bonds (continued)</b>		
3.00%, due 5/15/47	\$ 1,175,000	\$ 1,323,390
3.00%, due 2/15/48	5,950,000	6,705,836
3.00%, due 8/15/48	2,790,000	3,150,193
3.00%, due 2/15/49	2,145,000	2,426,196
3.125%, due 5/15/48	7,900,000	9,119,563
3.375%, due 11/15/48	1,550,000	1,875,016
3.625%, due 2/15/44	150,000	184,717
4.50%, due 2/15/36	1,900,000	2,522,398
4.625%, due 2/15/40	750,000	1,038,574
		<u>43,903,069</u>
<b>United States Treasury Notes 36.3%</b>		
1.375%, due 9/15/20	775,000	773,577
1.50%, due 7/15/20	460,000	459,713
1.50%, due 8/15/22	9,275,000	9,254,711
1.50%, due 9/15/22	3,400,000	3,392,164
1.50%, due 10/31/24	3,100,000	3,074,207
1.625%, due 10/15/20	2,450,000	2,449,713
1.625%, due 8/31/22	700,000	700,574
1.625%, due 11/15/22	4,700,000	4,703,488
1.625%, due 9/30/26	6,700,000	6,620,176
1.625%, due 10/31/26	900,000	888,785
1.625%, due 8/15/29	4,150,000	4,046,088
1.75%, due 11/15/20	3,950,000	3,953,395
1.75%, due 7/31/21	25,300,000	25,361,274
1.75%, due 6/15/22	900,000	903,621
1.75%, due 6/30/22	1,925,000	1,932,971
1.75%, due 7/15/22	2,000,000	2,007,734
1.75%, due 6/30/24	2,875,000	2,884,097
1.75%, due 7/31/24	14,650,000	14,696,926
1.75%, due 12/31/24	3,100,000	3,109,809
1.75%, due 12/31/26	1,700,000	1,691,965
1.75%, due 11/15/29	7,400,000	7,294,203
1.875%, due 12/15/20	3,375,000	3,382,383
1.875%, due 9/30/22	950,000	957,236
1.875%, due 8/31/24	650,000	655,611
2.00%, due 4/30/24	5,885,000	5,965,689
2.00%, due 5/31/24	1,400,000	1,419,414
2.125%, due 5/31/21	4,500,000	4,532,520
2.125%, due 7/31/24	150,000	152,918
2.125%, due 5/31/26	5,645,000	5,759,003
2.25%, due 2/15/21	1,525,000	1,535,246
2.375%, due 3/15/21	150,000	151,307
2.375%, due 4/15/21	2,000,000	2,019,297
2.375%, due 4/30/26	200,000	207,047
2.375%, due 5/15/29	2,125,000	2,210,249
2.50%, due 6/30/20	925,000	928,902
2.50%, due 2/15/22	2,150,000	2,190,816
2.50%, due 3/31/23	100,000	102,773
2.625%, due 7/31/20	55,000	55,312
2.625%, due 5/15/21	2,150,000	2,179,563

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

# Portfolio of Investments December 31, 2019 (continued)

	Principal Amount	Value
<b>U.S. Government &amp; Federal Agencies (continued)</b>		
<b>United States Treasury Notes (continued)</b>		
2.625%, due 6/15/21	\$ 925,000	\$ 938,441
2.625%, due 7/15/21	4,965,000	5,042,190
2.625%, due 6/30/23	1,900,000	1,964,273
2.625%, due 12/31/23	150,000	155,596
2.625%, due 2/15/29	975,000	1,034,033
2.75%, due 9/30/20	2,275,000	2,293,307
2.75%, due 8/15/21	3,700,000	3,767,496
2.75%, due 9/15/21	2,300,000	2,344,113
2.75%, due 4/30/23	5,425,000	5,621,444
2.75%, due 5/31/23	1,700,000	1,762,688
2.75%, due 7/31/23	4,675,000	4,854,695
2.75%, due 8/31/23	4,000,000	4,156,562
2.75%, due 6/30/25	275,000	289,674
2.75%, due 2/15/28	2,400,000	2,558,719
2.875%, due 10/31/20	10,700,000	10,806,582
2.875%, due 11/15/21	375,000	383,848
2.875%, due 9/30/23	2,875,000	3,002,690
2.875%, due 10/31/23	5,300,000	5,539,535
2.875%, due 11/30/23	600,000	627,586
2.875%, due 4/30/25	950,000	1,005,998
2.875%, due 5/31/25	300,000	317,777
2.875%, due 7/31/25	1,425,000	1,511,112
2.875%, due 8/15/28	600,000	647,109
3.125%, due 11/15/28	150,000	165,041
		<u>195,394,986</u>
Total U.S. Government & Federal Agencies (Cost \$359,696,363)		<u>368,345,796</u>
Total Long-Term Bonds (Cost \$488,697,737)		<u>505,797,365</u>

	Shares	
<b>Exchange-Traded Funds 4.4%</b>		
iShares Intermediate-Term Corporate Bond ETF	135,779	7,872,466
iShares Long-Term Corporate Bond ETF (e)	195,206	13,014,384
iShares Short-Term Corporate Bond ETF (e)	54,601	2,928,252
Total Exchange-Traded Funds (Cost \$23,426,514)		<u>23,815,102</u>

	Principal Amount	Value
<b>Short-Term Investments 4.4%</b>		
<b>Repurchase Agreement 0.7%</b>		
RBC Capital Markets 1.55%, dated 12/31/19 due 1/2/20 Proceeds at Maturity \$3,735,322 (Collateralized by a United States Treasury Note with a rate of 2.375% and a maturity date of 5/15/27, with a Principal Amount of \$3,662,100 and a Market Value of \$3,810,050)	\$ 3,735,000	<u>\$ 3,735,000</u>
Total Repurchase Agreement (Cost \$3,735,000)		<u>3,735,000</u>
<b>U.S. Government &amp; Federal Agencies 2.0%</b>		
United States Treasury Bill 0.913%, due 1/2/20 (f)	10,600,000	<u>10,599,735</u>
Total U.S. Government & Federal Agencies (Cost \$10,599,735)		<u>10,599,735</u>
	<b>Shares</b>	
<b>Unaffiliated Investment Company 1.7%</b>		
State Street Navigator Securities Lending Government Money Market Portfolio, 1.56% (g)(h)	9,191,975	<u>9,191,975</u>
Total Unaffiliated Investment Company (Cost \$9,191,975)		<u>9,191,975</u>
Total Short-Term Investments (Cost \$23,526,710)		<u>23,526,710</u>
Total Investments (Cost \$535,650,961)	102.7%	553,139,177
Other Assets, Less Liabilities	(2.7)	<u>(14,426,088)</u>
Net Assets	100.0%	<u>\$538,713,089</u>

- † Percentages indicated are based on Portfolio net assets.
- ‡ Less than one-tenth of a percent.
- (a) May be sold to institutional investors only under Rule 144A or securities offered pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.
- (b) Fixed to floating rate—Rate shown was the rate in effect as of December 31, 2019.
- (c) Coupon rate may change based on changes of the underlying collateral or prepayments of principal. Rate shown was the rate in effect as of December 31, 2019.
- (d) TBA—Securities purchased on a forward commitment basis with an approximate principal amount and maturity date. The actual principal amount and maturity date will be determined upon settlement. As of

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

December 31, 2019, the total net market value of these securities was \$1,027,383, which represented 0.2% of the Portfolio's net assets. All or a portion of these securities are a part of a mortgage dollar roll agreement.

- (e) All or a portion of this security was held on loan. As of December 31, 2019, the aggregate market value of securities on loan was \$9,394,624; the total market value of collateral held by the Portfolio was \$9,636,140.

The market value of the collateral held included non-cash collateral in the form of U.S. Treasury securities with a value of \$444,165 (See Note 2(J)).

- (f) Interest rate shown represents yield to maturity.  
 (g) Represents a security purchased with cash collateral received for securities on loan.  
 (h) Current yield as of December 31, 2019.

## Futures Contracts

As of December 31, 2019, the Portfolio held the following futures contracts<sup>1</sup>:

Type	Number of Contracts	Expiration Date	Value at Trade Date	Current Notional Amount	Unrealized Appreciation (Depreciation) <sup>2</sup>
<b>Long Contracts</b>					
5-Year United States Treasury Note	147	March 2020	\$17,501,285	\$17,435,578	\$ (65,707)
10-Year United States Treasury Note	57	March 2020	7,386,945	7,320,047	(66,898)
10-Year United States Treasury Ultra Note	46	March 2020	6,556,519	6,472,344	(84,175)
Total Long Contracts					(216,780)
<b>Short Contracts</b>					
2-Year United States Treasury Note	(23)	March 2020	(4,959,523)	(4,956,500)	3,023
United States Treasury Long Bond	(4)	March 2020	(637,618)	(623,625)	13,993
United States Treasury Ultra Bond	(18)	March 2020	(3,380,451)	(3,269,813)	110,638
Total Short Contracts					127,654
Net Unrealized Depreciation					\$ (89,126)

- As of December 31, 2019, cash in the amount of \$180,125 was on deposit with a broker or futures commission merchant for futures transactions.
- Represents the difference between the value of the contracts at the time they were opened and the value as of December 31, 2019.

The following abbreviation is used in the preceding pages:

ETF—Exchange-Traded Fund

# Portfolio of Investments December 31, 2019 (continued)

The following is a summary of the fair valuations according to the inputs used as of December 31, 2019, for valuing the Portfolio's assets and liabilities:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<b>Asset Valuation Inputs</b>				
Investments in Securities (a)				
Long-Term Bonds				
Asset-Backed Securities	\$ —	\$ 2,219,107	\$ —	\$ 2,219,107
Corporate Bonds	—	119,285,036	—	119,285,036
Foreign Government Bonds	—	8,756,208	—	8,756,208
Mortgage-Backed Securities	—	7,191,218	—	7,191,218
U.S. Government & Federal Agencies	—	368,345,796	—	368,345,796
Total Long-Term Bonds	—	505,797,365	—	505,797,365
Exchange-Traded Funds	23,815,102	—	—	23,815,102
Short-Term Investments				
Repurchase Agreement	—	3,735,000	—	3,735,000
U.S. Government & Federal Agencies	—	10,599,735	—	10,599,735
Unaffiliated Investment Company	9,191,975	—	—	9,191,975
Total Short-Term Investments	9,191,975	14,334,735	—	23,526,710
Total Investments in Securities	33,007,077	520,132,100	—	553,139,177
Other Financial Instruments				
Futures Contracts (b)	127,654	—	—	127,654
Total Investments in Securities and Other Financial Instruments	<u>\$33,134,731</u>	<u>\$520,132,100</u>	<u>\$ —</u>	<u>\$553,266,831</u>
<b>Liability Valuation Inputs</b>				
Other Financial Instruments				
Futures Contracts (b)	<u>\$ (216,780)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (216,780)</u>

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

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

# Statement of Assets and Liabilities as of December 31, 2019

## Assets

Investment in securities, at value (identified cost \$535,650,961) including securities on loan of \$9,394,624	\$553,139,177
Cash collateral on deposit at broker for futures contracts	180,125
Cash	596
Receivables:	
Interest	2,940,221
Portfolio shares sold	247,523
Variation margin on futures contracts	4,230
Securities lending	3,391
Total assets	<u>556,515,263</u>

## Liabilities

Cash collateral received for securities on loan	9,191,975
Payables:	
Investment securities purchased	8,338,802
Manager (See Note 3)	113,582
Portfolio shares redeemed	59,836
Professional fees	41,676
NYLIFE Distributors (See Note 3)	24,000
Custodian	21,847
Shareholder communication	8,919
Trustees	794
Accrued expenses	743
Total liabilities	<u>17,802,174</u>
Net assets	<u>\$538,713,089</u>

## Composition of Net Assets

Shares of beneficial interest outstanding (par value of \$.001 per share) unlimited number of shares authorized	\$ 50,798
Additional paid-in capital	<u>509,511,605</u>
	509,562,403
Total distributable earnings (loss)	<u>29,150,686</u>
Net assets	<u>\$538,713,089</u>

## Initial Class

Net assets applicable to outstanding shares	<u>\$422,162,880</u>
Shares of beneficial interest outstanding	<u>39,765,256</u>
Net asset value per share outstanding	<u>\$ 10.62</u>

## Service Class

Net assets applicable to outstanding shares	<u>\$116,550,209</u>
Shares of beneficial interest outstanding	<u>11,032,412</u>
Net asset value per share outstanding	<u>\$ 10.56</u>

# Statement of Operations for the year ended December 31, 2019

## Investment Income (Loss)

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### Income

Interest	\$12,710,799
Dividends	326,863
Securities lending	46,171
Other	<u>776</u>
Total income	<u>13,084,609</u>

### Expenses

Manager (See Note 3)	1,111,475
Distribution/Service—Service Class (See Note 3)	190,868
Professional fees	87,319
Custodian	50,591
Shareholder communication	31,215
Trustees	10,713
Miscellaneous	<u>18,924</u>
Total expenses	<u>1,501,105</u>

Net investment income (loss) 11,583,504

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

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Net realized gain (loss) on:

Investment transactions	1,627,447
Futures transactions	<u>772,219</u>

Net realized gain (loss) on investments and futures transactions 2,399,666

Net change in unrealized appreciation (depreciation) on:

Investments	18,903,171
Futures contracts	<u>(209,097)</u>

Net change in unrealized appreciation (depreciation) on investments and futures contracts 18,694,074

Net realized and unrealized gain (loss) on investments and futures transactions 21,093,740

Net increase (decrease) in net assets resulting from operations \$32,677,244



# Statements of Changes in Net Assets

for the years ended December 31, 2019 and December 31, 2018

	2019	2018
<b>Increase (Decrease) in Net Assets</b>		
Operations:		
Net investment income (loss)	\$ 11,583,504	\$ 6,692,786
Net realized gain (loss) on investments and futures transactions	2,399,666	(2,096,233)
Net change in unrealized appreciation (depreciation) on investments and futures contracts	18,694,074	(1,374,360)
Net increase (decrease) in net assets resulting from operations	32,677,244	3,222,193
Distributions to shareholders:		
Initial Class	—	(6,178,249)
Service Class	—	(573,525)
Total distributions to shareholders	—	(6,751,774)
Capital share transactions:		
Net proceeds from sale of shares	211,348,070	372,695,629
Net asset value of shares issued to shareholders in reinvestment of distributions	—	6,751,774
Cost of shares redeemed	(104,416,966)	(120,996,629)
Increase (decrease) in net assets derived from capital share transactions	106,931,104	258,450,774
Net increase (decrease) in net assets	139,608,348	254,921,193
<b>Net Assets</b>		
Beginning of year	399,104,741	144,183,548
End of year	\$ 538,713,089	\$ 399,104,741

# Financial Highlights selected per share data and ratios

Initial Class	Year ended December 31,		May 1, 2017 <sup>^</sup> through December 31, 2017
	2019	2018	
Net asset value at beginning of period	\$ 9.80	\$ 10.04	\$ 10.00
Net investment income (loss) (a)	0.27	0.26	0.13
Net realized and unrealized gain (loss) on investments	0.55	(0.33)	0.01
Total from investment operations	0.82	(0.07)	0.14
<b>Less distributions:</b>			
From net investment income	—	(0.17)	(0.10)
From net realized gain on investments	—	—	(0.00) <sup>‡</sup>
Total distributions	—	(0.17)	(0.10)
Net asset value at end of period	\$ 10.62	\$ 9.80	\$ 10.04
Total investment return (b)	8.37%(c)	(0.67%)	1.42%
<b>Ratios (to average net assets)/Supplemental Data:</b>			
Net investment income (loss)	2.66%	2.67%	1.92% <sup>††</sup>
Net expenses (d)	0.30%	0.31%	0.37% <sup>††</sup>
Portfolio turnover rate (e)	65%	143%	104%(f)
Net assets at end of period (in 000's)	\$ 422,163	\$ 362,545	\$ 140,759

<sup>^</sup> Inception date.

<sup>††</sup> Annualized.

<sup>‡</sup> Less than one cent per share.

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

(b) Total return does not reflect any deduction of sales charges, mortality and expense charges, contract charges or administrative charges. For periods of less than one year, total return is not annualized.

(c) Total investment return may reflect adjustments to conform to generally accepted accounting principles.

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

(e) The portfolio turnover rate not including mortgage dollar rolls were 57%, 104% and 59% for the years ended December 31, 2019, 2018 and for the period ended December 31, 2017, respectively.

(f) Portfolio turnover rate is not annualized.

# Financial Highlights selected per share data and ratios

Service Class	Year ended December 31,		May 1, 2017 <sup>^</sup> through December 31, 2017
	2019	2018	
Net asset value at beginning of period	\$ 9.78	\$ 10.03	\$ 10.00
Net investment income (loss) (a)	0.24	0.24	0.12
Net realized and unrealized gain (loss) on investments	0.54	(0.33)	0.00 ‡
Total from investment operations	0.78	(0.09)	0.12
<b>Less distributions:</b>			
From net investment income	—	(0.16)	(0.09)
From net realized gain on investments	—	—	(0.00) ‡
Total distributions	—	(0.16)	(0.09)
Net asset value at end of period	\$ 10.56	\$ 9.78	\$ 10.03
Total investment return (b)	7.98%(c)	(0.92%)	1.26%
<b>Ratios (to average net assets)/Supplemental Data:</b>			
Net investment income (loss)	2.36%	2.48%	1.70% ††
Net expenses (d)	0.55%	0.56%	0.62% ††
Portfolio turnover rate (e)	65%	143%	104%(f)
Net assets at end of period (in 000's)	\$ 116,550	\$ 36,560	\$ 3,424

<sup>^</sup> Inception date.

†† Annualized.

‡ Less than one cent per share.

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

(b) Total return does not reflect any deduction of sales charges, mortality and expense charges, contract charges or administrative charges. For periods of less than one year, total return is not annualized.

(c) Total investment return may reflect adjustments to conform to generally accepted accounting principles.

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

(e) The portfolio turnover rate not including mortgage dollar rolls were 57%, 104% and 59% for the years ended December 31, 2019, 2018 and for the period ended December 31, 2017, respectively.

(f) Portfolio turnover rate is not annualized.

# Notes to Financial Statements

## Note 1—Organization and Business

MainStay VP Funds Trust (the “Fund”) was organized as a Delaware statutory trust on February 1, 2011. The Fund is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Fund is comprised of thirty-one separate series (collectively referred to as the “Portfolios”). These financial statements and notes relate to the MainStay VP Indexed Bond Portfolio (the “Portfolio”), a “diversified” portfolio, as that term is defined in the 1940 Act, as interpreted or modified by regulatory authorities having jurisdiction, from time to time.

Shares of the Portfolio are currently offered to certain separate accounts to fund variable annuity policies and variable universal life insurance policies issued by New York Life Insurance and Annuity Corporation (“NYLIAC”), a wholly-owned subsidiary of New York Life Insurance Company (“New York Life”) and may also be offered to fund variable annuity policies and variable universal life insurance policies issued by other insurance companies. NYLIAC allocates shares of the Portfolios to, among others, certain NYLIAC separate accounts. Shares of the Portfolio are also offered to the MainStay VP Conservative Allocation Portfolio, MainStay VP Moderate Allocation Portfolio, MainStay VP Moderate Growth Allocation Portfolio and MainStay VP Growth Allocation Portfolio, which operate as “funds-of-funds.”

The Portfolio currently offers two classes of shares. Initial Class and Service Class shares commenced operations on May 1, 2017. Shares of the Portfolio are offered and are redeemed at a price equal to their respective net asset value (“NAV”) per share. No sales or redemption charge is applicable to the purchase or redemption of the Portfolio’s shares. Under the terms of the Fund’s multiple class plan adopted pursuant to Rule 18f-3 under the 1940 Act, the classes differ in that, among other things, Service Class shares of the Portfolio pay a combined distribution and service fee of 0.25% of average daily net assets attributable to Service Class shares of the Portfolio to the Distributor (as defined in Note 3(B)) pursuant to a plan adopted in accordance with Rule 12b-1 under the 1940 Act. Contract owners of variable annuity contracts purchased after June 2, 2003, are permitted to invest only in the Service Class shares.

The Portfolio’s investment objective is to seek investment results that correspond to the total return performance of fixed-income securities in the aggregate, as represented by the Portfolio’s primary benchmark index.

## Note 2—Significant Accounting Policies

The Portfolio 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 Portfolio prepares its financial statements in accordance with generally accepted accounting principles (“GAAP”) in the United States of America and follows the significant accounting policies described below.

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

The Board of Trustees of the Fund (the “Board”) adopted procedures establishing methodologies for the valuation of the Portfolio’s securities

and other assets and delegated the responsibility for valuation determinations under those procedures to the Valuation Committee of the Fund (the “Valuation Committee”). The Board authorized the Valuation Committee to appoint a Valuation Subcommittee (the “Subcommittee”) to deal in the first instance with establishing the prices of securities for which market quotations are not readily available or the prices of which are not otherwise readily determinable under these procedures. The Subcommittee meets (in person, via electronic mail or via teleconference) on an as-needed basis. Subsequently, the Valuation Committee meets to ensure that actions taken by the Subcommittee were appropriate. 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 Portfolio’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 Portfolio’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. For those securities valued through either a standardized fair valuation methodology or a fair valuation measurement, the Subcommittee deals in the first instance 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 Portfolio would reasonably expect to receive upon selling an asset or liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the asset or liability. Fair value measurements are determined within a framework that establishes a three-tier hierarchy which 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 Portfolio. Unobservable inputs reflect the Portfolio’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 Portfolio’s own assumptions about the assumptions that market participants would use in measuring fair value of an asset or liability)

The level of an asset or liability within the fair value hierarchy is based on the lowest level of an input, both individually and in the aggregate, that is significant to the fair value measurement. As of December 31, 2019, the aggregate value by input level of the Portfolio’s assets and liabilities is included at the end of the Portfolio’s Portfolio of Investments.

The Portfolio 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 Portfolio generally uses a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values and other relevant information. The Portfolio may also use an income-based valuation approach in which the anticipated future cash flows of the asset or liability are discounted to calculate fair value. Discounts may also be applied due to the nature and/or duration of any restrictions on the disposition of the asset or liability. Fair value represents a good faith approximation of the value of a security. Fair value determinations involve the consideration of a number of subjective factors, an analysis of applicable facts and circumstances and the exercise of judgment. As a result, it is possible that the fair value for a security determined in good faith in accordance with the Portfolio’s valuation procedures may differ from valuations for the same security determined by other funds using their own valuation procedures. Although the Portfolio’s valuation procedures are designed to value a security at the price the Portfolio may reasonably expect to receive upon the security’s sale in an orderly transaction, there can be no assurance that any fair value determination thereunder would, in fact, approximate the amount that the Portfolio would actually realize upon the sale of the security or the price at which the security would trade if a reliable market price were readily available. During the year ended December 31, 2019, there were no material changes to the fair value methodologies.

Securities which may be valued in this manner include, but are not limited to: (i) a security for which trading has been halted or suspended; (ii) a debt security that has recently gone into default and for which

there is not a current market quotation; (iii) a security of an issuer that has entered into a restructuring; (iv) a security that has been delisted from a national exchange; (v) a security for which the market price is not readily available from a third-party pricing source or, if so provided, does not, in the opinion of the Manager or the Subadvisor, reflect the security’s market value; (vi) a security subject to trading collars for which no or limited trading takes place; and (vii) a security whose principal market has been temporarily closed at a time when, under normal conditions, it would be open. Securities valued in this manner are generally categorized as Level 3 in the hierarchy. As of December 31, 2019, no securities held by the Portfolio were fair valued in such a manner.

Exchange-traded funds (“ETFs”) are valued at the last quoted sales prices as of the close of regular trading on the relevant exchange on each valuation date. Securities that are not traded on the valuation date are valued at the mean of the last quoted bid and ask prices. Prices are normally taken from the principal market in which each security trades. Futures contracts are valued at the last posted settlement price on the market where such futures are primarily traded. These securities are generally categorized as Level 1 in the hierarchy.

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

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

Temporary cash investments acquired in excess of 60 days to maturity at the time of purchase are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities and ratings), both as furnished by independent pricing services. Other temporary cash investments which mature in 60 days or less at the time of purchase (“Short-Term Investments”) are valued using the amortized cost method of valuation, unless the use of such method would be inappropriate. The amortized cost method involves valuing a security at its cost on the date of purchase and thereafter assuming a constant amortization to maturity of the difference between such cost and the value on maturity date.

# Notes to Financial Statements (continued)

Amortized cost approximates the current fair value of a security. Securities valued using the amortized cost method are not valued using quoted prices in an active market and are generally categorized as Level 2 in the hierarchy.

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

**(B) Income Taxes.** The Portfolio'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 Portfolio within the allowable time limits. Therefore, no federal, state and local income tax provisions are required.

Management evaluates the Portfolio'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. Management has analyzed the Portfolio'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 Portfolio's financial statements. The Portfolio's federal, state and local income tax and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state and local departments of revenue.

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

**(D) Security Transactions and Investment Income.** The Portfolio records security transactions on the trade date. Realized gains and losses on security transactions are determined using the identified cost method. Dividend income is recognized on the ex-dividend date, net of any foreign tax withheld at the source, and interest income is accrued as earned using the effective interest rate method. Discounts and premiums on securities purchased, other than Short-Term Investments, for the Portfolio are accreted and amortized, respectively, on the effective interest rate method over the life of the respective securities.

Investment income and realized and unrealized gains and losses on investments of the Portfolio are allocated pro rata to the separate classes of shares based upon their relative net assets on the date the

income is earned or realized and unrealized gains and losses are incurred.

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

**(E) Expenses.** Expenses of the Fund are allocated to the individual Portfolios in proportion to the net assets of the respective Portfolios when the expenses are incurred, except where direct allocations of expenses can be made. Expenses (other than fees incurred under the distribution and service plans, further discussed in Note 3(B), which are charged directly to the Service Class shares) 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 Portfolio, including those of related parties to the Portfolio, are shown in the Statement of Operations.

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

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

**(G) Repurchase Agreements.** The Portfolio 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 Portfolio 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 Portfolio to the counterparty secured by the securities transferred to the Portfolio.

Repurchase agreements are subject to counterparty risk, meaning the Portfolio could lose money by the counterparty's failure to perform under the terms of the agreement. The Portfolio 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 Portfolio'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 Portfolio 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 Portfolio. As of December 31, 2019, repurchase agreements are shown in the Portfolio of Investments.

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

The use of futures contracts involves, to varying degrees, elements of market risk in excess of the amount recognized in the Statement of Assets and Liabilities. The contract or notional amounts and variation margin reflect the extent of the Portfolio’s involvement in open futures positions. There are several risks associated with the use of futures contracts as hedging techniques. There can be no assurance that a liquid market will exist at the time when the Portfolio seeks to close out a futures contract. If no liquid market exists, the Portfolio would remain obligated to meet margin requirements until the position is closed. Futures may involve a small initial investment relative to the risk assumed, which could result in losses greater than if they had not been used. Futures may be more volatile than direct investments in the instrument underlying the futures and may not correlate to the underlying instrument, causing a given hedge not to achieve its objectives. The Portfolio’s activities in futures contracts have minimal counterparty risk as they are conducted through regulated exchanges that guarantee the futures against default by the counterparty. In the event of a bankruptcy or insolvency of a futures commission merchant that holds margin on behalf of the Portfolio, the Portfolio may not be entitled to the return of the entire margin owed to the Portfolio, potentially resulting in a loss. The Portfolio’s investment in futures contracts and other derivatives may increase the volatility of the Portfolio’s NAVs and may result in a loss to the Portfolio. As of December 31, 2019, open futures contracts are shown in the Portfolio of Investments.

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

When accounted for as purchase and sales, the securities sold in connection with the dollar rolls are removed from the portfolio and a realized gain or loss is recognized. The securities the Portfolio has agreed to acquire are included at market value in the Portfolio of

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

The Portfolio accounts for a dollar roll transaction as a purchase and sale whereby the difference in the sales price and purchase price of the security sold is recorded as a realized gain (loss).

**(J) Securities Lending.** In order to realize additional income, the Portfolio may engage in securities lending, subject to the limitations set forth in the 1940 Act and relevant guidance by the staff of the Securities and Exchange Commission (“SEC”). If the Portfolio engages in securities lending, the Portfolio will lend through its custodian, State Street Bank and Trust Company (“State Street”), acting as securities lending agent on behalf of the Portfolio. State Street will manage the Portfolio’s collateral in accordance with the securities lending agency agreement between the Portfolio and State Street, and indemnify the Portfolio against counterparty risk. The loans will be collateralized by cash (which may be invested in a money market fund) and/or non-cash collateral (which may include U.S. Treasury securities and/or U.S. Government Agency securities issued or guaranteed by the United States government or its agencies or instrumentalities) at least equal at all times to the market value of the securities loaned. The Portfolio may bear the risk of delay in recovery of, or loss of rights in, the securities loaned should the borrower of the securities experience financial difficulty. The Portfolio may also record a realized gain or loss on securities deemed sold due to a borrower’s inability to return securities on loan. The Portfolio bears the risk of any loss on investment of cash collateral. The Portfolio will receive compensation for lending its securities in the form of fees or it will retain a portion of interest earned on the investment of any cash collateral. The Portfolio will also continue to receive interest and dividends on the securities loaned and any gain or loss in the market price of the securities loaned that may occur during the term of the loan will be for the account of the Portfolio. Income earned from securities lending activities, if any, is reflected in the Statement of Operations. As of December 31, 2019, the Portfolio had securities on loan with an aggregate market value of \$9,394,624; the total market value of collateral held by the Portfolio was \$9,636,140. The market value of the collateral held included non-cash collateral in the form of U.S. Treasury securities with a value of \$444,165 and cash collateral, which was invested into the State Street Navigator Securities Lending Government Money Market Portfolio, with a value of \$9,191,975.

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

# Notes to Financial Statements (continued)

Investments in the Portfolio are not guaranteed, even though some of the Portfolio's underlying investments are guaranteed by the U.S. government or its agencies or instrumentalities. The principal risk of mortgage-related and asset-backed securities is that the underlying debt may be prepaid ahead of schedule, if interest rates fall, thereby reducing the value of the Portfolio's investment. If interest rates rise, less of the debt may be prepaid and the Portfolio may lose money because the Portfolio may be unable to invest in higher yielding assets. The Portfolio is subject to interest-rate risk and can lose principal value when interest rates rise. Bonds are also subject to credit risk, in which the bond issuer may fail to pay interest and principal in a timely manner.

The Portfolio may invest in foreign debt securities, which carry certain risks that are in addition to the usual risks inherent in domestic debt securities. These risks include those resulting from currency fluctuations, future adverse political or economic developments and possible imposition of currency exchange blockages or other foreign governmental laws or restrictions. These risks are likely to be greater in emerging markets than in developed markets. The ability of issuers of debt securities held by the Portfolio to meet their obligations may be affected by, among other things, economic or political developments in a specific country, industry or region.

**(L) Indemnifications.** Under the Fund's organizational documents, its officers and trustees are indemnified against certain liabilities that may arise out of performance of their duties to the Fund. Additionally, in the normal course of business, the Portfolio enters into contracts with third-party service providers that contain a variety of representations and warranties and which may provide general indemnifications. The Portfolio's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Portfolio that have not yet occurred. Based on experience, management is of the view 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 Portfolio.

**(M) Quantitative Disclosure of Derivative Holdings.** The following tables show additional disclosures related to the Portfolio's derivative and hedging activities, including how such activities are accounted for and their effect on the Portfolio's financial positions, performance and cash flows. The Portfolio entered into futures contracts in order to hedge against anticipated changes in interest rates that might otherwise have an adverse effect upon the value of the Portfolio's securities as well as help manage the duration and yield curve of the portfolio. These derivatives are not accounted for as hedging instruments.

Fair value of derivative instruments as of December 31, 2019:

## Asset Derivatives

	Statement of Assets and Liabilities Location	Interest Rate Contracts Risk	Total
Futures Contracts	Net Assets— Net unrealized appreciation on investments and futures contracts (a)	\$127,654	\$127,654
Total Fair Value		\$127,654	\$127,654

## Liability Derivatives

	Statement of Assets and Liabilities Location	Interest Rate Contracts Risk	Total
Futures Contracts	Net Assets— Net unrealized depreciation on investments and futures contracts (a)	\$(216,780)	\$(216,780)
Total Fair Value		\$(216,780)	\$(216,780)

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

The effect of derivative instruments on the Statement of Operations for the year ended December 31, 2019:

## Realized Gain (Loss)

	Statement of Operations Location	Interest Rate Contracts Risk	Total
Futures Contracts	Net realized gain (loss) on futures transactions	\$772,219	\$772,219
Total Realized Gain (Loss)		\$772,219	\$772,219

## Change in Unrealized Appreciation (Depreciation)

	Statement of Operations Location	Interest Rate Contracts Risk	Total
Futures Contracts	Net change in unrealized appreciation (depreciation) on futures contracts	\$(209,097)	\$(209,097)
Total Change in Unrealized Appreciation (Depreciation)		\$(209,097)	\$(209,097)



## Average Notional Amount

	Interest Rate Contracts Risk	Total
Futures Contracts Long (a)	\$26,879,456	\$26,879,456
Futures Contracts Short (a)	\$ (7,229,793)	\$ (7,229,793)

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

## Note 3—Fees and Related Party Transactions

**(A) Manager and Subadvisor.** New York Life Investments, a registered investment adviser and an indirect, wholly-owned subsidiary of New York Life, serves as the Portfolio's Manager pursuant to an Amended and Restated Management Agreement ("Management Agreement"). The Manager provides offices, conducts clerical, record-keeping and bookkeeping services, and keeps most of the financial and accounting records required to be maintained by the Portfolio. Except for the portion of salaries and expenses that are the responsibility of the Portfolio, the Manager pays the salaries and expenses of all personnel affiliated with the Portfolio and certain operational expenses of the Portfolio. The Portfolio reimburses New York Life Investments in an amount equal to a portion of the compensation of the Chief Compliance Officer attributable to the Portfolio. NYL Investors LLC ("NYL Investors" or "Subadvisor"), a registered investment adviser and a direct, wholly-owned subsidiary of New York Life, serves as Subadvisor to the Portfolio and is responsible for the day-to-day portfolio management of the Portfolio. 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 Portfolio pays the Manager a monthly fee for the services performed and the facilities furnished at an annual rate of the Portfolio's average daily net assets as follows: 0.25% up to \$1 billion and 0.20% in excess of \$1 billion. During the year ended December 31, 2019, the effective management fee rate was 0.25%.

New York Life Investments has contractually agreed to waive fees and/or reimburse expenses so that Total Annual Portfolio Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase or sale of portfolio investments, and acquired (underlying) fund fees and expenses) do not exceed the following percentages of average daily net assets: Initial Class, 0.375%; and Service Class, 0.625%. This agreement expires on May 1, 2020, and may only be amended or terminated prior to that date by action of the Board.

During the year ended December 31, 2019, New York Life Investments earned fees from the Portfolio in the amount of \$1,111,475 and paid the Subadvisor in the amount of \$555,738.

State Street provides sub-administration and sub-accounting services to the Portfolio pursuant to an agreement with New York Life Investments. These services include calculating the daily NAVs of the Portfolio, maintaining the general ledger and sub-ledger accounts for the calculation of the Portfolio's NAVs and assisting New York Life Investments in

conducting various aspects of the Portfolio's administrative operations. For providing these services to the Portfolio, State Street is compensated by New York Life Investments.

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

**(B) Distribution and Service Fees.** The Fund, on behalf of the Portfolio, has entered into a distribution agreement with NYLIFE Distributors LLC (the "Distributor"), an indirect, wholly-owned subsidiary of New York Life. The Portfolio has adopted a distribution plan (the "Plan") in accordance with the provisions of Rule 12b-1 under the 1940 Act. Under the Plan, the Distributor has agreed to provide, through its affiliates or independent third parties, various distribution-related, shareholder and administrative support services to the Service Class shareholders. For its services, the Distributor is entitled to a combined distribution and service fee accrued daily and paid monthly at an annual rate of 0.25% of the average daily net assets attributable to the Service Class shares of the Portfolio.

## Note 4—Federal Income Tax

As of December 31, 2019, the cost and unrealized appreciation (depreciation) of the Portfolio's investment portfolio, including applicable derivative contracts and other financial instruments, as determined on a federal income tax basis, were as follows:

	Federal Tax	Gross Unrealized Cost Appreciation	Gross Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)
Investments				
in Securities	\$537,253,972	\$16,460,380	\$(575,175)	\$15,885,205

As of December 31, 2019, the components of accumulated gain (loss) on a tax basis were as follows:

Ordinary Income	Accumulated Capital and Other Gain (Loss)	Other Temporary Differences	Unrealized Appreciation (Depreciation)	Total Accumulated Gain (Loss)
\$13,267,658	\$(1,223,304)	\$—	\$17,106,332	\$29,150,686

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is primarily due to wash sale adjustments and straddle loss deferral.

The Portfolio utilized \$1,499,745 of capital loss carryforwards during the year ended December 31, 2019.

# Notes to Financial Statements (continued)

During the years ended December 31, 2019, and December 31, 2018, the tax character of distributions paid as reflected in the Statements of Changes in Net Assets were as follows:

2019		2018	
Tax-Based Distributions from Ordinary Income	Tax-Based Distributions from Long-Term Gains	Tax-Based Distributions from Ordinary Income	Tax-Based Distributions from Long-Term Gains
\$—	\$—	\$6,751,774	\$—

## Note 5—Custodian

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

## Note 6—Line of Credit

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

Effective July 30, 2019, under the credit agreement (the "Credit Agreement"), the aggregate commitment amount is \$600,000,000 with an additional uncommitted amount of \$100,000,000. The commitment fee is an annual rate of 0.15% of the average commitment amount payable quarterly, regardless of usage, to State Street, who serves as the agent to the syndicate. The commitment fee is allocated among the Portfolio and certain other funds managed by New York Life Investments based upon their respective net assets and other factors. Interest on any revolving credit loan is charged based upon the Federal Funds Rate or the one-month London Interbank Offered Rate ("LIBOR"), whichever is higher. The Credit Agreement expires on July 28, 2020, although the Portfolio, certain other funds managed by New York Life Investments and the syndicate of banks may renew the Credit Agreement for an additional year on the same or different terms. Prior to July 30, 2019, the aggregate commitment amount and the commitment fee were the same as those under the current Credit Agreement. During the year ended December 31, 2019, there were no borrowings made or outstanding with respect to the Portfolio under the Credit Agreement.

## Note 7—Interfund Lending Program

Pursuant to an exemptive order issued by the SEC, the Portfolio, 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 Portfolio 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 year ended December 31, 2019, there were no interfund loans made or outstanding with respect to the Portfolio.

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

During the year ended December 31, 2019, purchases and sales of U.S. government securities were \$355,964 and \$255,283, respectively. Purchases and sales of securities, other than U.S. government securities and short-term securities, were \$49,837 and \$27,191 respectively.

## Note 9—Capital Share Transactions

Transactions in capital shares for the years ended December 31, 2019 and December 31, 2018, were as follows:

Initial Class	Shares	Amount
Year ended December 31, 2019:		
Shares sold	12,165,666	\$ 128,158,050
Shares redeemed	(9,387,047)	(96,122,384)
Net increase (decrease)	2,778,619	\$ 32,035,666
Year ended December 31, 2018:		
Shares sold	34,397,047	\$ 337,614,813
Shares issued to shareholders in reinvestment of distributions	631,924	6,178,249
Shares redeemed	(12,061,248)	(118,666,105)
Net increase (decrease)	22,967,723	\$ 225,126,957

Service Class	Shares	Amount
Year ended December 31, 2019:		
Shares sold	8,101,264	\$ 83,190,020
Shares redeemed	(807,716)	(8,294,582)
Net increase (decrease)	7,293,548	\$ 74,895,438
Year ended December 31, 2018:		
Shares sold	3,576,641	\$ 35,080,816
Shares issued to shareholders in reinvestment of distributions	58,798	573,525
Shares redeemed	(237,940)	(2,330,524)
Net increase (decrease)	3,397,499	\$ 33,323,817

## Note 10—Recent Accounting Pronouncement

To improve the effectiveness of fair value disclosure requirements, the Financial Accounting Standards Board recently issued Accounting Standards Update (ASU) 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 aspects relating to fair value disclosure. ASU 2018-13 is effective for interim and annual reporting periods beginning after December 15, 2019. For the year ended December 31, 2018, management evaluated the implications of certain other provisions of the ASU and determined to early adopt aspects related to the removal and modifications of certain fair value measurement disclosures under the ASU, which are currently in place as of December 31, 2019. At this time, management is evaluating the implications of certain other provisions of the ASU related to new disclosure requirements and any impact on the financial statement disclosures has not yet been determined.

**Note 11—Subsequent Events**

In connection with the preparation of the financial statements of the Portfolio as of and for the year ended December 31, 2019, events and transactions subsequent to December 31, 2019, through the date the financial statements were issued have been evaluated by the Portfolio's management for possible adjustment and/or disclosure. No subsequent events requiring financial statement adjustment or disclosure have been identified.

# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of MainStay VP Funds Trust and Shareholders of  
MainStay VP Indexed Bond Portfolio

## Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of MainStay VP Indexed Bond Portfolio (one of the portfolios constituting MainStay VP Funds Trust, referred to hereafter as the "Portfolio") as of December 31, 2019, the related statement of operations for the year ended December 31, 2019, the statements of changes in net assets for each of the two years in the period ended December 31, 2019, including the related notes, and the financial highlights for each of the two years in the period ended December 31, 2019 and for the period May 1, 2017 (commencement of operations) through December 31, 2017 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2019, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2019 and the financial highlights for each of the two years in the period ended December 31, 2019 and for the period May 1, 2017 (commencement of operations) through December 31, 2017 in conformity with accounting principles generally accepted in the United States of America.

## Basis for Opinion

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

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019 by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP  
New York, New York  
February 19, 2020

We have served as the auditor of one or more investment companies in the MainStay group of funds since 1984.

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

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

In reaching the decision to approve the continuation of each of the Advisory Agreements, the Board considered information furnished by New York Life Investments and 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 Portfolio 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 Portfolio’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 Portfolio, if any, and, when applicable, the rationale for any differences in the Portfolio’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 Portfolio 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 Portfolio 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 Portfolio’s distribution arrangements. In addition, the Board received information regarding the Portfolio’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 Portfolio. 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 insurance companies that issue variable contracts under which the Portfolio serves as an investment option or intermediaries that promote the sale, distribution and/or servicing of such variable contracts or the Portfolio’s shares.

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 Portfolio by New York Life Investments and NYL Investors; (ii) the qualifications of the portfolio managers of the Portfolio and the historical investment performance of the Portfolio, 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 Portfolio; (iv) the extent to which economies of scale have been realized or may be realized as the Portfolio grows and the extent to which economies of scale have benefited or may benefit the Portfolio’s shareholders; and (v) the reasonableness of the Portfolio’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 Portfolio’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 Portfolio’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

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

In addition to considering the above-referenced factors, the Board observed that in the marketplace, notably under variable life insurance policies and variable annuity contracts for which the Portfolio serves as an investment option, there are a range of investment options available to the Portfolio's shareholders and such shareholders, having had the opportunity to consider other investment options, have chosen to invest in the Portfolio. 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 Portfolio. The Board evaluated New York Life Investments' experience and capabilities in serving as manager of the Portfolio and considered that the Portfolio 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 Portfolio 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 Portfolio, 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 Portfolio's investment performance and risks as well as NYL Investors' investment capabilities and subadvisory services with respect to the Portfolio.

The Board also considered the range of services that New York Life Investments provides to the Portfolio 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 Portfolio'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 Portfolio. 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 Portfolio and noted that New York Life Investments is responsible for compensating the Trust's officers, except for a portion of the salary of the Trust's Chief Compliance Officer. The Board recognized that New York Life Investments has provided an increasingly broad array of non-advisory services to the MainStay Group of Funds as a result of regulatory and other developments, including in connection with the designation of New York Life Investments as the administrator of the MainStay Group of Funds' liquidity risk management program adopted under the 1940 Act.

The Board also examined the nature, extent and quality of the investment advisory services that NYL Investors provides to the Portfolio. The Board evaluated NYL Investors' experience in serving as subadvisor to the Portfolio 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 Portfolio. The Board also considered the policies and procedures in place with respect to matters that may involve conflicts of interest between the Portfolio'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 Portfolio. In this regard, the Board considered the experience of the Portfolio'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 Portfolio would likely continue to benefit from the nature, extent and quality of these services.

## Investment Performance

In evaluating the Portfolio's investment performance, the Board considered investment performance results over various periods in light of the Portfolio's investment objective, strategies and risks, recognizing that the Portfolio had not been in operation for a sufficient time period to establish a long-term investment performance track record. The Board considered investment reports on, and analysis of, the Portfolio'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 Portfolio's gross and net returns, the Portfolio's investment performance compared to relevant investment categories and the Portfolio's benchmark, the Portfolio's risk-adjusted investment performance and the Portfolio'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 Portfolio as compared to peer funds.

The Board also gave weight to its discussions with senior management at New York Life Investments concerning the Portfolio's investment performance attributable to NYL Investors as well as discussions between the Portfolio'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 Portfolio investment performance and the results of those actions.

Based on these considerations, the Board concluded that its review of the Portfolio'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 Portfolio. Because NYL Investors is an affiliate of New York Life Investments whose subadvisory fee is paid by New York Life Investments, not the Portfolio, 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 Portfolio, and that New York Life Investments is responsible for paying the subadvisory fee for the Portfolio. 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 Portfolio. The Board recognized that the Portfolio 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 Portfolio 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 Portfolio, including reputational and other indirect benefits. In addition, the Board considered its review of a money market fund advised by New York Life Investments and an affiliated subadvisor that serves as an investment option for the Portfolio, including the potential rationale for and costs associated with investments in this money market fund by the Portfolio, if any, and considered information from New York Life Investments that the nature and type of specific investment advisory services provided to this money market fund are distinct from, or in addition to, the investment advisory services provided to the Portfolio. In addition, the Board requested and reviewed information regarding the Portfolio's securities lending activity and the corresponding potential dividend received tax deduction for insurance company affiliates of New York Life Investments.

The Board noted that the Portfolio serves as an investment option primarily under variable contracts issued by affiliates of New York Life Investments that would receive fees under those contracts. The Board observed that, in addition to fees earned by New York Life Investments for managing the Portfolio, New York Life Investments' affiliates also earn revenues from serving the Portfolio in various other capacities, including as the Portfolio's distributor. The Board considered information about these other revenues and their impact on the profitability of the relationship with the Portfolio to New York Life Investments and its affiliates. The Board noted that, although it assessed the overall profitability of the Portfolio 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 Portfolio 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 Portfolio 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 Portfolio's total ordinary operating

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

expenses. The Board primarily considered the reasonableness of the management fee paid by the Portfolio to New York Life Investments, because the subadvisory fee paid to NYL Investors is paid by New York Life Investments, not the Portfolio. 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 Portfolio'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 Portfolio, if any. The Board considered the similarities and differences in the contractual management fee schedules of the Portfolio and these similarly-managed accounts and/or funds, taking into account the rationale for any differences in fee schedules. The Board also took into account explanations provided by New York Life Investments about the more extensive scope of services provided to registered investment companies, such as the Portfolio, 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 Portfolio's net management fee and expenses. The Board also considered that in proposing fees for the Portfolio, New York Life Investments considers the competitive marketplace for mutual funds.

Based on the factors outlined above, the Board concluded that the Portfolio'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 Portfolio's expense structure permits economies of scale to be appropriately shared with the Portfolio's beneficial 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 Portfolio 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 Portfolio'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 Portfolio'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 Portfolio's beneficial shareholders through the Portfolio'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.



## 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 Portfolio's securities is available free of charge upon request (i) by calling 800-598-2019; (ii) by visiting New York Life Investments' website at <https://www.nylinvestments.com/mainstay/products-and-performance/mainstay-vp-funds-trust>; or (iii) by visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

The Portfolio is required to file with the SEC its proxy voting record for the 12-month period ending June 30 on Form N-PX. The Portfolio's most recent Form N-PX or proxy voting record is available free of charge upon request (i) by calling 800-598-2019; (ii) by visiting New York Life Investments' website at <https://www.nylinvestments.com/mainstay/products-and-performance/mainstay-vp-funds-trust>; or (iii) by visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

## Shareholder Reports and Quarterly Portfolio Disclosure

The Portfolio is required to file its complete schedule of portfolio holdings with the SEC 60 days after its first and third fiscal quarter on Form N-PORT. The Portfolio's holdings report is available free of charge upon request by calling 800-598-2019 or by visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

# Board of Trustees and Officers (Unaudited)

The Trustees and officers of the Funds are listed below. The Board oversees the MainStay Group of Funds (which consists of MainStay Funds and MainStay Funds Trust), MainStay VP Funds Trust, MainStay MacKay DefinedTerm Municipal Opportunities Fund, the Manager and the Subadvisors, and elects the officers of the Funds who are responsible for the day-to-day operations of the Funds. Information pertaining to the Trustees and officers is set forth below. Each Trustee serves until his or her successor is elected and qualified or until his or her

resignation, death or removal. Under the Board's retirement policy, unless an exception is made, a Trustee must tender his or her resignation by the end of the calendar year during which he or she reaches the age of 75. Officers are elected annually by the Board. The business address of each Trustee and officer listed below is 51 Madison Avenue, New York, New York 10010. A majority of the Trustees are not "interested persons" (as defined by the 1940 Act and rules adopted by the SEC thereunder) of the Fund ("Independent Trustees").

	<b>Name and Date of Birth</b>	<b>Term of Office, Position(s) Held and Length of Service</b>	<b>Principal Occupation(s) During Past Five Years</b>	<b>Number of Portfolios in Fund Complex Overseen by Trustee</b>	<b>Other Directorships Held by Trustee</b>
<b>Interested Trustee</b>	<b>Yie-Hsin Hung*</b> 8/12/62	<b>MainStay VP Funds Trust:</b> Trustee since 2017	Senior Vice President of New York Life since joining in 2010, Member of the Executive Management Committee since 2017, Chief Executive Officer, New York Life Investment Management Holdings LLC & New York Life Investment Management LLC since 2015. Senior Managing Director and Co-President of New York Life Investment Management LLC from January 2014 to May 2015. Previously held positions of increasing responsibility, including head of NYLIM International, Alternative Growth Businesses, and Institutional investments since joining New York Life in 2010.	76	<i>MainStay Funds</i> : Trustee since 2017 (12 Funds); <i>MainStay Funds Trust</i> : Trustee since 2017 (32 Funds); and <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund</i> : Trustee since 2017.

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

## Independent Trustees

Name and Date of Birth	Term of Office, Position(s) Held and Length of Service	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee
<b>David H. Chow</b> 12/29/57	<b>MainStay VP Funds Trust:</b> Trustee since 2016, Advisory Board Member (June 2015 to December 2015).	Founder and CEO, DanCourt Management, LLC (since 1999)	76	<i>MainStay Funds:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (12 Funds); <i>MainStay Funds Trust:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (32 Funds); <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015); <i>Market Vectors Group of Exchange-Traded Funds:</i> Independent Chairman of the Board of Trustees since 2008 and Trustee since 2006 (57 portfolios); and <i>Berea College of Kentucky:</i> Trustee since 2009.
<b>Susan B. Kerley</b> 8/12/51	<b>MainStay VP Funds Trust:</b> Chairman since January 2017 and Trustee since 2007***	President, Strategic Management Advisors LLC (since 1990)	76	<i>MainStay Funds:</i> Chairman since 2017 and Trustee since 2007 (12 Funds); <i>MainStay Funds Trust:</i> Chairman since 2017 and Trustee since 1990. (32 Funds)**; <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Chairman since 2017 and Trustee since 2011; and <i>Legg Mason Partners Funds:</i> Trustee since 1991 (54 portfolios).
<b>Alan R. Latshaw</b> 3/27/51	<b>MainStay VP Funds Trust:</b> Trustee since 2007***.	Retired; Partner, Ernst & Young LLP (2002 to 2003); Partner, Arthur Andersen LLP (1989 to 2002); Consultant to the MainStay Funds Audit and Compliance Committee (2004 to 2006)	76	<i>MainStay Funds:</i> Trustee since 2006 (12 Funds); <i>MainStay Funds Trust:</i> Trustee since 2007. (32 Funds)** <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee and Audit Committee Financial Expert since 2011; <i>State Farm Associates Funds Trusts:</i> Trustee since 2005 (4 portfolios); <i>State Farm Mutual Fund Trust:</i> Trustee since 2005 (15 portfolios); and <i>State Farm Variable Product Trust:</i> Trustee since 2005 (9 portfolios).
<b>Richard H. Nolan, Jr.</b> 11/16/46	<b>MainStay VP Funds Trust:</b> Trustee since 2006***.	Managing Director, ICC Capital Management (since 2004); President—Shields/Alliance, Alliance Capital Management (1994 to 2004)	76	<i>MainStay Funds:</i> Trustee since 2007 (12 Funds); <i>MainStay Funds Trust:</i> Trustee since 2007 (32 Funds)**; and <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee since 2011.

Independent Trustees

Name and Date of Birth	Term of Office, Position(s) Held and Length of Service	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee
<b>Jacques P. Perold</b> 5/12/58	<b>MainStay VP Funds Trust:</b> Trustee since 2016, Advisory Board Member (June 2015 to December 2015).	Retired; President, Fidelity Management & Research Company (2009 to 2014); Founder, President and Chief Executive Officer, Geode Capital Management, LCC (2001 to 2009)	76	<i>MainStay Funds:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (12 Funds); <i>MainStay Funds Trust:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (32 Funds); <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee since 2016, Advisory Board Member (June 2015 to December 2015); <i>Allstate Corporation:</i> Director since 2015; <i>MSCI, Inc.:</i> Director since 2017 and <i>Boston University:</i> Trustee since 2014.
<b>Richard S. Trutanic</b> 2/13/52	<b>MainStay VP Funds Trust:</b> Trustee since 2007***.	Chairman and Chief Executive Officer, Somerset & Company (financial advisory firm) (since 2004); Managing Director, The Carlyle Group (private investment firm) (2002 to 2004); Senior Managing Director, Partner and Board Member, Groupe Arnault S.A. (private investment firm) (1999 to 2002)	76	<i>MainStay Funds:</i> Trustee since 1994 (12 Funds); <i>MainStay Funds Trust:</i> Trustee since 2007 (32 Funds)**; and <i>MainStay MacKay DefinedTerm Municipal Opportunities Fund:</i> Trustee since 2011.

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

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

## Officers of the Trust (Who are not Trustees)\*

Name and Date of Birth	Position(s) Held and Length of Service	Principal Occupation(s) During Past Five Years
<b>Kirk C. Lehneis</b> 6/29/74	President, MainStay VP Funds Trust (since 2017)	Chief Operating Officer and Senior Managing Director (since 2016), New York Life Investment Management LLC; Chairman of the Board (since 2017), NYLIFE Distributors LLC; Chairman of the Board, NYLIM Service Company LLC (since 2017); Trustee, President and Principal Executive Officer of IndexIQ Trust, IndexIQ ETF Trust and IndexIQ Active ETF Trust (since January 2018); President, MainStay MacKay DefinedTerm Municipal Opportunities Fund, MainStay Funds and MainStay Funds Trust (since 2017)**; Senior Managing Director, Global Product Development (From 2015—2016); Managing Director, Product Development (From 2010—2015), New York Life Investment Management LLC
<b>Jack R. Benintende</b> 5/12/64	Treasurer and Principal Financial and Accounting Officer, MainStay VP Funds Trust (since 2007)**	Managing Director, New York Life Investment Management LLC (since 2007); Treasurer and Principal Financial and Accounting Officer, MainStay MacKay DefinedTerm Municipal Opportunities Fund (since 2011), MainStay Funds Trust (since 2009) and MainStay Funds (since 2007); and Assistant Treasurer, New York Life Investment Management Holdings LLC (2008 to 2012)
<b>Kevin M. Bopp</b> 2/24/69	Vice President and Chief Compliance Officer, MainStay VP Funds Trust (since 2014)	Chief Compliance Officer, New York Life Investment Management LLC, IndexIQ Trust, IndexIQ ETF Trust and IndexIQ Active ETF Trust (since 2016), Director and Associate General Counsel (2011 to 2014) and Vice President and Assistant General Counsel (2010 to 2011), New York Life Investment Management LLC; Vice President and Chief Compliance Officer, MainStay Funds, MainStay Funds Trust and MainStay MacKay DefinedTerm Municipal Opportunities Fund (since 2014); Assistant Secretary, MainStay Funds, MainStay Funds Trust and MainStay VP Funds Trust (2010 to 2014)**; MainStay MacKay DefinedTerm Municipal Opportunities Fund (2011 to 2014)
<b>J. Kevin Gao</b> 10/13/67	Secretary and Chief Legal Officer, MainStay VP Funds Trust (since 2010)**	Managing Director and Associate General Counsel, New York Life Investment Management LLC (since 2010); Secretary and Chief Legal Officer, MainStay MacKay DefinedTerm Municipal Opportunities Fund (since 2011), MainStay Funds and MainStay Funds Trust (since 2010)
<b>Scott T. Harrington</b> 2/8/59	Vice President—Administration, MainStay VP Funds Trust (since 2005)**	Managing Director, New York Life Investment Management LLC (including predecessor advisory organizations) (since 2000); Member of the Board of Directors, New York Life Trust Company (since 2009); Vice President—Administration, MainStay MacKay DefinedTerm Municipal Opportunities Fund (since 2011), MainStay Funds Trust (since 2009) and MainStay Funds (since 2005)

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

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

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# MainStay VP Portfolios

MainStay VP offers a wide range of Portfolios. The full array of MainStay VP offerings is listed here, with information about the manager, subadvisors, legal counsel, and independent registered public accounting firm.

## Equity Portfolios

MainStay VP Eagle Small Cap Growth Portfolio  
MainStay VP Emerging Markets Equity Portfolio  
MainStay VP Epoch U.S. Equity Yield Portfolio  
MainStay VP Fidelity Institutional AM<sup>†</sup> Utilities Portfolio<sup>†</sup>  
MainStay VP Large Cap Growth Portfolio  
MainStay VP MacKay Common Stock Portfolio  
MainStay VP MacKay Growth Portfolio  
MainStay VP MacKay International Equity Portfolio  
MainStay VP MacKay Mid Cap Core Portfolio  
MainStay VP MacKay S&P 500 Index Portfolio  
MainStay VP MacKay Small Cap Core Portfolio  
MainStay VP Mellon Natural Resources Portfolio  
MainStay VP T. Rowe Price Equity Income Portfolio

## Mixed Asset Portfolios

MainStay VP Balanced Portfolio  
MainStay VP Income Builder Portfolio  
MainStay VP Janus Henderson Balanced Portfolio  
MainStay VP MacKay Convertible Portfolio

## Income Portfolios

MainStay VP Bond Portfolio  
MainStay VP Floating Rate Portfolio  
MainStay VP Indexed Bond Portfolio  
MainStay VP MacKay Government Portfolio  
MainStay VP MacKay High Yield Corporate Bond Portfolio  
MainStay VP MacKay Unconstrained Bond Portfolio  
MainStay VP PIMCO Real Return Portfolio

## Money Market

MainStay VP U.S. Government Money Market Portfolio

## Alternative

MainStay VP Cushing Renaissance Advantage Portfolio  
MainStay VP IQ Hedge Multi-Strategy Portfolio

## Asset Allocation Portfolios

MainStay VP Conservative Allocation Portfolio  
MainStay VP Growth Allocation Portfolio  
MainStay VP Moderate Allocation Portfolio  
MainStay VP Moderate Growth Allocation Portfolio

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## Manager

**New York Life Investment Management LLC**  
New York, New York

## Subadvisors

**Candriam Belgium S.A.\***  
Brussels, Belgium

**Cushing Asset Management, LP**  
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# 2019 Annual Report

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