MainStay Investments®

MARKETFIELD ASSET MANAGEMENT

January 2014

MainStay Marketfield Fund

Fund Overview

Objective
The investment objective of the Fund is capital appreciation. We endeavor to accomplish this by seeking low-volatility absolute returns in excess of broad equity indexes.

Strategy & Process
The Fund attempts to provide returns on capital substantially in excess of the risk-free rate rather than matching any particular index or external benchmark. The Fund has a broad investment charter that allows it to utilize equity securities, fixed-income instruments, commodities, futures and options. Additionally, with respect to 50% of the Fund's net assets, the Fund may engage in short sales of index-related and other equity securities to reduce its equity exposure or to profit from an anticipated decline in the price of the security sold short. The use of short selling could result in increased volatility of returns.

Fund Facts

Fund Statistics

CUSIP:	Class A: 56064B878
	Class I: 56064B852
	Class R2: 56064B845
Inception Date	7/31/07
Benchmark	S&P 500 Index
Net Assets	$20,180 M
Number of Holdings	124

Top Ten Long Holdings (Excluding Cash) (As of 1/31/14)

iShares Russell 2000 Index ETF	2.6%
Bank of Ireland	2.0%
Topix Index March 2014*	1.7%
Facebook, Inc. Class A	1.6%
SPDR S&P Regional Banking ETF	1.4%
Alcoa, Inc.	1.4%
Sumitomo Mitsui Financial Group, Inc. (Japan)	1.3%
Bank of Ireland Trust - Preferred Security	1.3%
iShares MSCI Mexico ETF	1.3%
BASF S.E. Corp. (Germany)	1.2%
TOTAL:	15.8%

**Notional Value*

Portfolio Allocation (As of 1/31/14)

Equity Long	79%
Futures Long*	2%
Equity Short	27%
Futures Short*	15%

Option delta not reflected.
**Notional Value*

★★★★ OVERALL MORNINGSTAR RATING™ (CLASS I) AMONG 139 LONG-SHORT EQUITY FUNDS AS OF 1/31/14

Ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 5 year Morningstar Rating metrics. *Class I shares received 5 stars among 139 Long-Short Equity Funds for the three-year period and 4 stars among 75 Long-Short Equity Funds for the five-year period.*

Fund Performance

Monthly Average Annual Total Returns as of 1/31/14

	Tickers	YTD	One Year	Three Year	Five Year	Inception
Class A (Max. 5.5% load) (10/08/2012)	MFADX	-6.47%	4.08%	7.92%	14.67%	8.66%
Class A (NAV) (10/08/2012)	MFADX	-1.03%	10.13%	9.98%	15.98%	9.61%
Class I (07/31/2007)	MFLDX	-1.03%	10.37%	10.23%	16.26%	9.88%
Class R2 (10/08/2012)	MFRDX	-1.03%	10.02%	9.86%	15.86%	9.50%
S&P 500 Index	N/A	-3.46%	21.52%	13.93%	19.19%	5.46%*

*Inception date used was for Class I (07/31/07)

Quarterly Average Annual Total Returns as of 12/31/13

	Tickers	One Year	Three Year	Five Year	Inception
Class A (Max. 5.5% load) (10/08/2012)	MFADX	10.20%	8.90%	14.00%	8.96%
Class A (NAV) (10/08/2012)	MFADX	16.62%	10.97%	15.30%	9.92%
Class I (07/31/2007)	MFLDX	16.93%	11.23%	15.58%	10.19%
Class R2 (10/08/2012)	MFRDX	16.58%	10.85%	15.18%	9.80%
S&P 500 Index	N/A	32.39%	16.18%	17.94%	6.11%*

*Inception date used was for Class I (07/31/07)

Total Annual Fund Operating Expenses: Class A: 4.15%, Class R2: 3.91%, and Class I: 2.94%. Effective October 5, 2012, New York Life Investment Management LLC ("New York Life Investments") has contractually agreed to waive fees and/or reimburse expenses so that Total Annual Fund Operating Expenses (excluding taxes, interest, litigation, extraordinary expenses, brokerage and other transaction expenses relating to the purchase or sale of portfolio investments, and acquired (underlying) fund fees and expenses) for Class I shares do not exceed 1.56% of its average daily net assets. This agreement will be in effect for a two-year period unless extended by New York Life Investments and approved by the Board of Trustees.

Average annual total returns include the change in share price and reinvestment of capital gains and distributions. Effective 10/8/12, Marketfield Fund was renamed MainStay Marketfield Fund. At that time, the Fund's existing no-load shares were redesignated Class I shares. Performance for Class A and R2 shares, first offered 10/8/12, includes the historical performance of Class I shares from inception through 10/8/12, adjusted to reflect the applicable sales charge and fees and expenses for such shares. Class I shares are generally available only to corporate and institutional investors.

Performance reflects the reinvestment of dividends and other earnings and is net of advisory fees. Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data to the most recent month-end may be obtained by calling 800-MAINSTAY (624-6782).

The S&P 500 Index (SPX) is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The securities holdings and volatility of the Fund differ significantly from the stocks that make up the SPX.

Equity allocations may include fixed-income exposure.

Top Five Sectors–Net

Industrials	14.2%
Materials	13.5%
Financials	10.8%
Consumer Discretionary	10.7%
Energy	5.4%

Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security. Current and future portfolio holdings are subject to risk.
There can be no guarantee that investment objectives will be met.

Management Team

Michael C. Aronstein
President, Chief Investment Officer, and Portfolio Manager

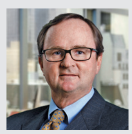
Michael C. Aronstein is Portfolio Manager of MainStay Marketfield Fund. In 2004, Mr. Aronstein joined Oscar Gruss & Son Incorporated, where he held the position of Chief Investment Strategist. Prior to joining Oscar Gruss, Mr. Aronstein was Chief Investment Strategist at Preservation Group, a provider of independent macroeconomic and strategic advice to professional investors. Mr. Aronstein began his investment career in 1979 at Merrill Lynch, serving positions as Senior Market Analyst, Senior Investment Strategist, and Manager of Global Investment Strategy. Mr. Aronstein spent six years as President of Comstock Partners, a diversified investment advisor, and left to found West Course Capital, a discretionary commodity management firm. Mr. Aronstein graduated from Yale College with a Bachelor of Arts in 1974. His views on macroeconomic and strategic issues are regularly sought by and disseminated through the financial print and visual media. Mr. Aronstein manages $20,180 million in MainStay Marketfield Fund, $364 million in MainStay VP Marketfield Portfolio & $746 million in Marketfield Fund Dublin; total assets under management are $21,290 million.

David C. Johnson, Jr.
Principal, Director of Research

Mr. Johnson joined Marketfield Asset Management LLC as Director of Research in April 2011. Mr. Johnson is a graduate of the University of North Carolina at Chapel Hill. He received his MBA in 1984 from Darden School of Business, University of Virginia. Prior to joining Marketfield, Mr. Johnson was an investment analyst, portfolio manager, and head of business development at Wilkinson O'Grady & Co., Inc. He spent the first 10 years of his career in the fixed-income department of Salomon Brothers, where he managed one of its primary sales groups. Mr. Johnson was president of Preservation Group, where he worked closely with Mr. Aronstein.

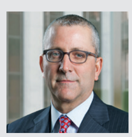
Michael Shaoul
Chairman and CEO

Michael Shaoul also serves as Chief Executive Officer of Oscar Gruss & Son Incorporated, a position he has held since December 2001. He joined Oscar Gruss in 1996 as Chief Operating Officer. Between 1992 and 1996, Mr. Shaoul ran Park Square Associates, a Manhattan-based real estate investment and management company. He was awarded a Ph.D. in Accounting and Finance in 1992 from Manchester University (UK). Mr. Shaoul has written articles on behalf of *Barron's* and has been regularly quoted in *The Wall Street Journal* and Dow Jones Newswires regarding his opinions on the investment markets.



Myles D. Gillespie
Principal, Senior Trader

Myles D. Gillespie joined Marketfield Asset Management in 2007. Myles is a graduate of The Hotchkiss School and holds a Bachelor of Arts degree from Franklin and Marshall College (Class of 1983). From 1983 to 1986, he worked as a stock index futures trader with Henderson Brothers and in 1986 became a NYSE Specialist at Quick & Reilly. He was appointed Executive Vice President of JCC Specialist Corp., the successor firm to Quick & Reilly, in 1989. In 1999 he became President of Fleet Specialist, Inc., the successor firm to JCC Specialist Corp., retiring from this position in 2004. During his time at the NYSE, Myles served as a NYSE floor Official (1993-1999) and NYSE floor Governor (2001-2004).



Andrew Lyss
Principal, Senior Trader

Mr. Lyss joined Marketfield Asset Management LLC in 2012. He was previously Executive Vice President at Oscar Gruss, which he re-joined in 1997. Mr. Lyss previously worked for Oscar Gruss from 1993 to 1995. Mr. Lyss specializes in special situations, including merger arbitrage, spinoffs, bankruptcy, and post-bankruptcy valuations. He has twenty-three years of securities industry experience. Prior to re-joining Oscar Gruss in 1997, Mr. Lyss was employed by Arnhold & S. Bleichroeder from 1995 to 1997 in institutional sales and by Prudential Securities from 1983 to 1989 in varied positions. Mr. Lyss received a BS/BA from the University of Denver in 1982.

Before You Invest

The Fund regularly makes short sales of securities, which involves the risk that losses may exceed the original amount invested. The Fund may also use options and futures contracts, which have the risks of unlimited losses of the underlying holdings due to unanticipated market movements and failure to correctly predict the direction of securities prices, interest rates, and currency exchange rates. However, a mutual fund investor's risk is limited to the amount invested in a fund. Investments in absolute return strategies are not intended to outperform stocks and bonds during strong market rallies. The Fund invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility.

The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment by the Fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. Investments in asset-backed and mortgage-backed securities involve additional risks such as credit risk, prepayment risk, possible illiquidity and default, and increased susceptibility to adverse economic developments. The Fund involves the risk that the macroeconomic trends identified by portfolio management will not come to fruition and their advantageous duration may not last as long as portfolio management forecasts. The Fund may invest in derivatives which often involves leverage, may increase the volatility of the Fund's NAV, and may result in a loss to the Fund.

 For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ (based on a Morningstar Risk Adjusted Return measure that accounts for variation in a fund's monthly performance, including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each 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. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.)

MainStay Marketfield Fund is subadvised by Marketfield Asset Management LLC and distributed by NYLIFE Distributors LLC, 169 Lackawanna Avenue, Parsippany, NJ 07054, a wholly owned subsidiary of New York Life Insurance Company. NYLIFE Distributors LLC is a Member FINRA/SIPC.

MainStay Investments® is a registered service mark and name under which New York Life Investment Management LLC does business. MainStay Investments, an indirect subsidiary of New York Life Insurance Company, New York, NY 10010, provides investment advisory products and services.

Neither New York Life Investment Management LLC, its representatives, nor affiliates provide tax, legal, or accounting advice. Please consult your own advisors on these matters.

The risk-free rate represents the interest an investor would expect from an absolutely risk-free investment over a specified period of time.

Notional value is the total value of a leveraged position's assets.

Obtain the Prospectus

For more information, 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.

Commentary

Our recently expressed concerns about the spread of monetary inflation from asset prices through portions of the real economy have drawn a great deal of response, most of it skeptical.

As we explained in our annual letter, the early stages of broad, macroeconomic change present the greatest expository challenges, since there is no empirical evidence to cite. The proposition that important changes are afoot is purely theoretical. The problem for a portfolio manager waiting for evidence is that the markets will not wait. Because they are already unbalanced in their contrary expectations, they will begin moving toward the new macroeconomic regime simply out of disappointment with the lack of intensity demonstrated by the old, expected deflationary trends.

The process is somewhat like the contra-evidential moves made by individual stocks at turning points in long-term trends. A company, the shares of which are held with great enthusiasm and expectation, can suffer serious declines simply by failing to post spectacular results. There will be nothing in the early stages of decline to suggest that there has been an important downturn in the business or the quality of the company's execution.

Those investors who suspect that problems will eventually surface are relying on their own theoretical scenarios that may not be confirmed in earnings reports for a long while. In most instances, clear evidence of a turn for the worse only comes after the stock price has suffered meaningful decline.

The obvious challenge involves the proper time to begin employing the theoretical notion of the future to invest in the present.

In the current case, our concerns about a broadening of the price rises provoked by the inflation of money and credit were not incorporated into the portfolio until there was widespread abandonment of that possibility by both Wall Street and central bankers. The evidence for such an extreme was mainly rhetorical and circumstantial, and was corroborated by serious declines in the prices of traditional inflation hedges.

The most powerful circumstantial evidence was provided by the Federal Reserve Board, which embarked on the wholly unnecessary exercise of QE3 just as the economy began to accelerate of its own accord, and then failed to follow through on its widely advertised and expected plan to gradually reduce the size of its bond purchases in the early summer when bond markets began to react poorly to the prospect.

Both of these decisions by the monetary bureaucracy suggested that they were still fighting the last war (asset and credit deflation, circa 2007-2009) and were willfully oblivious to the clear improvement throughout much of the economy.

The rhetorical aspect, in addition to endless dispatches from the Fed, focused on the public abandonment of the three popular inflation sensitive themes that had attracted capital since the introduction of Quantitative Easing five years ago. These were, in no special order, the so-called "commodity super cycle," gold and gold miners, and Treasury Inflation–Protected Securities (TIPS). Each of these themes was among the poorest performers of the past year and was publicly repudiated by their staunchest proponents. Fund flows away from them were a clear feature of the past several quarters.

The rationale for abandoning inflation linked themes after years of disappointment was the threat of its opposite, namely deflation. This fear is explicitly and implicitly embedded in most currently popular macroeconomic assessments and is routinely cited by the Federal Reserve. It has arisen mainly in response to the outflows of investment capital from commodity linked indices and strategies, which depressed all prices across the main commodity sectors. These lower raw material prices fed through the main inflation measures across the developed economies, leading many to the conclusion that we are on the verge of deflation.

The academic correlate to the fears circulating among investors and central bankers is a state described as "secular stagnation" which is meant to describe a world structurally incapable of growth and thereby in need of management by academics. It reminds us of the widespread belief, in the wake of 2008, that there was a new normal for investors, the basis of which was an equity market destined to provide no more than a four or five percent annual rate of return for at least the next decade. Results have proven otherwise.

The process that we are anticipating is no more than an extension of the reflationary trend that has been in force since the Fed began its balance sheet expansion in the wake of the 2008 panic. Its effects have spread from the initial, anti-deflationary normalization of money and credit markets in 2008 to nearly every asset price throughout developed and developing economies in the ensuing 5 years.

Commentary Cont.

Nominal output in the developed markets is the final element of the global economy that has yet to respond to the world's wall of money. The restoration of more typical growth will involve three critical processes that we anticipate arising over the next two quarters.

The first involves growing shortages of materials and labor in parts of the domestic economy beyond the energy belt. It is our sense that domestic capacity in several important sectors is much tighter than is being reported in official statistics. Small disturbances in supply or demand will result in very tight markets and rapid price increases. The CRB Index has begun the year with a gain of nearly 8%, contrary to most expectations. We take this as evidence that most of the portfolio outflows in this sector were accomplished by year-end.

The second and third elements of this process are somewhat overlapping. They involve an anticipated normalization of activity in business capital spending and home construction. Both are critical aspects of the domestic economy and have remained mired at sub-normal levels since the Panic of 2008.

The gradual expansion that we are witnessing in both activities is already running up against shortages of land, labor and materials. The one element that is not in short supply is the wherewithal to pay. Corporations are awash with cash and household debt burdens are near cycle lows.

In contrast to prior cycles over the past two decades, the developed world no longer has the safety valve of inexpensive production capacity sitting in emerging market economies. These economies have already exhibited strong inflationary responses to monetary conditions, and in many cases actually welcome the relentless wage inflation that is weighing on corporate results.

As important parts of our economy remain highly dependent on emerging markets for raw materials and manufactured goods of all varieties, inflation at their end of the supply chain will support, and in certain cases, provoke, domestic price rises.

In keeping with this as yet hypothetical change in the macroeconomic environment, we are spending a good deal of time and effort exploring the minutia of prices and wages throughout all sectors of the domestic economy. We are mindful that the early stages of change are slow, opaque and fraught with plenty of sharp setbacks in markets.

We have continued to move the portfolio gradually towards companies well positioned to benefit from a late cycle inflationary impulse, both in the US and elsewhere. These include energy, minerals and capital goods suppliers where capacity is constrained. We remain concerned about local fundamentals in emerging markets, consumer related businesses and the portions of the fixed income markets that are anticipating several more years of negligible short term rates.

February 20, 2014

Michael C. Aronstein
President, CIO & Portfolio Manager