



## MainStay High Yield Corporate Bond Fund

1Q 2011

|                | Nasdaq | Cusip     | Expenses |
|----------------|--------|-----------|----------|
| Class A*       | MHCAX  | 56062F772 | 1.03     |
| Investor Class | MHHIX  | 56062X476 | 1.08     |
| Class I        | MHYIX  | 56062X708 | 0.78     |
| Class R2       | MHYRX  | 56063N501 | 1.13     |

\* Class A shares are available to existing Retirement Plans whose Fund Schedules included Class A shares prior to September 30, 2008.

### Investment Subadvisor

**MacKay Shields LLC**  
New York, New York

MacKay Shields LLC is an affiliate of New York Life Investment Management LLC. MacKay Shields has specialized in money management for over 70 years. With approximately \$56.9 billion in assets under management, MacKay Shields has attracted a prestigious roster of institutional and corporate clients, including several Fortune 500 companies.

### Portfolio Manager

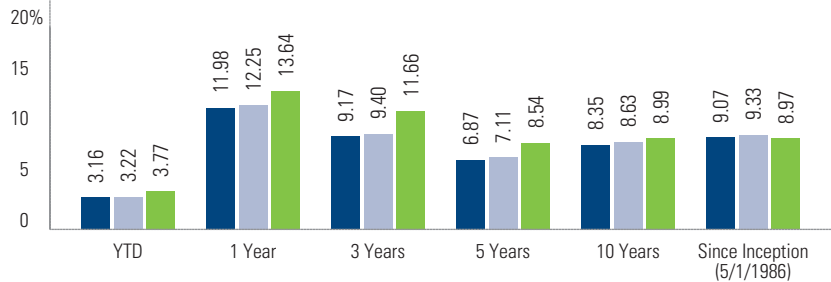
**J. Matthew Philo, CFA** – Fund Manager since 2000, with 27 years of industry experience.

### Investment Process

- The Fund's objective is to seek maximum current income through investment in a diversified portfolio of high-yield debt securities. Capital appreciation is a secondary objective.
- Under normal circumstances, the Fund invests at least 80% of its assets in high-yield debt securities, including all types of high-yield domestic and foreign corporate debt securities that are rated below investment grade by Moody's Investor Services or Standard & Poor's or that are unrated but the subadvisor considers to be of comparable quality.
- The subadvisor seeks to identify investment opportunities through analyzing individual companies and evaluates each company's competitive position, financial condition, and business prospects, investing only in companies in which the subadvisor has judged that there is sufficient asset coverage—that is, the subadvisor's subjective appraisal of a company's value divided by the value of its debt.

### Investment Results<sup>1,2</sup>

Period ended 3/31/11

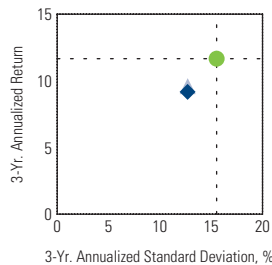


■ MainStay High Yield Corporate Bond Fund Class A@NAV  
■ MainStay High Yield Corporate Bond Fund Class I  
■ Credit Suisse High Yield Index

Performance data quoted represents past performance. Past performance is no guarantee of future results. Due to market volatility, current performance may be less or higher than the figures shown. Investment return and principal value will fluctuate so that upon redemption, shares may be worth more or less than their original cost. For performance information current to the most recent month-end, please visit our web site at [mainstayinvestments.com](http://mainstayinvestments.com).

### Risk/Return Analysis: 3 Years<sup>2</sup>

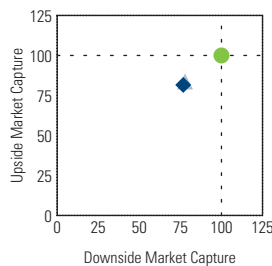
Period ended 3/31/11



|   | Total Annualized Return | Total Annualized StDev |
|---|-------------------------|------------------------|
| ◆ MainStay High Yield Corporate Bond Fund Class A@NAV | 9.17%                   | 12.70%                 |
| ▲ MainStay High Yield Corporate Bond Fund Class I     | 9.40                    | 12.71                  |
| ● Credit Suisse High Yield Index                      | 11.66                   | 15.53                  |

### Up/Down Market Capture: 3 Years<sup>2</sup>

Period ended 3/31/11



|   | Upside Market Capture | Downside Market Capture |
|---|-----------------------|-------------------------|
| ◆ MainStay High Yield Corporate Bond Fund Class A@NAV | 81.58%                | 76.73%                  |
| ▲ MainStay High Yield Corporate Bond Fund Class I     | 82.08                 | 77.79                   |
| ● Credit Suisse High Yield Index                      | 100.00                | 100.00                  |

### Contact Information

866-932-5477  
[mainstayinvestments.com/401k](http://mainstayinvestments.com/401k)

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

Characteristics<sup>1,2</sup>

|                          | High Yield Corporate Bond Fund | Credit Suisse High Yield Index |
|--------------------------|--------------------------------|--------------------------------|
| Total Net Assets         | \$6.7B                         | N/A                            |
| Standard Deviation (3yr) | 12.70                          | 15.53                          |
| Alpha (3yr)              | -0.49                          | N/A                            |
| Beta (3yr)               | 0.81                           | N/A                            |
| Number of Holdings       | 488                            | 1338                           |
| R-Squared (3yr)          | 0.99                           | N/A                            |
| Sharpe Ratio (3yr)       | 0.68                           | 0.72                           |
| Effective Maturity       | 6.0 Yrs                        | 6.7 Yrs                        |
| Effective Duration       | 3.4 Yrs                        | 3.7 Yrs                        |
| Current Yield (%)        | 7.82                           | 8.11                           |
| Yield to Worst (%)       | 6.07                           | 6.96                           |
| Annual Turnover Rate (%) | 41                             | N/A                            |

## Top Sectors

|                       |       |
|-----------------------|-------|
| Consumer Non-Cyclical | 16.6% |
| Consumer Cyclical     | 14.6  |
| Communications        | 14.0  |
| Energy                | 12.5  |
| Industrials           | 12.1  |
| Financials            | 10.6  |
| Basic Materials       | 6.7   |
| Utilities             | 5.2   |
| Technology            | 1.2   |
| Diversified           | 1.0   |

## Top Corporate Bond Holdings

|   |      |
|---|------|
| GenOn Energy, Inc., 7.875%, due 6/15/17   | 1.0% |
| Calpine Construction Finance Co., LP and CFC Finance Corp., 8.00%, due 6/1/16                 | 0.8  |
| Phibro Animal Health Corp., 9.25%, due 7/1/18   | 0.8  |
| Charter Communications Operating LLC/Charter Communications Capital Corp., 8.00%, due 4/30/12 | 0.7  |
| Ally Financial, Inc., 8.30%, due 2/12/15  | 0.6  |

Portfolio data is as of 3/31/11, is a percentage of the total net assets, and may change daily.

Historical Performance<sup>1</sup>

|      | MainStay High Yield Corporate Bond Fund Class A@NAV | MainStay High Yield Corporate Bond Fund Class I | Credit Suisse High Yield Index (Benchmark) |
|------|---|---|--|
| 2010 | 12.17%  | 12.45%  | 14.42%                                     |
| 2009 | 42.36   | 42.76   | 54.22                                      |
| 2008 | - 23.97   | - 23.89   | - 26.17                                    |
| 2007 | 1.85  | 2.25  | 2.65                                       |
| 2006 | 11.69   | 11.96   | 11.91                                      |
| 2005 | 3.31  | 3.57  | 2.26                                       |
| 2004 | 12.49   | 12.77   | 11.95                                      |
| 2003 | 37.42   | 37.96   | 27.94                                      |
| 2002 | - 0.78  | - 0.67  | 3.01                                       |
| 2001 | 2.49  | 2.65  | 5.80                                       |

Performance data quoted represents past performance. Past performance is no guarantee of future results.

## Before You Invest

High-yield securities (commonly referred to as "junk bonds") are generally considered speculative because they present a greater risk of loss than higher-quality debt securities and may be subject to greater price volatility. Foreign securities can be subject to greater risks than U.S. investments, including currency fluctuations, less liquid trading markets, greater price volatility, political and economic instability, less publicly available information, and changes in tax or currency laws or monetary policy. These risks are likely to be greater for emerging markets than in developed markets. Floating rate loans are generally considered to have speculative characteristics that involve default risk of principal and interest, collateral impairment, borrower industry concentration, and limited liquidity. Issuers of convertible securities may not be as financially strong as those issuing securities with higher credit ratings and are more vulnerable to changes in the economy. Funds that invest in bonds are subject to interest-rate risk and can lose principal value when interest rates rise.

**For more information about MainStay Funds, call 800-MAINSTAY (624-6782) for a prospectus or summary prospectus. Investors are asked to consider the investment objectives, risks, and charges and expenses of the investment carefully before investing. The prospectus or summary prospectus contains this and other information about the investment company. Please read the prospectus or summary prospectus carefully before investing.**

Most MainStay Funds offer more than one class of shares. When deciding whether to purchase a particular class of shares, investors should consider the investment amount, anticipated holding period, and other important factors.

1. Average annual total returns shown at NAV and assume dividends and capital gain distributions are reinvested. Performance for Class A and I shares includes the historical performance of Class B shares from inception (5/1/86) through 12/31/94 for Class A and through 12/31/03 for Class I adjusted to reflect the applicable fees and expenses. The Credit Suisse™ High Yield Index is a market-weighted index that includes publicly traded bonds rated below BBB by S&P and Baa by Moody's. Index results assume the reinvestment of all capital gain and dividend distributions. An investment cannot be made directly into an index.
2. Total net assets shown include all share classes. Fund statistics shown are for Class A only, other share classes may vary. Standard deviation measures how widely dispersed a fund's returns have been over a specified period of time. A high standard deviation indicates that the range is wide, implying greater potential for volatility. Alpha measures a fund's risk-adjusted performance and is expressed as an annualized percentage. R-Squared measures the percentage of a fund's movements that result from movements in the index. Beta is a measure of historical volatility relative to an appropriate index (benchmark) based on its investment objective. A beta greater than 1.00 indicates volatility greater than the benchmark's. The Sharpe Ratio shown is calculated for the past 36-month period by dividing annualized excess returns by annualized standard deviation. Effective maturity is the average time to maturity of debt securities held in the portfolio taking into consideration the possibility that the issuer may call the bond before its maturity date. Effective duration provides a measure of a fund's interest-rate sensitivity. The longer a fund's duration, the more sensitive the fund is to shifts in interest rates. Annual Turnover is as of the most recent annual shareholder report. Upside/Downside Market Capture measures a manager's performance in up/down markets relative to the fund's benchmark.

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