Muni Relative Value Case Strengthens

KEY TAKEAWAYS

- Munis Cheapen Again
- Could Florida Eliminate Property Taxes
- Higher Income Boosts Cushion

Relative Performance[1]

The municipal market continued to cheapen relative to Treasuries this week, with the most pronounced moves once again occurring further out the curve. Muni-to-Treasury ratios widened across all four benchmark maturities, with the 2-year ratio increasing 0.6 points to 71.13% and the 5-year ratio rising 1.1 points to 71.70%. The more meaningful moves came in longer maturities, where the 10-year ratio widened 1.7 points to 77.02% and the 30-year ratio increased nearly 1.9 points to 93.78%.[1]

What's notable is that the relative cheapening has continued even after the significant valuation reset we experienced in September. While the initial selloff was concentrated in shorter and intermediate maturities, recent ratio movements suggest that longer municipals are now offering increasingly attractive relative value. With 10-year ratios above 77% and 30-year ratios approaching 94%, the market is presenting a very different opportunity set than investors faced earlier this summer. [1]

What's particularly interesting is how the shape of the municipal selloff has changed. September's weakness was heavily concentrated in the front and intermediate portions of the curve. Last week, the pressure shifted further out, with 30-year municipal yields rising more than 10 bps even as long Treasury yields were essentially unchanged. That suggests municipal-specific technical pressures continue to weigh on valuations, rather than the market simply following broader rate movements. [1]

From a relative-value standpoint, however, the opportunity continues to improve. Thirty-year muni-to-Treasury ratios approaching 94% are particularly noteworthy, especially when combined with the steepness of the municipal curve and today's elevated absolute tax-exempt yields. The longer end remains an area where we believe investors can capture meaningful income and attractive relative value, although the recent price volatility reinforces the importance of thoughtful duration positioning.

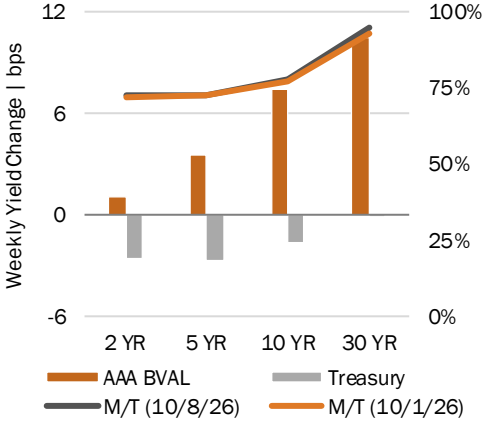
1. Source: Bloomberg

FIGURE 1: INDEX PERFORMANCE

	MTD	YTD	2025
Muni Bond 5-Year	0.49%	-2.04%	5.03%
Muni Bond 10-Year	0.38%	-4.68%	5.92%
Muni Bond 15-Year	0.05%	-6.10%	5.31%
Muni Long Bond	-0.84%	-5.82%	1.95%
Muni Managed Money	0.02%	-4.80%	3.94%

Data as of October 8, 2026.
Source: Bloomberg

FIGURE 2: MUNIS UNDERPERFORMED



Data as of October 8, 2026. Spot Muni, Spot AAA rates
AAA B VAL: AAA Municipal yield curve
M/T: Municipal/Treasury Yield Ratio - Bloomberg Municipal Bond Index yield / Bloomberg US Treasury Index yield.
Source: Bloomberg

Market Technicals

COULD FLORIDA ELIMINATE THE PROPERTY TAX?

For a Florida homeowner, the appeal is easy to understand: what if a much larger share of your home were exempt from property taxes? For municipal investors, the next question is just as important: who pays for local services when that revenue goes away?

Florida voters will consider Amendment 3 this November. If approved, it would raise the homestead exemption for **non-school** property taxes to $150,000 in 2027 and $250,000 in 2028[1], with inflation adjustments thereafter. A qualifying home assessed below the exemption could owe no county, city or special district property tax. The measure would also create a path to exempt more homestead value in the future. **School property taxes would remain.**

The savings for many current homeowners would be meaningful. The cost of providing local services, however, would not disappear with the tax bill. At current tax rates, Florida's Revenue Estimating Conference projects a reduction in local property tax collections of about $4.9 billion in the first year, $8.7 billion in the second and nearly $12 billion annually once fully phased in[2]. Local governments could respond by changing tax rates, finding other revenue or reducing spending. Those choices will matter most in communities with less room to absorb the loss.

The effects would also differ across taxpayers. Existing Florida homeowners stand to receive the clearest direct benefit. Second-home owners, businesses and rental properties would not receive the expanded homestead exemption, although the amendment would reduce the annual cap on increases in their assessed value from 10% to 5%. If local governments raise rates to replace revenue, some of the burden could shift to property that remains taxable, with potential costs passed through to renters. New Florida residents after 2026 would generally wait until their fifth year of homestead exemption to receive the larger benefit.

For muni investors, this is a local credit story, not a single verdict on Florida bonds. The question is how much flexibility each county or city has to manage a smaller property tax base while funding essential services and meeting its obligations. Larger, diverse tax bases may have more options; smaller rural issuers may have fewer. The amendment expressly permits property tax revenue to be used for debt service, so the concern is less about an immediate prohibition on paying bonds and more about the pressure that could build around local budgets.

Whether voters accept that trade-off remains open. In a July University of North Florida poll, support was 61% before respondents were given a local budget estimate and fell to 45% afterward. Florida amendments need 60% approval. That gap captures the issue for the market: property tax relief may be popular, but the credit implications depend on what happens to the services those taxes fund.

1. Source: Ballotpedia.org
2. Florida TaxWatch

Questions from the Field

Q With municipal yields having moved so much higher recently, should investors be concerned about further losses, or does the higher income begin to offset that risk?

A This is one of the more important distinctions investors need to understand about today's market.

When rates rise, bond prices fall. That's unavoidable. But what often gets lost in that conversation is how much the starting yield changes the return equation going forward.

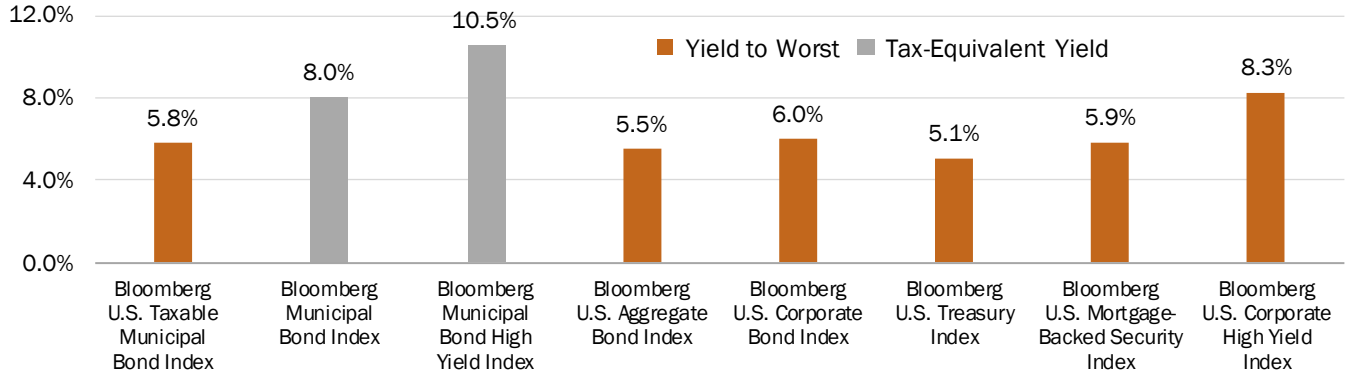
Think about where we were in 2022. Municipal investors entered that year with very little income to absorb rising rates. Today, we're starting with substantially higher yields, which means income is doing considerably more of the work. That doesn't eliminate duration risk, but it does give investors a much larger cushion against additional price declines.

And importantly, that income isn't hypothetical. Current yields offer investors an opportunity to pursue tax-exempt income at levels not consistently available in recent years. For high-bracket households, the tax-equivalent yields available in parts of the municipal market are approaching levels typically associated with much riskier fixed income investments.

The other consideration is time horizon. A client who needs liquidity in six months should think about duration very differently from someone investing for the next five or ten years. For longer-term investors, higher starting yields have historically been strongly associated with better forward returns, even if the path getting there includes volatility.

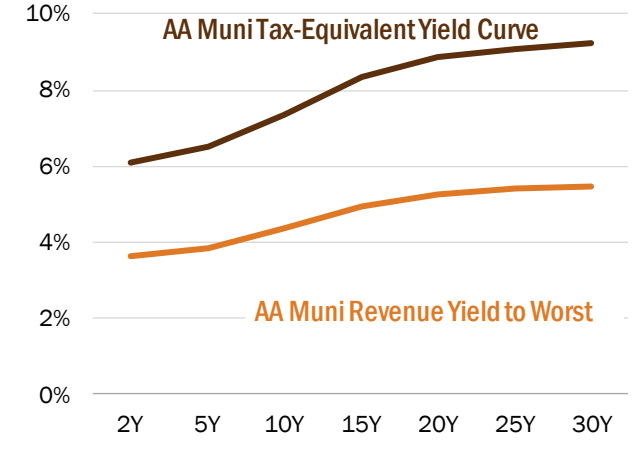
The illustration above does not constitute tax advice. The information contained herein should not be used as a substitute for advice from your tax advisor. Neither MacKay Municipal Managers nor MacKay Shields LLC advise clients on tax matters. Consult your tax advisor for further information.

INDEX YIELDS



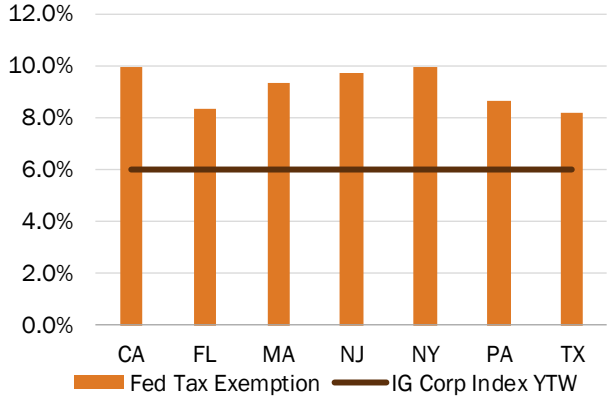
Data as of October 8, 2026
1. Using 40.8% federal tax rate, including 3.8% Net Investment Income Tax.
Source: Bloomberg

AA MUNI TAX-EQUIVALENT YIELD CURVE



Data as of October 8, 2026
1. Using 40.8% federal tax rate, including 3.8% Net Investment Income Tax.
Source: Bloomberg

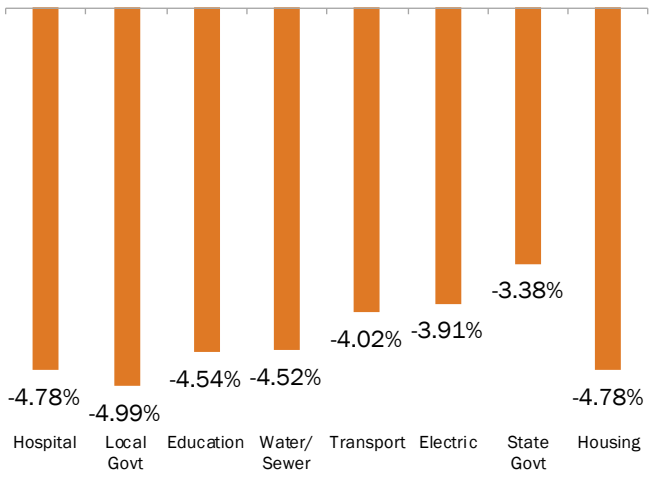
IN-STATE MUNI TAX-EQUIVALENT YTW



Data as of October 8, 2026
1. Using 40.8% federal tax rate, including 3.8% Net Investment Income Tax.
Source: Bloomberg

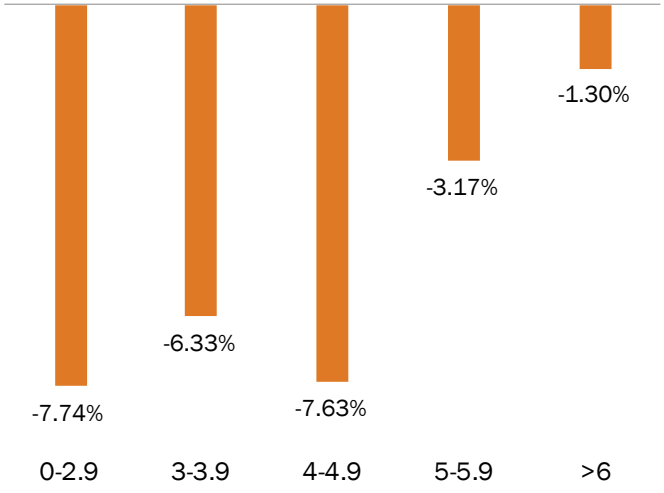
The illustration above does not constitute tax advice. The information contained herein should not be used as a substitute for advice from your tax advisor. Neither MacKay Municipal Managers nor MacKay Shields LLC advise clients on tax matters. Consult your tax advisor for further information.

YTD TOTAL RETURNS BY SECTOR



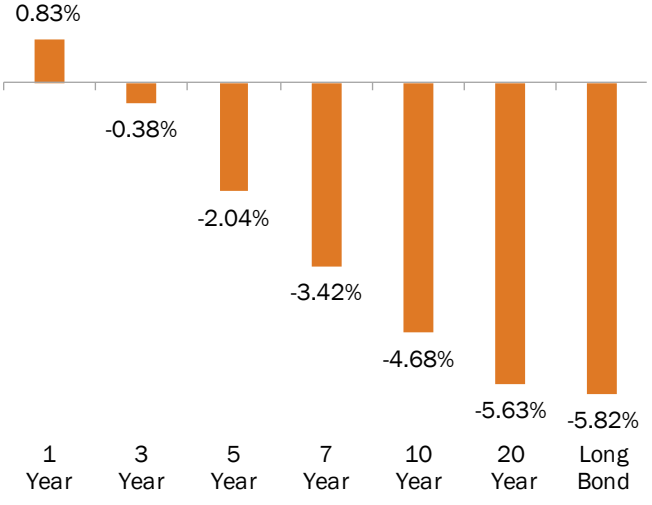
Data as of October 8, 2026
Source: Bloomberg Municipal Bond Index

YTD TOTAL RETURNS BY COUPON



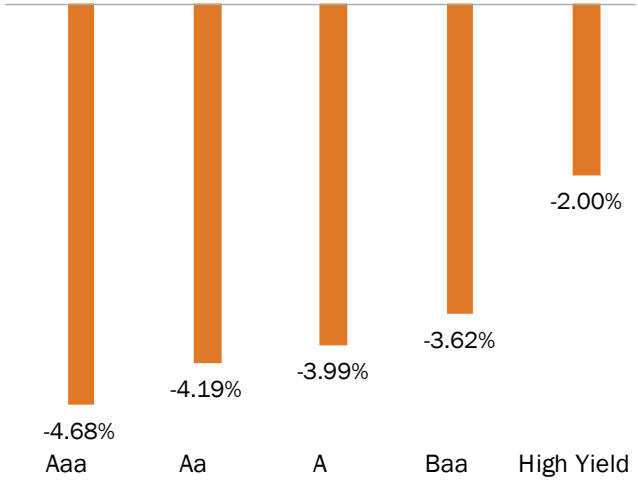
Data as of October 8, 2026
Source: Bloomberg Municipal Bond Index

YTD TOTAL RETURNS BY MATURITY



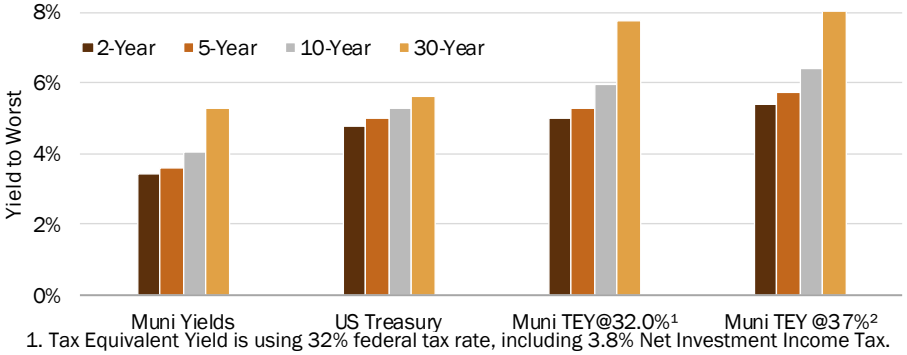
Data as of October 8, 2026
Source: Bloomberg Municipal Bond Index

YTD TOTAL RETURNS BY RATING CATEGORY



Data as of October 8, 2026
Source: Bloomberg Municipal Bond Index

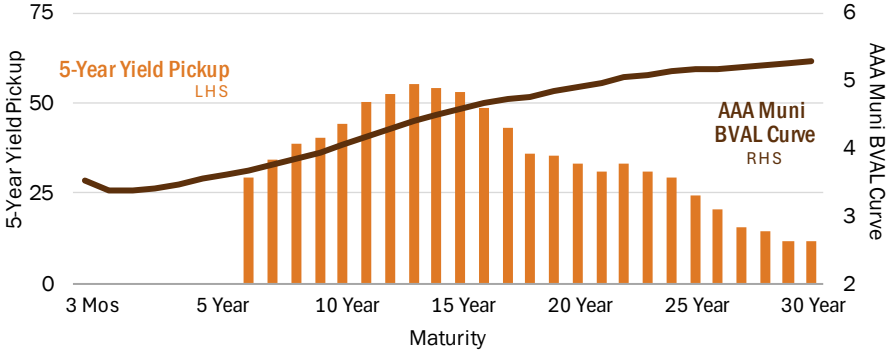
TAX-ADJUSTED YIELDS OF MUNICIPAL BOND INDEX VS US TREASURY INDEX



1. Tax Equivalent Yield is using 32% federal tax rate, including 3.8% Net Investment Income Tax.
2. Tax Equivalent Yield is using 37% federal tax rate, including 3.8% Net Investment Income Tax.
Data as of October 8, 2026.
Source: Bloomberg

On a tax-adjusted basis munis handily lead across tenors

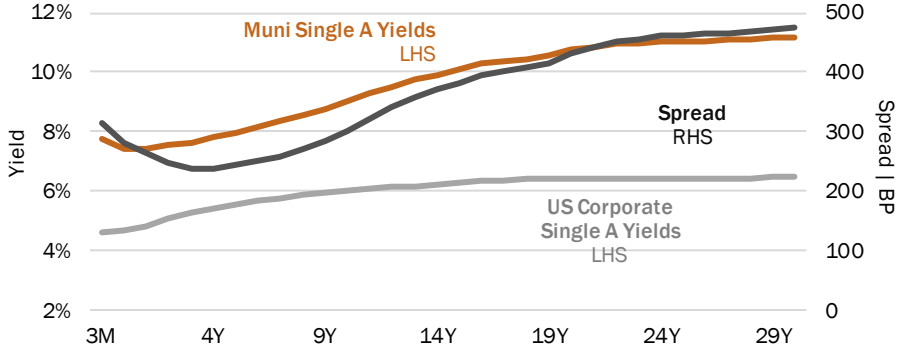
YIELD CURVE STEEPNESS



Data as of October 8, 2026.
Source: Bloomberg

Our relative value lens focus on the area of the curve where steepness benefits returns

MUNI EXCEEDS CORPORATE SPREADS

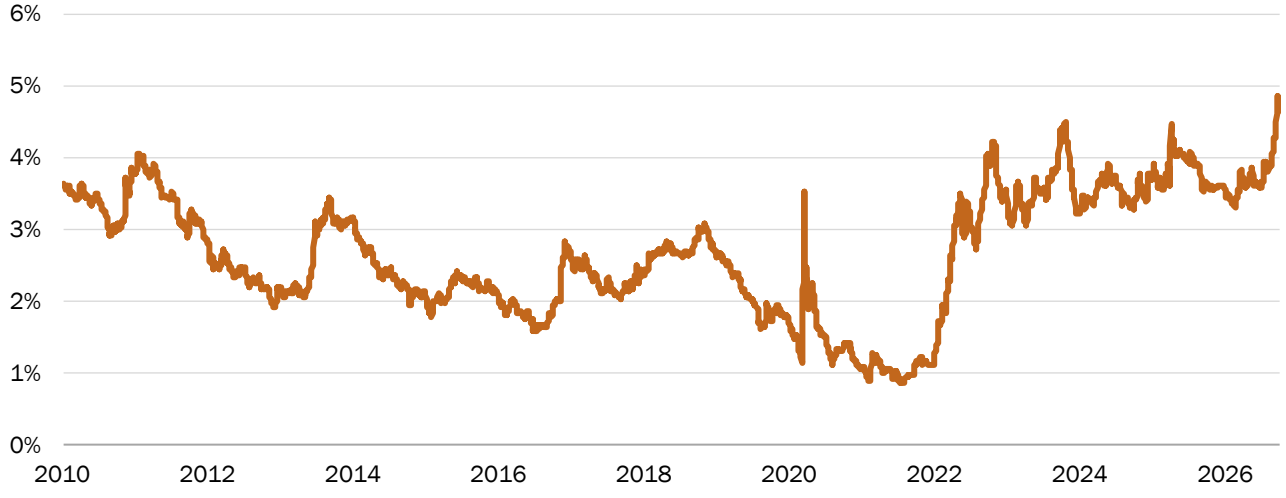


Data as of October 8, 2026.
Muni Single A Yields: Bloomberg Municipal Bond Index; US Corporate Single A Yields: Bloomberg Corporate Bond Index
Source: Bloomberg

Tax equivalent munis continue to exceed corporate spread/yields

This illustration does not constitute tax advice. The information contained herein should not be used as a substitute for advice from your tax advisor. Neither MacKay Municipal Managers™ nor MacKay Shields LLC advise clients on tax matters. Consult your tax advisor for further information.

BLOOMBERG MUNICIPAL YIELD-TO-WORST



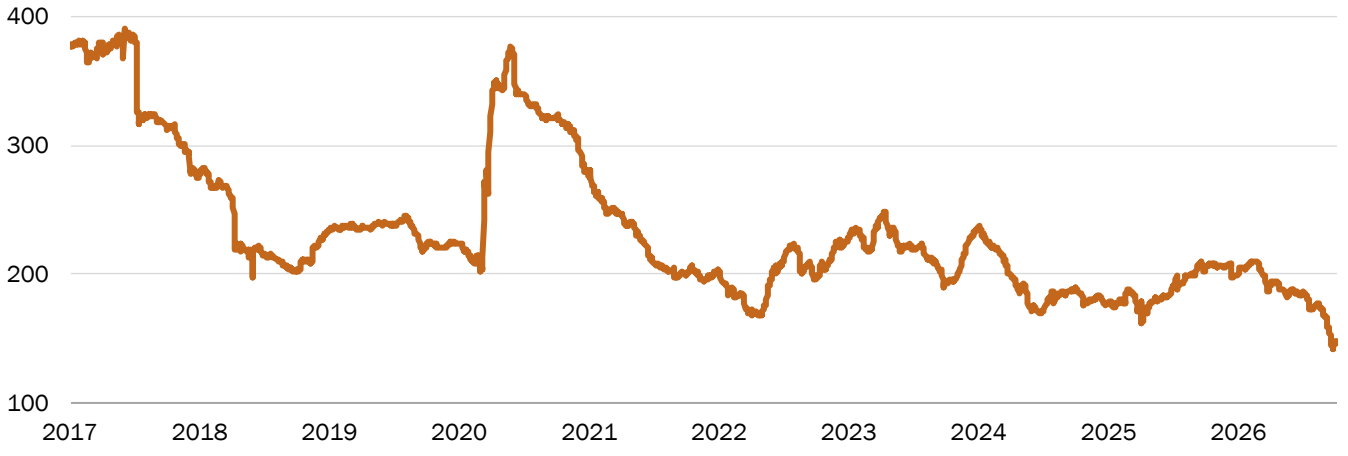
Data as of October 8, 2026
"Post GFC Average" measures the period from 1/1/2010 – 10/8/2026
Source: Bloomberg

MUNI YIELDS

Tenor	10/8/2026	10/1/2026	Change (+/-)
BLOOMBERG AAA MUNI KEY RATE YIELDS			
2 YEAR	3.45%	3.46%	-0.01%
5 YEAR	3.63%	3.63%	0.00%
10 YEAR	4.09%	4.04%	0.05%
30 YEAR	5.31%	5.21%	0.10%
US TREASURY RATE YIELDS			
2 YEAR	4.75%	4.78%	-0.03%
5 YEAR	4.99%	5.01%	-0.02%
10 YEAR	5.22%	5.24%	-0.02%
30 YEAR	5.60%	5.61%	-0.01%
US TREASURY & AAA MUNI CURVE SLOPES[1]			
	2s10s	10s30s	2s30s
US TREASURY CURVE SLOPE	+ 47 bps	+ 38 bps	+ 85 bps
AAA MUNI CURVE SLOPE	+ 64 bps	+ 122 bps	+ 187 bps

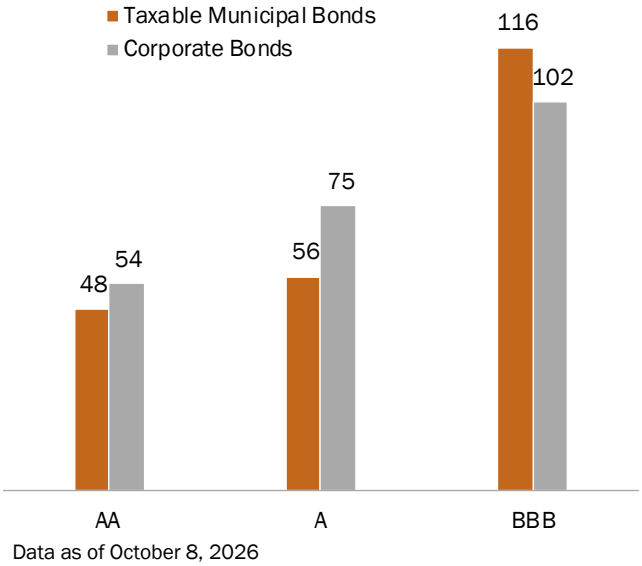
Data as of October 8, 2026
1. 2s10s – is spread between 10yr and 2yr yield; 10s30s – refers to spread between 30yr and 10yr yield; 2s30s – refers to spread between 30yr and 2yr yield
Source: Bloomberg

BLOOMBERG MUNICIPAL HIGH YIELD | AAA YIELD DIFFERENTIAL



Data as of October 8, 2026
Source: Bloomberg

TAXABLE MUNICIPAL AND CORPORATE CREDIT SPREADS



Data as of October 8, 2026
Source: Bloomberg

YIELD DIFFERENTIAL FOR NYL/MACKAY MUNICIPAL PRODUCTS

	Yield to Worst[1]		Change in YTW	TEY 10/9/26	Market Price	Duration to Worst
	10/9/26	6/30/26				
NYLIM MACKAY ARIZONA MUNI FUND	4.63	3.45	1.24	7.77	97.32	5.3
NYLIM MACKAY CALIFORNIA MUNI FUND	4.81	3.79	1.12	8.03	97.92	7.2
NYLIM MACKAY CALIFORNIA MUNI INTERMEDIATE ETF	3.73	3.36	1.05	6.29	99.41	4.9
NYLIM MACKAY COLORADO MUNI FUND	4.80	3.63	1.12	8.05	98.36	5.8
NYLIM MACKAY DEFINED TERM MUNI OPPORTUNITIES FUND	6.85	4.78	1.27	11.35	94.78	9.4
NYLIM MACKAY HIGH YIELD MUNI BOND FUND	5.81	4.75	1.12	9.34	83.34	10.4
NYLIM MACKAY MUNI ALLOCATION ETF	3.74	4.17	0.89	6.23	92.60	6.7
NYLIM MACKAY HIGH INCOME ETF	6.10*	—	—	8.64	92.15	8.5
NYLIM MACKAY MUNI INCOME OPPORTUNITIES FUND	6.06	4.93	0.85	9.81	93.99	8.2
NYLIM MACKAY MUNI INSURED ETF	5.07	4.13	0.97	8.57	94.68	9.0
NYLIM MACKAY MUNI INTERMEDIATE ETF	4.60	3.68	1.17	7.77	98.72	5.8
NYLIM MACKAY MUNI SHORT DURATION ETF	4.36	3.49	1.09	7.07	99.86	2.6
NYLIM MACKAY NEW YORK MUNI FUND	5.14	4.36	0.86	8.50	91.32	9.6
NYLIM MACKAY OREGON MUNI FUND	4.46	3.35	1.22	7.47	98.32	5.6
NYLIM MACKAY SHORT TERM MUNI FUND	4.07	3.32	1.06	6.59	99.78	2.5
NYLIM MACKAY STRATEGIC MUNI ALLOCATION FUND	4.96	3.75	1.23	8.33	97.36	6.0
NYLIM MACKAY TAX FREE BOND FUND	5.05	4.04	1.03	8.47	94.77	7.9
NYLIM MACKAY U.S. INFRASTRUCTURE BOND FUND	5.69	4.88	0.85	5.73	93.99	5.7
NYLIM MACKAY UTAH MUNI FUND	5.15	3.84	1.28	8.63	96.28	6.3

*5.17 when including cash
Data as of October 9, 2026
Source: MacKay Shields

Click on the Fund Name to access current information about the fund , which includes the prospectus, investment objectives, performance, risk, and other essential information. 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 https://www.nylim.com/investment-products for the most recent month-end performance.

1. Yield to Worst (YTW) is the lowest potential yield that can be received on a bond without issuer default, assuming the bond is called, prepaid or otherwise retired at the earliest permitted date. Fund YTW reflects the yield to worst of the securities held in the portfolio. Tax-Equivalent YTW represents the taxable yield required to equal the stated YTW after federal income taxes, assuming a federal income tax rate of [XX.XX%], and will vary based on an investor's tax rate and individual circumstances. State and local taxes are not reflected unless otherwise indicated. YTW and Tax-Equivalent YTW are portfolio characteristics, are not guaranteed, and do not represent a Fund's distribution yield, SEC yield, total return or shareholder return.

DISCLOSURES

Availability of this document and products and services provided by MacKay Shields LLC may be limited by applicable laws and regulations in certain jurisdictions and this document is provided only for persons to whom this document and the products and services of MacKay Shields LLC may otherwise lawfully be issued or made available. None of the products and services provided by MacKay Shields LLC are offered to any person in any jurisdiction where such offering would be contrary to local law or regulation. It does not constitute investment advice and should not be construed as an offer to buy securities. The contents of this document have not been reviewed by any regulatory authority in any jurisdiction. This material contains the opinions of the MacKay Municipal Managers™ team of MacKay Shields LLC but not necessarily those of MacKay Shields LLC. The opinions expressed herein are subject to change without notice. This material is distributed for informational purposes only. Forecasts, estimates, and opinions contained herein should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. Any forward-looking statements speak only as of the date they are made and MacKay Shields assumes no duty and does not undertake to update forward-looking statements. No part of this document may be reproduced in any form, or referred to in any other publication, without express written permission of MacKay Shields LLC. ©2026, MacKay Shields LLC. All Rights Reserved.

MacKay Shields LLC does not offer or sponsor any funds registered under the Investment Company Act of 1940, as amended ("Registered Funds"). MacKay Shields LLC serves in the capacity as investment manager of certain Registered Funds through sub-advisory arrangements.

MacKay Municipal Managers is a trademark of MacKay Shields LLC.

MacKay Shields LLC is a wholly owned subsidiary of New York Life Investment Management Holdings LLC, which is wholly owned by New York Life Insurance Company. "New York Life Investment Management" is the brand name and service mark used to represent a group of affiliated investment advisors of New York Life Insurance Company, including New York Life Investment Management LLC, a registered investment advisors.
It is not possible to invest directly in an index. Past performance is not indicative of future results.

NOTE TO UK AND EUROPEAN UNION INVESTORS

This document is intended only for the use of professional investors as defined in the Alternative Investment Fund Manager's Directive and/or the UK Financial Conduct Authority's Conduct of Business Sourcebook. To the extent this document has been issued in the United Kingdom, it has been issued by NYL Investments UK LLP, 200 Aldersgate Street, London UK EC1A 4HD, which is authorised and regulated by the UK Financial Conduct Authority. To the extent this document has been issued in the EEA, it has been issued by NYL Investments Europe Limited, 77 Sir John Rogerson's Quay, Block C Dublin D02 VK60 Ireland. NYL Investments Europe Limited is authorized and regulated by the Central Bank of Ireland (i) to act as an alternative investment fund manager of alternative investment funds under the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) and (ii) to provide the services of individual portfolio management, investment advice and the receipt and transmission of orders as defined in Regulation 7(4) of the AIFMD Regulations to persons who meet the definition of "professional client" as set out in the MiFID Regulations. It has passported its license in additional countries in the EEA.

This document only describes capabilities of certain affiliates of New York Life Investment Management and/or MacKay Shields LLC. No such affiliates will accept subscriptions in any funds not admitted to marketing in your country or provide services to potential customers in your country, including discretionary asset management services, except where it is licensed to do so or can rely on an applicable exemption.

MacKay Shields LLC is a wholly owned subsidiary of New York Life Investment Management Holdings LLC, which is wholly owned by New York Life Insurance Company. "New York Life Investment Management" is the brand name and service mark used to represent a group of affiliated investment advisors of New York Life Insurance Company, including New York Life Investment Management LLC, a registered investment advisor.

NOTE TO CANADIAN RECIPIENTS

The information in these materials is not an offer to sell securities or a solicitation of an offer to buy securities in any jurisdiction of Canada. In Canada, any offer or sale of securities or the provision of any advisory or investment fund manager services will be made only in accordance with applicable Canadian securities laws. More specifically, any offer or sale of securities will be made in accordance with applicable exemptions to dealer and investment fund manager registration requirements, as well as under an exemption from the requirement to file a prospectus, and any advice given on securities will be made in reliance on applicable exemptions to adviser registration requirements.

COMPARISONS TO AN INDEX

Comparisons to a financial index are provided for illustrative purposes only. Comparisons to an index are subject to limitations because portfolio holdings, volatility and other portfolio characteristics may differ materially from the index. Unlike an index, portfolios within the composite are actively managed and may also include derivatives. There is no guarantee that any of the securities in an index are contained in any managed portfolio. The performance of an index may assume reinvestment of dividends and income, or follow other index-specific methodologies and criteria, but does not reflect the impact of fees, applicable taxes or trading costs which, unlike an index, may reduce the returns of a managed portfolio. Investors cannot invest in an index. Because of these differences, the performance of an index should not be relied upon as an accurate measure of comparison.

SOURCE INFORMATION

"Bloomberg®", "Bloomberg Indices®", Bloomberg Fixed Income Indices, Bloomberg Equity Indices and all other Bloomberg indices referenced herein are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the indices (collectively, "Bloomberg") and have been licensed for use for certain purposes by MacKay Shields LLC ("MacKay Shields"). Bloomberg is not affiliated with MacKay Shields, and Bloomberg does not approve, endorse, review, or recommend MacKay Shields or any products, funds or services described herein. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to MacKay Shields or any products, funds or services described herein.

SOURCE INFORMATION (CONT'D)

All ICE Data indices referenced herein (each such index, the "Index"), are products of ICE data indices, LLC ("ICE Data"), and are used with permission. ICE® is a registered trademark of ICE Data or its affiliates, and BofA® is a registered trademark of Bank of America Corporation licensed by Bank of America Corporation and its affiliates ("BofA") and may not be used without BofA's prior written approval. ICE Data, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE Data, its affiliates nor their respective third party suppliers shall be subject to any damages or liability with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and your use is at your own risk. Inclusion of a security within an index is not a recommendation by ICE Data to buy, sell, or hold such security, nor is it considered to be investment advice. ICE Data, its affiliates and their respective third party suppliers do not sponsor, endorse, or recommend MacKay Shields LLC, or any of its products or services.

DEFINITION OF TERMS

Option-Adjusted Spread

The option-adjusted spread (OAS) measures the spread between a bond's rate and the risk-free rate, while adjusting for any embedded options like callables or mortgage-backed securities.

Standard Deviation

Standard deviation is a statistical measurement that looks at how far discrete points in a dataset are dispersed from the mean of that set. It is calculated as the square root of the variance.

Tax Equivalent Yield

The tax-equivalent yield is the return a taxable bond needs to equal the yield on a comparable tax-exempt municipal bond. Investors use this calculation to compare the returns between a tax-free investment and a taxable alternative.

Tax Equivalent Yield to Worst

Tax Equivalent YTW is calculated by dividing the tax-exempt yield by one minus the marginal income tax. this is used to compare YTW on a tax-exempt investment to a taxable investment.

Volatility

Volatility is a measurement of how varied the returns of a given security or market index are over time. It is often measured from either the standard deviation or variance between those returns. In most cases, the higher the volatility, the riskier the security.

Yield to Worst

Yield to worst is a measure of the lowest possible yield that can be received on a bond that fully operates within the terms of its contract. It is a type of yield that is referenced when a bond has provisions that would allow the issuer to close it out before it matures. YTW helps investors manage risks and may assist them in meeting specific income requirements even in adverse scenarios.

Additional Yield Definition

BVAL AA, A, BBB and BB Yields is calculated by Bloomberg and is representative of the average 2YR spot rate on respective Bloomberg Yield curves of corporate credits with the respective average credit rating that are valued by Bloomberg's valuation service.

INDEX DESCRIPTIONS

Bloomberg U.S. Taxable Municipal Bond Index

The Bloomberg U.S. Taxable Municipal Bond Index is a rules-based, market-value-weighted index engineered for the long-term taxable bond market. To be included in the index, bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following ratings agencies if all three rate the bond: Moody's, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be investment grade. They must have an outstanding par value of at least $7 million and be issued as part of a transaction of at least $75 million. The bonds must be fixed rate and must be at least one year from their maturity date. Remarketed issues (unless converted to fixed rate), bonds with floating rates, and derivatives, are excluded from the benchmark.

Bloomberg Municipal AMT index

The Bloomberg Municipal AMT index refers to a specific Bloomberg municipal bond index that includes bonds subject to the Alternative Minimum Tax (AMT). Unlike most municipal bond indices, which exclude AMT-subject securities, these indices contain bonds that typically offer higher yields to individuals who are subject to the AMT.

Muni IG AMT ex Territories Index

The Muni IG ex. AMT and ex Territories Index is the Bloomberg Municipal Bond Index excluding AMT and US. Territory exposure.

Bloomberg Municipal Bond Index

A rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. To be included in the index, bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following agencies: Moody's, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be investment-grade. They must have an outstanding par value of at least $7 million and be issued as part of a transaction of at least $75 million. The bonds must be fixed rate, have a date-date after December 31, 1990, and must be at least one year from their maturity date. Remarketed issues, taxable municipal bonds, bonds with floating rates, and derivatives, are excluded from the benchmark. The index has four main sectors: general obligation bonds, revenue bonds, insured bonds (including all insured bonds with a Aaa/AAA rating), and pre-refunded bonds. Most of the index has historical data to January 1980. In addition, sub-indices have been created based on maturity, state, sector, quality, and revenue source, with inception dates later than January 1980.

INDEX DESCRIPTIONS (CONT'D)

Bloomberg 5-Year Muni Index
The Bloomberg 5 Year Municipal Bond Index is a capitalization weighted bond index created by Bloomberg intended to be representative of major municipal bonds of all quality ratings with an average maturity of approximately five years.

Morningstar U.S. Active Fund Muni National Intermediate
The Morningstar U.S. Active Fund Muni National Intermediate category contains mutual funds and exchange-traded funds (ETFs) that primarily invest in investment-grade municipal bonds issued by state and local governments with durations typically ranging between 4.5 and 7 years. Because they are actively managed, the fund managers dynamically adjust credit exposure, interest rate sensitivity, and yield curve positioning rather than tracking a static index.

Morningstar U.S. Passive Fund Muni National Intermediate
The Morningstar U.S. Passive Fund Muni National Intermediate category includes intermediate-term national municipal bond portfolios that invest in tax-exempt debt issued by state and local governments. Passive options and index ETFs in this group track broad municipal indexes to offer low-cost, tax-free income with moderate interest-rate risk.

ADDITIONAL DISCLOSURES

Investments in municipal securities are subject to market, interest-rate, credit and liquidity risks. Bond values generally decline as interest rates rise, and investors may lose money.

Before investing, investors should carefully consider the investment objectives, risks, charges, and expenses of the investment company. This and other important information are contained in the prospectus and, if available, the summary prospectus, which may be obtained by visiting https://dfinview.com/NYLIM or by contacting your financial professional. Investors should read the prospectus and, if available, the summary prospectus carefully before investing.

Securities distributed by NYLIFE Distributors LLC, 30 Hudson Street, Jersey City, NJ 07302, Member FINRA/SIPC.