New York Life Investment Management

Investment Idea

Navigating interest rate volatility through active fixed income management

Meaningful interest rate volatility has emerged in 2026, driven by renewed inflation concerns, continued deficit spending, and shifting Fed rate cut expectations. During these periods, investors should closely examine how their fixed income allocations have performed. While duration is a primary driver of total return in volatile rate environments, active management also plays a key role in both managing volatility and seeking to deliver excess returns across varying rate environments, including periods of significant interest rate moves in both directions. Our suite of MacKay fixed income strategies offers a range of options with the potential to outperform across a variety of rate environments.

Since Start of Middle East Conflict		Return					
Period	10 yr Move	MSDIX	MTMIX	MGOIX	MDHIX	CPLB	Agg
Mar 26 - May 26	+40bps	-0.2	-1.3	-1.7	1.3	-1.0	-1.3

Previous Periods - 10 Yr Peak to Trough		Return					
Period	10 yr Move	MSDIX	MTMIX	MGOIX	MDHIX	CPLB	Agg
Oct 23 - Dec 23	-119 bps	7.5	10.3	7.8	4.7	9.8	9.2
Apr 24 - Sept 24	-107 bps	9.0	9.9	8.1	3.9	9.6	8.6
Jan 25 - Apr 25	-78 bps	3.1	5.0	4.6	-0.8	3.7	4.7

Previous Periods - 10 Yr Trough to Peak		Return					
Periods	10 yr Move	MSDIX	MTMIX	MGOIX	MDHIX	CPLB	Agg
Dec 23 - Apr 24	+91 bps	0.0	-1.3	-1.6	1.7	-1.7	-3.1
Sept 24 - Jan 25	+116 bps	-2.3	-4.1	-4.1	1.3	-3.9	-4.6

NYLI MacKay Total Return Bond Class I

★★★★

Overall Morningstar Rating™ based on the risk-adjusted returns from among 503 Intermediate Core-Plus Bond funds, as of 05/31/26.

NYLI MacKay U.S. Infra Bond Class I

★★★★★

Overall Morningstar Rating™ based on the risk-adjusted returns from among 418 Intermediate Core Bond funds, as of 05/31/26.

NYLI MacKay Strategic Bond Class I

★★★★

Overall Morningstar Rating™ based on the risk-adjusted returns from among 340 Multisector Bond funds, as of 05/31/26.

NYLI MacKay Core Plus Bond ETF

★★★★

Overall Morningstar Rating™ based on the risk-adjusted returns from among 503 Intermediate Core-Plus Bond funds, as of 05/31/26.

Source : Morningstar, as of 05/31/26. Agg represented by Bloomberg U.S. Aggregate Bond Index, An investment cannot be made directly in an index. Past performance is not indicative of future performance.

	Average Annual Total Returns (as of 5/31/26)						
	QTR	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	S.I
NYLI MacKay Short Duration High Income Fund (Inception Date: Class A: 12/17/2012; Class I: 12/17/2012)							
Class A (NAV)	1.20%	1.75%	5.77%	6.91%	4.50%	4.76%	4.47%
Class A (max. 3.0% load)	-1.83%	-1.30%	2.60%	5.83%	3.86%	4.44%	4.24%
Class I (no load)	1.26%	1.85%	6.02%	7.12%	4.75%	5.01%	4.73%
NYLI MacKay Total Return Bond Fund (Inception Date: Class A: 01/02/2004; Class I: 01/02/1991)							
Class A (NAV)	-1.41%	0.66%	5.15%	5.64%	0.69%	2.29%	3.43%
Class A (max. 4.5% load)	-5.85%	-3.87%	0.42%	4.03%	-0.23%	1.82%	3.22%
Class I (no load)	-1.32%	0.81%	5.44%	6.02%	1.05%	2.62%	4.90%
NYLI MacKay Strategic Bond Fund (Inception Date: Class A: 02/28/1997; Class I: 01/02/2004)							
Class A (NAV)	-0.28%	1.40%	6.38%	7.33%	3.44%	3.85%	4.85%
Class A (max. 4.5% load)	-4.77%	-3.16%	1.59%	5.70%	2.49%	3.37%	4.69%
Class I (no load)	-0.22%	1.50%	6.52%	7.64%	3.75%	4.14%	4.73%
NYLI MacKay U.S. Infrastructure Bond Fund (Inception Date: Class A: 01/03/1995; Class I: 01/02/2004)							
Class A (NAV)	-1.77%	0.46%	5.70%	4.56%	0.81%	1.85%	3.87%
Class A (max. 3.0% load)	-4.72%	-2.55%	2.53%	3.50%	-0.11%	1.38%	3.72%
Class I (no load)	-1.69%	0.69%	5.89%	4.81%	1.04%	2.08%	3.03%
NYLI MacKay Core Plus Bond ETF (Inception Date: 06/29/2021)							
CPLB (NAV)	-0.96%	0.92%	5.40%	5.56%	-	-	0.81%
CPLB (MP)	-1.26%	0.69%	5.46%	5.59%	-	-	0.82%

Returns represent past performance which is no guarantee of future results. Current performance may be lower or higher. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Visit nylim.com for the most recent month-end performance. Expenses stated are as of the fund's most recent prospectus. Past performance is no guarantee of future results, which will vary.

CPLB: Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Net asset value (NAV) returns are calculated using the daily NAV as of the close of regular trading on the Fund's primary exchange (typically 4:00pm ET). Effective August 31, 2025, the price used to calculate market price (MP) returns is the Fund's official closing price. Prior to August 31, 2025, market price returns were determined using the mean between the day's last bid and ask prices on the fund's primary exchange. The market price returns do not represent returns an investor would receive if shares were traded at other times.

Total annual operating expenses are: NYLI MacKay Short Duration High Income Fund Class A: 1.04% (Net: 1.02%), Class I: 0.79% (Net: 0.78%); NYLI MacKay Total Return Bond Fund Class A: 0.84% (Net: 0.84%), Class I: 0.59% (Net: 0.35%); NYLI MacKay Strategic Bond Fund Class A: 0.98% (Net: 0.98%), Class I: 0.73% (Net: 0.68%); NYLI MacKay U.S. Infrastrucutre Bond Fund Class A: 0.88% (Net: 0.85%), Class I: 0.63% (Net: 0.60%); NYLI MacKay Core Plus Bond ETF: Total Annual Fund Operating Expenses: 0.46%(After Waiver/Reimbursement:0.30%).

NYLI MacKay Total Return Bond Fund & NYLI MacKay Strategic Bond Fund: Performance reflects a contractual fee waiver and/or expense limitation agreement in effect through 2/28/27, without which total returns may have been lower. This agreement renews automatically for one-year terms unless written notice is provided prior to the start of the next term or upon approval of the Board. No initial sales charge applies on investments of $1 million or more (and certain other qualified purchases). However, a contingent deferred sales charge of 1.00% may be imposed on certain redemptions made within 18 months of the date of purchase on shares that were purchased without an initial sales charge

NYLI MacKay Short Duration High Income Fund & NYLI MacKay U.S. Infrastructure Bond Fund: Performance reflects a contractual fee waiver and/or expense limitation agreement, without which total returns may have been lower. This agreement will remain in effect until 2/28/27, and renew automatically for one-year terms unless written notice is provided prior to the start of the next term or upon approval of the Board. No initial sales charge applies on investments of $250,000 or more (and certain other qualified purchases). However, a contingent deferred sales charge of 1.00% may be imposed on certain redemptions made within 18 months of the date of purchase on shares that were purchased without an initial sales charge.

CPLB: Performance reflects a contractual fee waiver and/or expense limitation agreement in effect until terminated by the board of Trustees of the ETF, without which total returns may have been lower.

The Morningstar Rating for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance (this does not include the effects of sales charges, loads, and redemption fees). The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

As of 05/31/26, NYLI MacKay Total Return Bond Fund's Class I shares rated four (three A) stars overall and five (four A) stars, four (three A) stars and four (three A) stars for the three-, five-, and ten-year periods from among 503, 459 and 363 Intermediate Core-Plus Bond funds. NYLI MacKay Strategic Bond Fund's Class I shares rated four (three A) stars overall and four (three A) stars, four (four A) stars and four (three A) stars for the three-, five-, and ten-year periods from among 340, 306 and 219 Multisector Bond funds. NYLI MacKay U.S. Infrastructure Bond Fund's Class I shares rated five (four A) stars overall and five (four A) stars, five (five A) stars and four (three A) stars for the three-, five-, and ten-year periods from among 418, 384 and 285 Intermediate Core Bond funds. NYLI MacKay Core Plus Bond ETF rated four stars overall and four stars for the three-year period from among 503 Intermediate Core-Plus Bond funds.

The **Bloomberg U.S. Aggregate Bond Index** is a broad-based benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities, and commercial mortgage-backed securities.

Anout Risk

Before considering an investment in the Fund, you should understand that you could lose money.

NYLI MacKay Strategic Bond Fund: Investing in below investment grade securities may carry a greater risk of nonpayment of interest or principal than higher-rated bonds. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. These risks may be greater for emerging markets. Short positions pose a risk because they lose value as a security's price increases; therefore, the loss on a short sale is theoretically unlimited. As a result, these funds may not be suitable for all investors. The use of leverage may increase the Fund's exposure to long equity positions and make any change in the Fund's NAV greater than it would be without the use of leverage. This could result in increased volatility of returns. Issuers of convertible securities may not be as financially strong as those issuing securities with higher credit ratings and are more vulnerable to economic changes. The Fund may invest in derivatives, which may increase the volatility of the Fund's NAV. The principal risk of mortgage dollar rolls is that the security the Fund receives at the end of the transaction wmay be worth less than the security the Fund sold to the same counterparty at the beginning of the transaction. 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 fund's investment. Funds that invest in bonds are subject to interest-rate risk and can lose principal value when interest rates rise. Bonds are also subject to credit risk which is the possibility that the bond issuer may fail to pay interest and principal in a timely manner. If interest rates rise, less of the debt may be prepaid. Unconstrained bond funds generally have higher fees than the standard core bond funds. Certain environmental, social, and governance ("ESG") criteria may be considered when evaluating an investment opportunity. This may result in the Fund having exposure to securities or sectors that are significantly different than the composition of the Fund's benchmark and performing differently than other funds and strategies in its peer group that do not take into account ESG criteria.

NYLI MacKay Total Return Bond Fund: Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. These risks may be greater for emerging markets. Investing in below investment grade securities may carry a greater risk of nonpayment of interest or principal than higher-rated bonds. The principal risk of mortgage dollar rolls is that the security the Fund receives at the end of the transaction may be worth less than the security the Fund sold to the same counterparty at the beginning of the transaction. 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 fund's investment. If interest rates rise, less of the debt may be prepaid. Funds that invest in bonds are subject to interest-rate risk and can lose principal value when interest rates rise. Bonds are also subject to credit risk, in which the bond issuer may fail to pay interest and principal in a timely manner. The Fund may experience a portfolio turnover rate of over 100% and may generate short-term capital gains which are taxable.

NYLI MacKay Short Duration High Income Fund: The Fund is not a money market fund and does not attempt to maintain a stable NAV. The Fund's NAV per share will fluctuate. Investing in below investment grade securities may carry a greater risk of nonpayment of interest or principal than higher-rated bonds. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. These risks may be greater for emerging 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. The Fund may invest in derivatives, which may increase the volatility of the Fund's NAV. Funds that invest in bonds are 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, or that negative perception of the issuer's ability to make such payments may cause the price of that bond to decline.

NYLI MacKay U.S. Infrastructure Bond Fund: Mutual funds are subject to market risk and fluctuate in value. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Funds that invest in bonds are subject to interest-rate risk and can lose principal value when interest rates rise. Bonds are also subject to credit risk which is the possibility that the bond issuer may fail to pay interest and principal in a timely manner. Municipal bond risks include the inability of the issuer to repay the obligation, the relative lack of information about certain issuers, and the possibility of future tax and legislative changes, which could affect the market for and value of municipal securities. The Fund's investments in infrastructure-related securities will expose the Fund to potential adverse economic, regulatory, political, legal and other changes affecting such investments. Issuers of securities in infrastructure-related businesses are subject to a variety of factors that may adversely affect their business or operations, including high interest costs in connection with capital construction programs, high leverage, costs associated with environmental or other regulations and the effects of economic slowdowns. Rising interest rates could lead to higher financing costs and reduced earnings for infrastructure companies. The Fund may invest in derivatives, which may increase the volatility of the Fund's NAV.

NYLI MacKay Core Plus Bond ETF: An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Funds that invest in bonds are subject to interest rate risk, can lose principal value when interest rates rise, and are also subject to credit risk if the issuer were to fail to pay interest and principal in a timely manner. Principal risk of mortgage-related and asset-backed securities - the underlying debt may be prepaid ahead of schedule, if interest rates fall, reducing the value of the Fund's investment. If interest rates rise, less of the debt may be prepaid and the Fund may lose money. Foreign securities involve 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 different tax, currency laws, or monetary policy. These risks can be greater for emerging markets than for developed markets. High yield securities (junk bonds) have speculative characteristics, present a greater risk of loss than higher quality debt securities, and can also be subject to greater price volatility. Municipal bond risks include the ability of the issuer to repay the obligation, lack of information about certain issuers, and possible future tax and legislative changes, which could affect the market and value of municipal securities. Investing in below investment grade securities may carry a greater risk of nonpayment of principal or interest, than higher-rated securities. Derivatives can involve a high degree of financial risk in that a relatively small movement in the price of the underlying security or benchmark may result in a disproportionately large movement in price, unfavorable or favorable. Derivatives may increase the volatility of a Fund's net asset value and may result in a loss to the Fund.

Consider the Funds' investment objectives, risks, charges, and expenses carefully before investing. The prospectus and summary prospectus include this and other information about the Funds and are available by visiting the Prospectus. Read the prospectus carefully before investing.

New York Life Investment Management LLC engages the services of federally registered advisors. MacKay Shields is 100% owned by NYLIM Holdings, which is wholly owned by New York Life Insurance Company.

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