MainStay VP MacKay Government 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.

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NEW YORK LIFE 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

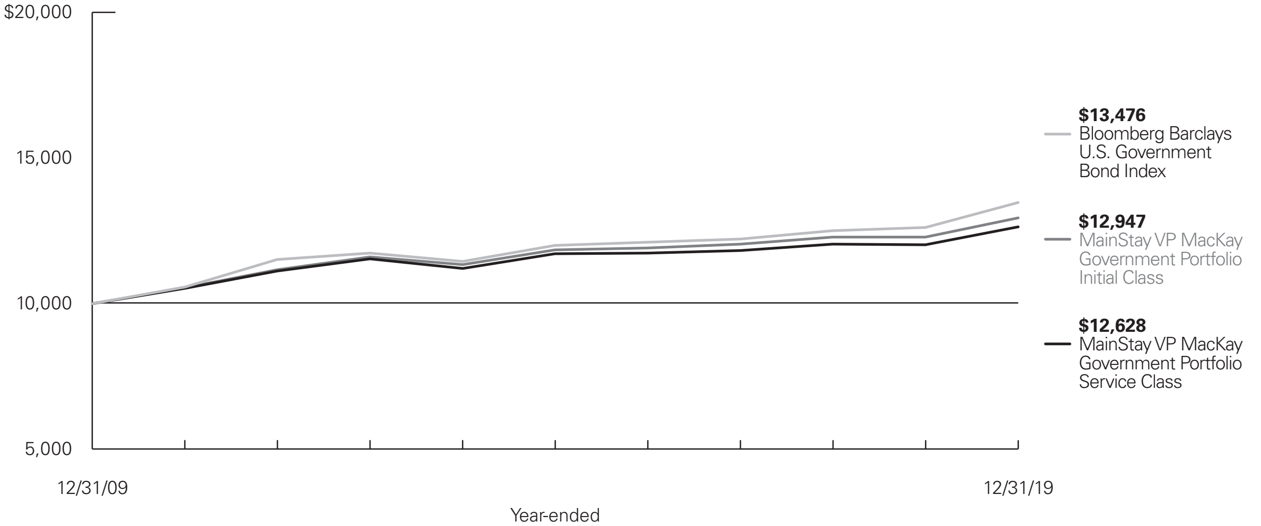
The opinions expressed are as of the date of this report and are subject to change. There is no guarantee that any forecast made will come to pass. This material does not constitute investment advice and is not intended as an endorsement of any specific investment. Past performance is no guarantee of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

Table of Contents

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. These documents are also available at nylinvestments.com/vpdocuments. 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[1] (Unaudited)

Performance data quoted represents past performance. Past performance is no guarantee of future results. Because of market volatility and other factors, current performance may be lower or higher than the figures shown. Investment return and principal value will fluctuate, and as a result, when shares are redeemed, they may be worth more or less than their original cost. The 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.



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

Class	Inception Date	One Year	Five Years	Ten Years	Gross Expense Ratio[2]
Initial Class Shares	1/29/1993	5.42%	1.80%	2.62%	0.57%
Service Class Shares	6/4/2003	5.15	1.54	2.36	0.82

Benchmark Performance	One Year	Five Years	Ten Years
Bloomberg Barclays U.S. Government Bond Index[3]	6.83%	2.36%	3.03%
Morningstar Intermediate Government Category Average[4]	5.88	1.94	2.69

1. 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.
2. 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.
3. The Bloomberg Barclays U.S. Government Bond Index is the Portfolio's primary broad-based securities market index for comparison purposes. The Bloomberg Barclays U.S. Government Bond Index consists of publicly issued debt of the U.S. Treasury and government agencies. Results assume the reinvestment of all income and capital gains. An investment cannot be made directly in an index.
4. The Morningstar Intermediate Government Category Average is representative of funds that have at least 90% of their bond holdings in bonds backed by U.S. government or by U.S. government-linked agencies. These funds have durations between 3.5 and 6 years and/or average effective maturities between 4 and 10 years. 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 MacKay Government 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

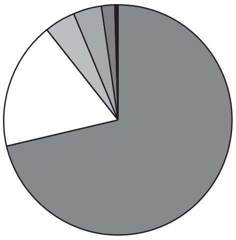
The fourth and fifth data columns in the table below provide information about hypothetical account values and hypothetical expenses based on the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's actual return. The hypothetical 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[1]	Ending Account Value (Based on Hypothetical 5% Annualized Return and Actual Expenses) 12/31/19	Expenses Paid During Period[1]	Net Expense Ratio During Period[2]
Initial Class Shares	$1,000.00	$1,014.10	$2.89	$1,022.33	$2.91	0.57%
Service Class Shares	$1,000.00	$1,012.90	$4.16	$1,021.07	$4.18	0.82%

1. 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.
2. Expenses are equal to the Portfolio's annualized expense ratio to reflect the six-month period.

Portfolio Composition as of December 31, 2019 (Unaudited)



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

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

1. United States Treasury Notes, 2.375%, due 4/30/20
2. United States Treasury Notes, 2.25%, due 4/30/24
3. United States Treasury Notes, 2.625%, due 7/31/20
4. United States Treasury Notes, 3.00%, due 10/31/25
5. United States Treasury Notes, 2.875%, due 10/31/20
6. United States Treasury Notes, 2.75%, due 4/30/23
7. Federal National Mortgage Association (Mortgage Pass-Through Securities), 4.50%, due 4/1/41
8. United States Treasury Notes, 2.00%, due 8/31/21
9. Tennessee Valley Authority, 4.65%, due 6/15/35
10. Federal National Mortgage Association (Mortgage Pass-Through Securities), 5.50%, due 7/1/41

Portfolio Management Discussion and Analysis (Unaudited)

Answers to the questions reflect the views of portfolio managers Dan Roberts, PhD, [1] Steven H. Rich, Stephen R. Cianci, CFA, and Neil Moriarty III, of MacKay Shields LLC, the Portfolio's Subadvisor.

How did MainStay VP MacKay Government 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 MacKay Government Portfolio returned 5.42% for Initial Class shares and 5.15% for Service Class shares. Over the same period, both share classes underperformed the 6.83% return of the Bloomberg Barclays U.S. Government Bond Index, which is the Portfolio's benchmark, and the 5.88% return of the Morningstar Intermediate Government Category Average.[2]

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

At the beginning of 2019, after a series of interest rate hikes during the prior year, the U.S. Federal Reserve ("Fed") announced that the federal funds benchmark rate had risen to a level consistent with its policy objectives. Later in 2019, the Fed cut the rate three times by 25 basis points each time. (A basis point is one one-hundredth of a percentage point.) In an unusual set of circumstances, prices for both U.S. Treasury securities and stocks rallied on the Fed's accommodative stance, reflecting investors' cautious optimism regarding the durability of the current business cycle. As U.S. Treasury prices rose, yields fell and the U.S. Treasury yield curve[3] steepened. Securities with shorter maturities were most responsive to the Federal Reserve's dovish monetary policy. More modest declines in longer-maturity yields reflected restrained inflation and insufficient aggregate demand to pressure resource capacity.

During the reporting period, the Portfolio maintained a relatively short average duration[4] compared to the Bloomberg Barclays U.S. Government Bond Index. As a result, the Portfolio proved less sensitive than the benchmark to changes in U.S. Treasury yields, a disadvantage for the majority of the reporting period and the main source of Portfolio underperformance. The steepening of the yield curve, which tended to favor assets at the short end of the curve, exacerbated the Portfolio's relative underperformance.

Conversely, the Portfolio's sector weighting and security selection positively affected relative returns. The Portfolio's overweight exposure to agency mortgage passthroughs imparted a yield advantage over lower-yielding U.S. Treasury securities and agency debentures. This benefit was reinforced by overweight exposure to agency mortgage-backed securities, which outperformed relative to comparable-duration U.S. Treasury bonds. Regarding issue selection, the Portfolio's distribution of agency mortgage passthroughs across the coupon stack (different coupons depending on when issued) favored higher coupons, which typically have durations equivalent to the shorter U.S. Treasury bonds associated with the sharpest yield declines for the reporting period. The Portfolio also emphasized seasoned loans (i.e., loans originated in prior years) and low-balance loans. Mortgage passthroughs backed by loans with these characteristics often have more stable cash-flow profiles. As lower mortgage rates prompted borrowers to refinance, the negative-return impact of prepayments was more extreme than in recent prior periods. This dynamic led the market to recalibrate the value of cash-flow stability, which boosted price performance for seasoning and loan balance. Similarly, the Portfolio benefited from the stability of its collateralized mortgage obligations, which are structured to dampen cash-flow variability.

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

As U.S. Treasury yields and mortgage rates fell during the reporting period, the Portfolio's duration contracted from 3.9 to 3.8 years while the duration of the Bloomberg Barclays U.S. Government Bond Index lengthened from 6.0 years to 6.4 years. Given the presence of mortgage-backed securities in the Portfolio, the Portfolio's duration typically shortens as U.S. Treasury yields fall because mortgage rates move with U.S. Treasury rates. Lower mortgage rates incentivize borrowers to refinance. Lower yields have the opposite effect on the benchmark's duration due to its positive convexity.[5] The Portfolio declined to lengthen its duration because, with U.S. Treasury yields compressed in a narrow range between the 1.57% yield of the two-year maturity and the 2.39% yield of the 30-year maturity, we believed the trade-off to pick up additional yield by extending out the curve was not compelling. In our view, lengthening the curve would have presented the risk of negative price return should U.S. Treasury yields rise, which could readily erode yield advantage.

During the reporting period, which market segments were the strongest positive contributors to the Portfolio's absolute performance and which market segments were particularly weak?

As described earlier, the Portfolio's significant holdings of agency mortgage pass-throughs contributed positively to performance, imparting a yield advantage over lower-yielding U.S.

1. Effective January 1, 2020, Dan Roberts no longer serves as a portfolio manager to the Portfolio.
2. See page 5 for more information on benchmark and peer group returns.
3. The yield curve is a line that plots the yields of various securities of similar quality—typically U.S. Treasury issues—across a range of maturities. The U.S. Treasury yield curve serves as a benchmark for other debt and is used in economic forecasting.
4. Duration is a measure of the price sensitivity of a fixed-income investment to changes in interest rates. Duration is expressed as a number of years and is considered a more accurate sensitivity gauge than average maturity.
5. Convexity is a mathematical measure of the sensitivity of an interest-bearing bond to changes in interest rates.

Treasury securities and agency debentures. (Contributions take weightings and total returns into account.) This benefit was reinforced by the Portfolio's exposure to mortgage-backed securities, which outperformed U.S. Treasury securities of comparable duration. Holdings of collateralized mortgage obligations, which are structured to dampen cash-flow variability, further bolstered returns. The Portfolio's duration stance was the most significant detractor from performance.

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

The Portfolio exited its positions in pass-through mortgage-backed securities issued by Ginnie Mae ("GNMA") during the reporting period on rich valuations, shifting those assets into collateralized mortgage obligations. The trade worked to the Portfolio's advantage as GNMA passthroughs underperformed mortgage-backed passthroughs issued by Fannie Mae ("FNMA") and Freddie Mac ("FHLMC").

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

During the reporting period, the Portfolio's exposure to agency mortgage-backed securities was trimmed and the Portfolio's exposure to U.S. Treasury securities slightly increased. This sector rotation improved the Portfolio's convexity and expanded the distribution of the Portfolio's assets across the breadth of the yield curve. We also increased the Portfolio's commitment to government-related commercial mortgage-backed securities by 3%, funding the purchases with cash. This trade, likewise, improved the Portfolio's convexity, and had a secondary benefit of enhancing the Portfolio's yield.

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

As of December 31, 2019, relative to the Bloomberg Barclays U.S. Government Bond Index the Portfolio held underweight exposure to U.S. Treasury securities, roughly equal weight exposure to agency debentures and overweight exposure to agency mortgage-backed securities, both residential and commercial. As of the same date, the Portfolio also held modestly overweight positions in asset-backed securities, non-agency mortgage-backed securities and corporate bonds, with non-government exposure totaling roughly 8% of Portfolio assets. The Portfolio ended the reporting period with approximately 2% of its assets in cash and/or cash equivalents.

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Portfolio of Investments December 31, 2019

	Principal Amount	Value
Long-Term Bonds 97.7%†		
Asset-Backed Securities 4.0%		
Other Asset-Backed Securities 3.8%		
FirstEnergy Ohio PIRB Special Purpose Trust		
Series 2013-1, Class A3		
3.45%, due 1/15/36	$ 560,000	$ 595,176
PSNH Funding LLC		
Series 2018-1, Class A1		
3.094%, due 2/1/26	389,081	396,984
Small Business Administration		
Participation Certificates		
Series 2012-20L, Class 1		
1.93%, due 12/1/32	484,395	479,617
Series 2014-20H, Class 1		
2.88%, due 8/1/34	556,130	566,942
Series 2015-20G, Class 1		
2.88%, due 7/1/35	1,460,943	1,491,505
Series 2014-20I, Class 1		
2.92%, due 9/1/34	598,339	612,165
Series 2014-20C, Class 1		
3.21%, due 3/1/34	1,041,271	1,081,906
Series 2018-20B, Class 1		
3.22%, due 2/1/38	1,962,161	2,046,971
Series 2018-20D, Class 1		
3.31%, due 4/1/38	2,247,311	2,358,283
		9,629,549
Utilities 0.2%		
Atlantic City Electric Transition Funding LLC		
Series 2002-1, Class A4		
5.55%, due 10/20/23	547,201	565,923
Total Asset-Backed Securities		
(Cost $10,116,255)		10,195,472
Corporate Bonds 4.4%		
Agriculture 0.4%		
Altria Group, Inc.		
2.85%, due 8/9/22	1,170,000	1,192,594
Electric 2.5%		
Consolidated Edison Co. of New York, Inc.		
2.347% (3 Month LIBOR + 0.40%),		
due 6/25/21 (a)	1,550,000	1,554,187
Duke Energy Florida Project Finance LLC		
2.538%, due 9/1/31	1,900,000	1,905,810
Monongahela Power Co.		
4.10%, due 4/15/24 (b)	2,000,000	2,142,814
PECO Energy Co.		
1.70%, due 9/15/21 (c)	670,000	669,182
		6,271,993
Pipelines 0.5%		
Plains All American Pipeline, L.P. / PAA		
Finance Corp.		
5.00%, due 2/1/21	$ 1,200,000	$ 1,227,514
Real Estate Investment Trusts 1.0%		
Host Hotels & Resorts, L.P.		
3.75%, due 10/15/23	2,350,000	2,458,741
Total Corporate Bonds		
(Cost $10,979,771)		11,150,842
Mortgage-Backed Securities 18.0%		
Agency (Collateralized Mortgage Obligations) 12.5%		
Federal Home Loan Mortgage Corporation		
REMIC Series 4691, Class HA		
2.50%, due 6/15/40	565,657	567,845
REMIC, Series 4913. Class UA		
3.00%, due 3/15/49	1,188,024	1,203,754
REMIC, Series 4900, Class BE		
3.00%, due 3/25/49	658,824	674,633
REMIC, Series 4908, Class BD		
3.00%, due 4/25/49	2,400,000	2,456,376
REMIC, Series 4911, Class MB		
3.00%, due 9/25/49	1,785,000	1,816,163
REMIC, Series 4926, Class BP		
3.00%, due 10/25/49	1,270,000	1,302,993
REMIC Series 4818, Class BD		
3.50%, due 3/15/45	604,151	624,465
REMIC Series 4884, Class BA		
3.50%, due 6/15/48	504,692	520,134
REMIC Series 4888, Class BA		
3.50%, due 9/15/48	428,427	445,634
REMIC Series 4877, Class AT		
3.50%, due 11/15/48	553,986	583,775
REMIC Series 4877, Class BE		
3.50%, due 11/15/48	805,509	837,067
REMIC, Series 4886, Class LA		
4.00%, due 3/15/43	452,617	459,814
REMIC, Series 4837, Class BA		
4.00%, due 6/15/43	2,832,961	2,892,704
Federal National Mortgage Association		
REMIC, Series 2019-39, Class LA		
3.00%, due 2/25/49	682,103	702,526
Series 2019-25, Class PA		
3.00%, due 5/25/48	507,773	521,469
Series 2019-13, Class PE		
3.00%, due 3/25/49	638,803	650,598
REMIC, Series 2019-58, Class LP		
3.00%, due 10/25/49	1,315,000	1,339,308
REMIC, Series 2018-76, Class BC		
3.50%, due 11/25/42	2,119,815	2,141,454

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

	Principal Amount	Value
Mortgage-Backed Securities (continued)		
Agency (Collateralized Mortgage Obligations) (continued)		
Federal National Mortgage Association (continued)		
REMIC, Series 2019-6, Class KA		
3.50%, due 3/25/46	$ 1,384,112	$ 1,420,337
REMIC, Series 2019-74, Class BA		
3.50%, due 12/25/59	1,230,404	1,285,431
Government National Mortgage Association		
Series 2014-91, Class MA		
3.00%, due 1/16/40	558,262	570,722
Series 2018-127, Class PB		
3.00%, due 9/20/47	1,332,310	1,358,778
REMIC, Series 2019-3, Class A		
3.00%, due 4/20/48	1,875,313	1,908,228
Series 2019-29, Class CB		
3.00%, due 10/20/48	482,393	489,616
Series 2019-52, Class JL		
3.00%, due 11/20/48	516,837	525,814
Series 2019-59, Class KA		
3.00%, due 12/20/48	898,955	924,775
Series 2019-43, Class PL		
3.00%, due 4/20/49	489,618	502,173
Series 2019-74, Class AT		
3.00%, due 6/20/49	676,991	688,891
Series 2013-149, Class BA		
3.25%, due 8/16/41	1,660,064	1,721,146
Seasoned Loans Structured Transaction Trust		
Series 2019-1, Class A1		
3.50%, due 5/25/29	457,437	475,078
		31,611,701
Agency Collateral PAC CMO 1.1%		
Federal Home Loan Mortgage Corporation		
REMIC, Series 4935, Class JP		
2.50%, due 7/25/49	862,022	867,030
Government National Mortgage Association		
REMIC, Series 2014-63, Class PG		
2.50%, due 7/20/43	1,842,189	1,861,928
		2,728,958
Commercial Mortgage Loans (Collateralized Mortgage Obligations) 3.4%		
BXP Trust		
Series 2017-GM, Class A		
3.379%, due 6/13/39 (b)	1,750,000	1,834,700
Four Times Square Trust		
Series 2006-4TS, Class A		
5.401%, due 12/13/28 (b)	491,625	502,870
FREMF Mortgage Trust (b)(d)		
Series 2013-K27, Class B		
3.496%, due 1/25/46	1,000,000	1,030,609
Series 2014-K41, Class B		
3.833%, due 11/25/47	2,700,000	2,850,369

	Principal Amount	Value
Commercial Mortgage Loans (Collateralized Mortgage Obligations) (continued)		
One Bryant Park Trust		
Series 2019-OBP, Class A		
2.516%, due 9/15/54 (b)	$ 1,725,000	$ 1,679,372
Wells Fargo Commercial Mortgage Trust		
Series 2018-1745, Class A		
3.749%, due 6/15/36 (b)(d)	695,000	742,798
		8,640,718
Residential Mortgage (Collateralized Mortgage Obligation) 0.1%		
Citigroup Mortgage Loan Trust, Inc.		
Series 2006-AR6, Class 1A1		
4.441%, due 8/25/36 (d)	128,332	121,042
Whole Loan (Collateralized Mortgage Obligations) 0.9%		
Chase Home Lending Mortgage Trust		
Series 2019-ATR1, Class A4		
4.00%, due 4/25/49 (b)(e)	440,432	443,077
Fannie Mae Connecticut Avenue Securities (Mortgage Pass-Through Securities)		
Series 2012-53, Class BK		
1.75%, due 5/25/27	1,922,347	1,909,517
		2,352,594
Total Mortgage-Backed Securities (Cost $45,275,219)		45,455,013
U.S. Government & Federal Agencies 71.3%		
Fannie Mae Strip (Collateralized Mortgage Obligations) 0.0%‡ (f)		
Series 360, Class 2, IO		
5.00%, due 8/25/35	83,650	13,936
Series 361, Class 2		
6.00%, due 10/25/35	17,978	4,087
		18,023
Federal Home Loan Mortgage Corporation (Mortgage Pass-Through Securities) 8.5%		
2.50%, due 9/1/34	962,283	971,100
2.50%, due 8/1/46	1,587,071	1,580,392
3.00%, due 2/1/46	3,115,759	3,193,294
3.00%, due 4/1/47	3,181,134	3,259,021
3.50%, due 8/1/38	754,402	785,162
3.50%, due 1/1/43	697,206	747,609
3.50%, due 1/1/44	397,013	418,662
3.50%, due 11/1/46	735,658	768,023
3.50%, due 2/1/48	844,313	877,277
4.00%, due 7/1/44	364,519	390,717
4.00%, due 3/1/45	339,250	363,526
4.00%, due 12/1/46	1,195,224	1,267,737
4.00%, due 2/1/48	705,789	742,549
4.00%, due 10/1/48	491,315	530,170
4.00%, due 3/1/49	1,211,979	1,261,028

	Principal Amount	Value
U.S. Government & Federal Agencies (continued)		
Federal Home Loan Mortgage Corporation		
(Mortgage Pass-Through Securities) (continued)		
4.50%, due 3/1/41	$ 353,911	$ 383,484
4.50%, due 8/1/44	223,713	249,385
4.50%, due 12/1/44	994,715	1,081,646
4.50%, due 7/1/45	654,648	710,131
4.50%, due 4/1/46	103,787	112,649
4.50%, due 8/1/47	217,884	240,650
5.00%, due 11/1/41	1,242,153	1,370,089
6.50%, due 4/1/37	34,468	38,802
		21,343,103
Federal National Mortgage Association		
(Mortgage Pass-Through Securities) 20.5%		
2.50%, due 12/1/37	1,762,678	1,772,698
2.50%, due 1/1/57	858,686	841,516
3.00%, due 10/1/32	673,778	694,199
3.00%, due 4/1/44	2,272,156	2,322,231
3.00%, due 9/1/46	2,162,883	2,176,347
3.00%, due 10/1/46	1,961,104	1,973,436
3.00%, due 10/1/48	46,096	46,836
3.00%, due 2/1/57	786,134	808,086
3.00%, due 6/1/57	880,336	904,882
3.50%, due 3/1/37	467,269	491,029
3.50%, due 2/1/43	1,699,323	1,821,110
3.50%, due 5/1/43	603,753	636,092
3.50%, due 7/1/43	571,651	609,456
3.50%, due 11/1/44	951,633	1,002,800
3.50%, due 3/1/45	1,049,685	1,110,594
3.50%, due 8/1/46	820,238	865,461
3.50%, due 10/1/47	797,148	827,807
3.50%, due 2/1/48	488,577	505,864
4.00%, due 8/1/38	3,281,722	3,502,168
4.00%, due 1/1/46	995,831	1,066,687
4.00%, due 9/1/47	703,156	738,795
4.00%, due 8/1/48	1,098,606	1,145,522
4.00%, due 9/1/48	226,653	236,249
4.00%, due 9/1/48	1,735,207	1,840,111
4.00%, due 4/1/49	568,230	591,174
4.50%, due 2/1/41	2,688,032	2,951,854
4.50%, due 4/1/41	6,550,377	7,265,107
4.50%, due 8/1/42	1,216,308	1,323,260
4.50%, due 12/1/43	318,860	345,541
4.50%, due 8/1/44	1,416,714	1,537,307
5.00%, due 9/1/41	2,270,054	2,502,441
5.00%, due 10/1/41	2,027,044	2,233,388
5.50%, due 7/1/41	3,592,332	4,041,781
6.00%, due 4/1/37	10,754	11,530
6.00%, due 7/1/39	821,924	942,393
6.50%, due 10/1/39	147,863	167,093
6.50%, due 8/1/47	14,775	15,830
		51,868,675

	Principal Amount	Value
Government National Mortgage Association		
(Mortgage Pass-Through Securities) 0.2%		
3.00%, due 5/20/43	$ 561,068	$ 573,654
Overseas Private Investment Corporation 0.5%		
5.142%, due 12/15/23	1,095,118	1,171,032
Tennessee Valley Authority 2.2%		
4.65%, due 6/15/35	4,395,000	5,489,097
United States Treasury Bonds 2.8%		
3.00%, due 5/15/45	2,790,000	3,121,857
3.00%, due 2/15/48	2,000,000	2,254,063
4.375%, due 11/15/39	1,200,000	1,608,516
		6,984,436
United States Treasury Notes 36.6%		
1.625%, due 8/15/22	2,170,000	2,172,034
1.625%, due 5/15/26	380,000	376,156
1.75%, due 9/30/22	3,070,000	3,082,352
1.75%, due 5/15/23	500,000	501,934
1.75%, due 11/15/29	2,640,000	2,602,256
2.00%, due 8/31/21	6,595,000	6,638,537
2.25%, due 4/30/24	16,190,000	16,579,572
2.375%, due 4/30/20	18,700,000	18,745,289
2.375%, due 8/15/24	1,695,000	1,746,909
2.625%, due 7/31/20	12,150,000	12,218,818
2.625%, due 1/31/26	1,700,000	1,783,207
2.75%, due 4/30/23	7,105,000	7,362,279
2.75%, due 7/31/23	845,000	877,480
2.75%, due 8/31/23	1,325,000	1,376,861
2.875%, due 10/31/20	8,030,000	8,109,986
3.00%, due 10/31/25	7,805,000	8,341,899
		92,515,569
Total U.S. Government & Federal Agencies (Cost $174,586,986)		179,963,589
Total Long-Term Bonds (Cost $240,958,231)		246,764,916

	Shares	
Short-Term Investments 1.9%		
Affiliated Investment Company 1.9%		
MainStay U.S. Government Liquidity Fund, 1.40% (g)	4,751,198	4,751,198

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

	Shares	Value
Short-Term Investments (continued)		
Unaffiliated Investment Company 0.0%‡		
State Street Navigator Securities Lending Government Money Market Portfolio, 1.56% (g)(h)	62,525	$ 62,525
Total Short-Term Investments (Cost $4,813,723)		4,813,723
Total Investments (Cost $245,771,954)	99.6%	251,578,639
Other Assets, Less Liabilities	0.4	988,578
Net Assets	100.0%	$252,567,217

† Percentages indicated are based on Portfolio net assets.

‡ Less than one-tenth of a percent.

(a) Floating rate—Rate shown was the rate in effect as of December 31, 2019.

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

(c) 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 $61,226. The Portfolio received cash collateral with a value of $62,525 (See Note 2(J)).

(d) Collateral strip rate—A bond whose interest was based on the weighted net interest rate of the collateral. The coupon rate adjusts periodically based on a predetermined schedule. Rate shown was the rate in effect as of December 31, 2019.

(e) 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.

(f) Collateralized Mortgage Obligation Interest Only Strip—Pays a fixed or variable rate of interest based on mortgage loans or mortgage pass-through securities. The principal amount of the underlying pool represents the notional amount on which the current interest was calculated. The value of these stripped securities may be particularly sensitive to changes in prevailing interest rates and are typically more sensitive to changes in prepayment rates than traditional mortgage-backed securities.

(g) Current yield as of December 31, 2019.

(h) Represents a security purchased with cash collateral received for securities on loan.

The following abbreviations are used in the preceding pages:

IO—Interest Only

LIBOR—London Interbank Offered Rate

REMIC—Real Estate Mortgage Investment Conduit

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:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Asset Valuation Inputs				
Investments in Securities (a)				
Long-Term Bonds				
Asset-Backed Securities	$ —	$ 10,195,472	$ —	$ 10,195,472
Corporate Bonds	—	11,150,842	—	11,150,842
Mortgage-Backed Securities	—	45,455,013	—	45,455,013
U.S. Government & Federal Agencies	—	179,963,589	—	179,963,589
Total Long-Term Bonds	—	246,764,916	—	246,764,916
Short-Term Investments				
Affiliated Investment Company	4,751,198	—	—	4,751,198
Unaffiliated Investment Company	62,525	—	—	62,525
Total Short-Term Investments	4,813,723	—	—	4,813,723
Total Investments in Securities	$4,813,723	$246,764,916	$ —	$251,578,639

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

Portfolio of Investments December 31, 2019 (continued)

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

Investments in Securities	Balance as of December 31, 2018	Accrued Discounts (Premiums)	Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Purchases	Sales (a)	Transfers into Level 3	Transfers out of Level 3	Balance as of December 31, 2019	Change in Unrealized Appreciation (Depreciation) from Investments Still Held at December 31, 2019
Long-Term Bonds										
Mortgage-Backed Securities										
Residential Mortgages (Collateralized Mortgage Obligations)	$727,931	$429	$(60,825)	$27,389	$ —	$(694,924)	$ —	$ —	$ —	$ —

(a) Sales include principal reductions.

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

Statement of Assets and Liabilities as of December 31, 2019

Assets

Investment in unaffiliated securities, at value (identified cost $241,020,756) including securities on loan of $61,226	$246,827,441
Investment in affiliated investment company, at value (identified cost $4,751,198)	4,751,198
Receivables:	
Dividends and interest	1,132,258
Portfolio shares sold	210,788
Securities lending	874
Total assets	252,922,559

Liabilities

Cash collateral received for securities on loan	62,525
Payables:	
Manager (See Note 3)	106,424
Portfolio shares redeemed	80,349
NYLIFE Distributors (See Note 3)	42,238
Professional fees	37,224
Shareholder communication	16,491
Custodian	9,379
Trustees	384
Accrued expenses	328
Total liabilities	355,342
Net assets	$252,567,217

Composition of Net Assets

Shares of beneficial interest outstanding (par value of $.001 per share) unlimited number of shares authorized	$ 23,467
Additional paid-in capital	246,971,945
	246,995,412
Total distributable earnings (loss)	5,571,805
Net assets	$252,567,217

Initial Class	
Net assets applicable to outstanding shares	$ 51,698,440
Shares of beneficial interest outstanding	4,770,282
Net asset value per share outstanding	$ 10.84
Service Class	
Net assets applicable to outstanding shares	$200,868,777
Shares of beneficial interest outstanding	18,696,473
Net asset value per share outstanding	$ 10.74

Statement of Operations for the year ended December 31, 2019

Investment Income (Loss)

Income	
Interest	$ 6,585,115
Dividends-affiliated	87,981
Securities lending	6,980
Total income	6,680,076
Expenses	
Manager (See Note 3)	1,148,550
Distribution/Service—Service Class (See Note 3)	443,952
Professional fees	72,176
Shareholder communication	39,132
Custodian	32,617
Trustees	5,552
Miscellaneous	10,294
Total expenses	1,752,273
Net investment income (loss)	4,927,803

Realized and Unrealized Gain (Loss) on Investments

Net realized gain (loss) on unaffiliated investments	1,165,496
Net change in unrealized appreciation (depreciation) on unaffiliated investments	5,203,640
Net realized and unrealized gain (loss) on investments	6,369,136
Net increase (decrease) in net assets resulting from operations	$11,296,939

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

Statements of Changes in Net Assets

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

	2019	2018
Increase (Decrease) in Net Assets		
Operations:		
Net investment income (loss)	$ 4,927,803	$ 4,516,993
Net realized gain (loss) on investments and futures transactions	1,165,496	(3,282,025)
Net change in unrealized appreciation (depreciation) on investments and futures contracts	5,203,640	(1,778,737)
Net increase (decrease) in net assets resulting from operations	11,296,939	(543,769)
Distributions to shareholders:		
Initial Class	(1,045,109)	(1,328,914)
Service Class	(3,495,346)	(3,504,349)
Total distributions to shareholders	(4,540,455)	(4,833,263)
Capital share transactions:		
Net proceeds from sale of shares	77,824,673	51,139,306
Net asset value of shares issued to shareholders in reinvestment of distributions	4,540,455	4,833,263
Cost of shares redeemed	(48,682,350)	(50,505,924)
Increase (decrease) in net assets derived from capital share transactions	33,682,778	5,466,645
Net increase (decrease) in net assets	40,439,262	89,613
Net Assets		
Beginning of year	212,127,955	212,038,342
End of year	$252,567,217	$212,127,955

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

Financial Highlights selected per share data and ratios

Initial Class	2019	2018	2017	2016	2015
	Year ended December 31,				
Net asset value at beginning of year	$ 10.49	$ 10.78	$ 10.85	$ 10.99	$ 11.25
Net investment income (loss) (a)	0.25	0.26	0.25	0.24	0.29
Net realized and unrealized gain (loss) on investments	0.32	(0.27)	(0.02)	(0.11)	(0.23)
Total from investment operations	0.57	(0.01)	0.23	0.13	0.06
Less distributions:					
From net investment income	(0.22)	(0.28)	(0.30)	(0.27)	(0.32)
Net asset value at end of year	$ 10.84	$ 10.49	$ 10.78	$ 10.85	$ 10.99
Total investment return (b)	5.42%	(0.06%)	2.11%	1.07%	0.53%
Ratios (to average net assets)/Supplemental Data:					
Net investment income (loss)	2.35%	2.44%	2.29%	2.14%(c)	2.54%
Net expenses (d)	0.57%	0.57%	0.56%	0.55%(e)	0.55%
Expenses (before waiver/reimbursement) (d)	0.57%	0.57%	0.56%	0.56%	0.55%
Portfolio turnover rate (f)	30%	92%	17%	64%	12%
Net assets at end of year (in 000's)	$ 51,698	$ 52,552	$ 56,561	$ 64,930	$ 72,924

(a) Per share data based on average shares outstanding during the year.
(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) Without the custody fee reimbursement, net investment income (loss) would have been 2.13%.
(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) Without the custody fee reimbursement, net expenses would have been 0.56%.
(f) The portfolio turnover rates not including mortgage dollar rolls were 80%, 5%, 19% and 11% for the years ended December 31, 2018, 2017, 2016 and 2015, respectively.

Service Class	2019	2018	2017	2016	2015
	Year ended December 31,				
Net asset value at beginning of year	$ 10.41	$ 10.69	$ 10.76	$ 10.90	$ 11.16
Net investment income (loss) (a)	0.22	0.23	0.22	0.21	0.26
Net realized and unrealized gain (loss) on investments	0.31	(0.26)	(0.03)	(0.11)	(0.23)
Total from investment operations	0.53	(0.03)	0.19	0.10	0.03
Less distributions:					
From net investment income	(0.20)	(0.25)	(0.26)	(0.24)	(0.29)
Net asset value at end of year	$ 10.74	$ 10.41	$ 10.69	$ 10.76	$ 10.90
Total investment return (b)	5.15%	(0.31%)	1.86%	0.82%	0.28%
Ratios (to average net assets)/Supplemental Data:					
Net investment income (loss)	2.09%	2.19%	2.04%	1.89%(c)	2.29%
Net expenses (d)	0.82%	0.82%	0.81%	0.80%(e)	0.80%
Expenses (before waiver/reimbursement) (d)	0.82%	0.82%	0.81%	0.81%	0.80%
Portfolio turnover rate (f)	30%	92%	17%	64%	12%
Net assets at end of year (in 000's)	$ 200,869	$ 159,575	$ 155,477	$ 186,207	$ 178,259

(a) Per share data based on average shares outstanding during the year.
(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) Without the custody fee reimbursement, net investment income (loss) would have been 1.88%.
(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) Without the custody fee reimbursement, net expenses would have been 0.81%.
(f) The portfolio turnover rates not including mortgage dollar rolls were 80%, 5%, 19% and 11% for the years ended December 31, 2018, 2017, 2016 and 2015, respectively.

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

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 MacKay Government 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 shares commenced operations on January 29, 1993. Service Class shares commenced operations on June 4, 2003. 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 current income.

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.

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

Debt securities (other than convertible and municipal bonds) are valued at the evaluated bid prices (evaluated mean prices in the case of convertible and municipal bonds) supplied by a pricing agent or 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. 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. Interest income is accrued as earned using the effective interest rate method and includes any realized gains and losses from repayments of principal on mortgage-backed securities. Discounts and premiums on securities purchased 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 mutual funds, which are subject to management fees and other fees that may cause the costs of investing in mutual funds to be greater than the costs of owning the underlying securities directly. These indirect expenses of mutual funds are not included in the amounts shown as expenses in the 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, the Portfolio did not hold any repurchase agreements.

(H) Futures Contracts. A futures contract is an agreement to purchase or sell a specified quantity of an underlying instrument at a specified future date and price, or to make or receive a cash payment based on the value of a financial instrument (e.g., foreign currency, interest rate, security, or securities index). The 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, the Portfolio did not hold any futures contracts.

(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). During the year ended December 31, 2019, the Portfolio did not enter into dollar roll transactions.

(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 $61,226 and received cash collateral, which was invested into the State Street Navigator Securities Lending Government Money Market Portfolio, with a value of $62,525.

(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.

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 securities 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.

(L) LIBOR Risk. The Portfolio may invest in certain debt securities, derivatives or other financial instruments that utilize the London Interbank Offered Rate ("LIBOR"), as a "benchmark" or "reference rate" for various interest rate calculations. In July 2017, the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced a desire to phase out the use of LIBOR by the end of 2021. Although financial regulators and industry working groups have suggested alternative reference rates, such as European Interbank Offer Rate ("EURIBOR"), Sterling Overnight Interbank Average Rate ("SONIA") and Secured Overnight Financing Rate ("SOFR"), global consensus on alternative rates is lacking and the process for amending existing contracts or instruments to transition away from LIBOR remains unclear. The elimination of LIBOR or changes to other reference rates or any other changes or reforms to the determination or supervision of reference rates could have an adverse impact on the market for, or value of, any securities or payments linked to those reference rates, which may adversely affect the Portfolio's performance and/or net asset value. Uncertainty and risk also remain regarding the willingness and ability of issuers and lenders to include revised provisions in new and existing contracts or instruments. Consequently, the transition away from LIBOR to other reference rates may lead to increased volatility and illiquidity in markets that are tied to LIBOR, fluctuations in values of LIBOR-related investments or investments in issuers that utilize LIBOR, increased difficulty in borrowing or refinancing and diminished effectiveness of hedging strategies, adversely affecting the Portfolio's performance. Furthermore, the risks associated with the expected discontinuation of LIBOR and transition may be exacerbated if the work necessary to effect an orderly transition to an alternative reference rate is not completed in a timely manner. Because the usefulness of LIBOR as a benchmark could deteriorate during the transition period, these effects could occur prior to the end of 2021.

(M) 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.

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, recordkeeping 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. MacKay Shields LLC ("MacKay Shields" or "Subadvisor"), a registered investment adviser and an indirect, 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 an Amended and Restated Subadvisory Agreement ("Subadvisory Agreement") between New York Life Investments and MacKay Shields, New York Life Investments pays for the services of the Subadvisor.

The Fund, on behalf of the Portfolio, pays New York Life Investments in its capacity as the Portfolio's investment manager and administrator, pursuant to the Management Agreement, a monthly fee for the services performed and facilities furnished at an annual rate of the Portfolio's average daily net assets as follows: 0.50% up to $500 million; 0.475% from $500 million to $1 billion; and 0.45% in excess of $1 billion. During the year ended December 31, 2019, the effective management fee rate was 0.50%.

During the year ended December 31, 2019, New York Life Investments earned fees from the Portfolio in the amount of $1,148,550 and paid the Subadvisor in the amount of $574,275.

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.

Notes to Financial Statements (continued)

(C) Investments in Affiliates (in 000's). During the year ended December 31, 2019, purchases and sales transactions, income earned from investments and shares held of investment companies managed by New York Life Investments or its affiliates were as follows:

Affiliated Investment Company	Value, Beginning of Year	Purchases at Cost	Proceeds from Sales	Net Realized Gain/(Loss) on Sales	Change in Unrealized Appreciation/ (Depreciation)	Value, End of Year	Dividend Income	Other Distributions	Shares End of Year
MainStay U.S. Government Liquidity Fund	$5,194	$129,842	$(130,285)	$—	$—	$4,751	$88	$—	4,751

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 Cost	Gross Unrealized Appreciation	Gross Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)
Investments in Securities	$245,783,416	$6,409,054	$(613,831)	$5,795,223

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)
$4,927,853	$(5,151,239)	$—	$5,795,191	$5,571,805

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

As of December 31, 2019, for federal income tax purposes, capital loss carryforwards of $5,151,239 were available as shown in the table below, to the extent provided by the regulations to offset future realized gains of the Portfolio through the years indicated. To the extent that these capital loss carryforwards are used to offset future capital gains, it is probable that the capital gains so offset will not be distributed to shareholders. No capital gain distributions shall be made until any capital loss carryforwards have been fully utilized.

Capital Loss Available Through	Short-Term Capital Loss Amounts (000's)	Long-Term Capital Loss Amounts (000's)
Unlimited	$589	$4,562

The Portfolio utilized $1,165,469 of capital loss carryforwards during the year ended December 31, 2019.

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
$4,540,455	$—	$4,833,263	$—

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 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 $97,969 and $60,893, respectively. Purchases and sales of securities, other than U.S. government securities and short-term securities, were $10,195 and $4,529, 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	333,172	$ 3,602,034
Shares issued to shareholders in reinvestment of distributions	95,996	1,045,109
Shares redeemed	(669,585)	(7,205,847)
Net increase (decrease)	(240,417)	$ (2,558,704)
Year ended December 31, 2018:		
Shares sold	489,359	$ 5,134,054
Shares issued to shareholders in reinvestment of distributions	129,327	1,328,914
Shares redeemed	(855,191)	(9,044,015)
Net increase (decrease)	(236,505)	$ (2,581,047)

Service Class	Shares	Amount
Year ended December 31, 2019:		
Shares sold	6,932,390	$ 74,222,639
Shares issued to shareholders in reinvestment of distributions	323,666	3,495,346
Shares redeemed	(3,895,948)	(41,476,503)
Net increase (decrease)	3,360,108	$ 36,241,482
Year ended December 31, 2018:		
Shares sold	4,424,274	$ 46,005,252
Shares issued to shareholders in reinvestment of distributions	343,551	3,504,349
Shares redeemed	(3,972,245)	(41,461,909)
Net increase (decrease)	795,580	$ 8,047,692

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 MacKay Government Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of MainStay VP MacKay Government 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 five years in the period ended December 31, 2019 (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 five years in the period ended December 31, 2019 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 transfer agent. 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 MacKay Government Portfolio ("Portfolio") and New York Life Investment Management LLC ("New York Life Investments") and the Subadvisory Agreement between New York Life Investments and MacKay Shields LLC ("MacKay") with respect to the 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 MacKay in connection with an annual contract review process undertaken by the Board that took place at meetings of the Board and its Contracts Committee between October 2019 and December 2019, as well as other information furnished to the Board and its Committees throughout the year, as deemed relevant by the Trustees. Information requested by and furnished to the Board for consideration in connection with the contract review process included, among other items, reports on the 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 MacKay 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 MacKay in response to requests prepared on behalf of the Board, and in consultation with the Independent Trustees, by independent legal counsel to the Independent Trustees, which encompassed a variety of topics, including those summarized below. The Board took into account information provided in connection with its meetings throughout the year, including, among other items, information regarding the legal standards and fiduciary obligations applicable to its consideration of the continuation of each of the Advisory Agreements and investment performance reports on the Portfolio prepared by the Investment Consulting Group of New York Life Investments as well as presentations from New York Life Investments and MacKay personnel. The Board also took into account other information received from New York Life Investments throughout the year, including, among other items, periodic reports on legal and compliance matters, risk management, portfolio turnover, brokerage commissions, sales and marketing activity and non-advisory services provided to the 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 MacKay; (ii) the qualifications of the portfolio managers of the Portfolio and the historical investment performance of the Portfolio, New York Life Investments and MacKay; (iii) the costs of the services provided, and profits realized, by New York Life Investments and MacKay from their relationships with the 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 MacKay. 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 MacKay. The Board's conclusions with respect to each of the Advisory Agreements may have also been based, in part, on the Board's knowledge of New York Life Investments and MacKay resulting from, among other things, the Board's consideration of each of the Advisory Agreements in prior years, the advisory agreements for other funds in the MainStay Group of Funds, the Board's review throughout the year of the performance and operations of other funds in the MainStay Group of Funds and the Board's business judgment and industry experience. In addition to considering the above-referenced factors, the Board observed that in the marketplace, 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 MacKay

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 MacKay, making recommendations to the Board as to whether the Subadvisory Agreement should be renewed, modified or terminated and periodically reporting to the Board regarding the results of New York Life Investments' evaluation and monitoring functions. The Board noted that New York Life Investments manages other mutual funds, serves a variety of other investment advisory clients, including other pooled investment vehicles, and has experience overseeing mutual fund service providers, including subadvisors. The Board considered the experience of senior personnel at New York Life Investments providing management and administrative and other non-advisory services to the 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 MacKay and ongoing analysis of, and interactions with, MacKay with respect to, among other things, the Portfolio's investment performance and risks as well as MacKay's 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 MacKay provides to the Portfolio. The Board evaluated MacKay's experience in serving as subadvisor to the Portfolio and advising other portfolios and MacKay's track record and experience in providing investment advisory services, the experience of investment advisory, senior management and administrative personnel at MacKay, and New York Life Investments' and MacKay's overall legal and compliance environment, resources and history. In addition to information provided in connection with its quarterly meetings with the Trust's Chief Compliance Officer, the Board considered that each of New York Life Investments and MacKay believes its compliance policies and procedures are reasonably designed to prevent violation of the federal securities laws and acknowledged their commitment to further developing and strengthening compliance programs relating to the 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 MacKay. The Board reviewed MacKay's ability to attract and retain qualified investment professionals and willingness to invest in personnel to service and support the 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, generally placing greater emphasis on the Portfolio's long-term 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 MacKay 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 MacKay had taken, or had agreed with the Board to take, to seek to enhance Portfolio investment performance and the results of those actions. In considering the investment performance of the Portfolio, the Board noted that the Portfolio underperformed its peer funds for the one-, five- and ten-year periods ended July 31, 2019, and performed in line with its peer funds for the three-year period ended July 31, 2019. The Board considered its discussions with representatives from New York Life Investments and MacKay regarding the Portfolio's investment performance relative to that of its benchmark index and peer funds.

Based on these considerations, the Board concluded that its review of the 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 MacKay

The Board considered information provided by New York Life Investments and MacKay with respect to the costs of the services provided under each of the Advisory Agreements. The Board also considered the profits realized by New York Life Investments and its affiliates, including MacKay, due to their relationships with the Portfolio. Because MacKay 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 MacKay in the aggregate.

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

In evaluating the costs of the services provided by New York Life Investments and MacKay and profits realized by New York Life Investments and its affiliates, including MacKay, the Board considered, among other factors, each party's continuing investments in, or willingness to invest in, personnel, systems, equipment and other resources and infrastructure to support and further enhance the management of the 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 MacKay and acknowledged that New York Life Investments and MacKay must be in a position to attract and retain experienced professional personnel and to maintain a strong financial position for New York Life Investments and MacKay to continue to provide high-quality services to the 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 MacKay 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 MacKay, 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 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 MacKay 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 MacKay on fees charged to other investment advisory clients, including institutional separate accounts and/or other funds that follow investment strategies similar to those of the 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 and voluntary waivers 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*.

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*.

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*.

Board of Trustees and Officers (Unaudited)

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

	Name and 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
Interested Trustee	**Yie-Hsin Hung*** 8/12/62	***MainStay VP Funds Trust:*** Trustee since 2017	Senior Vice President of New York Life since joining in 2010, Member of the Executive Management Committee since 2017, Chief Executive Officer, New York Life Investment Management Holdings LLC & New York Life Investment Management LLC since 2015. Senior Managing Director and Co-President of New York Life Investment Management LLC from 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	*MainStay Funds:* Trustee since 2017 (12 Funds); *MainStay Funds Trust:* Trustee since 2017 (32 Funds); and *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2017.

* This Trustee is considered to be an "interested person" of the MainStay Group of Funds 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
David H. Chow 12/29/57	***MainStay VP Funds Trust:*** Trustee since 2016, Advisory Board Member (June 2015 to December 2015).	Founder and CEO, DanCourt Management, LLC (since 1999)	76	*MainStay Funds:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (12 Funds); *MainStay Funds Trust:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (32 Funds); *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015); *Market Vectors Group of Exchange-Traded Funds:* Independent Chairman of the Board of Trustees since 2008 and Trustee since 2006 (57 portfolios); and *Berea College of Kentucky:* Trustee since 2009.
Susan B. Kerley 8/12/51	***MainStay VP Funds Trust:*** Chairman since January 2017 and Trustee since 2007***	President, Strategic Management Advisors LLC (since 1990)	76	*MainStay Funds:* Chairman since 2017 and Trustee since 2007 (12 Funds); *MainStay Funds Trust:* Chairman since 2017 and Trustee since 1990. (32 Funds)**; *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Chairman since 2017 and Trustee since 2011; and *Legg Mason Partners Funds:* Trustee since 1991 (54 portfolios).
Alan R. Latshaw 3/27/51	***MainStay VP Funds Trust:*** 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	*MainStay Funds:* Trustee since 2006 (12 Funds); *MainStay Funds Trust:* Trustee since 2007. (32 Funds)** *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee and Audit Committee Financial Expert since 2011; *State Farm Associates Funds Trusts:* Trustee since 2005 (4 portfolios); *State Farm Mutual Fund Trust:* Trustee since 2005 (15 portfolios); and *State Farm Variable Product Trust:* Trustee since 2005 (9 portfolios).
Richard H. Nolan, Jr. 11/16/46	***MainStay VP Funds Trust:*** Trustee since 2006***.	Managing Director, ICC Capital Management (since 2004); President—Shields/Alliance, Alliance Capital Management (1994 to 2004)	76	*MainStay Funds*: Trustee since 2007 (12 Funds); *MainStay Funds Trust:* Trustee since 2007 (32 Funds)**; and *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* 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
Jacques P. Perold 5/12/58	***MainStay VP Funds Trust:*** Trustee since 2016, Advisory Board Member (June 2015 to December 2015).	Retired; President, Fidelity Management & Research Company (2009 to 2014); Founder, President and Chief Executive Officer, Geode Capital Management, LCC (2001 to 2009)	76	*MainStay Funds:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (12 Funds); *MainStay Funds Trust:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015) (32 Funds); *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2016, Advisory Board Member (June 2015 to December 2015); *Allstate Corporation:* Director since 2015; *MSCI, Inc.:* Director since 2017 and *Boston University:* Trustee since 2014.
Richard S. Trutanic 2/13/52	***MainStay VP Funds Trust:*** Trustee since 2007***.	Chairman and Chief Executive Officer, Somerset & Company (financial advisory firm) (since 2004); Managing Director, The Carlyle Group (private investment firm) (2002 to 2004); Senior Managing Director, Partner and Board Member, Groupe Arnault S.A. (private investment firm) (1999 to 2002)	76	*MainStay Funds:* Trustee since 1994 (12 Funds); *MainStay Funds Trust:* Trustee since 2007 (32 Funds)**; and *MainStay MacKay DefinedTerm Municipal Opportunities Fund:* Trustee since 2011.

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

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

Officers of the Trust (Who are not Trustees)*

Name and Date of Birth	Position(s) Held and Length of Service	Principal Occupation(s) During Past Five Years
Kirk C. Lehneis 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
Jack R. Benintende 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)
Kevin M. Bopp 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)
J. Kevin Gao 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)
Scott T. Harrington 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® Utilities Portfolio†
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

Manager

New York Life Investment Management LLC
New York, New York

Subadvisors

Candriam Belgium S.A.*
Brussels, Belgium

Cushing Asset Management, LP
Dallas, Texas

Eagle Asset Management, Inc.
St Petersburg, Florida

Epoch Investment Partners, Inc.
New York, New York

FIAM LLC
Smithfield, Rhode Island

IndexIQ Advisors LLC*
New York, New York

Janus Capital Management LLC
Denver, Colorado

MacKay Shields LLC*
New York, New York

Mellon Investments Corporation
Boston, Massachusetts

NYL Investors LLC*
New York, New York

Pacific Investment Management Company LLC
Newport Beach, California

T. Rowe Price Associates, Inc.
Baltimore, Maryland

Winslow Capital Management, LLC
Minneapolis, Minnesota

Distributor

NYLIFE Distributors LLC*
Jersey City, New Jersey

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Boston, Massachusetts

Independent Registered Public Accounting Firm

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New York, New York

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