MainStay Investments®

MARKETFIELD ASSET MANAGEMENT

March 31, 2013

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	$7,405M
Number of Holdings	97

Top Ten Long Equity Holdings (As of 3/31/13)

iShares MSCI Japan ETF	3.3%
iShares MSCI Mexico ETF	2.7%
Exxon Mobil Corp.	2.0%
BASF SE (Germany)	2.0%
SPDR S&P Regional Banking ETF	2.0%
Eagle Materials Inc.	1.8%
CRH PLC (UK)	1.7%
iShares DJ US Home Construction ETF	1.7%
Schlumberger Ltd.	1.6%
Buzzi Unicem SpA (Italy)	1.5%
TOTAL	20.3%

Portfolio Allocation (As of 3/31/13)

Equity Long	78%
Equity Short	39%

★★★★★ OVERALL MORNINGSTAR RATING™ (CLASS I) AMONG 99 LONG-SHORT EQUITY FUNDS AS OF 3/31/13

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 3 year Morningstar Rating metrics.*

Fund Performance

Quarterly Average Annual Total Returns as of 3/31/13

	Tickers	YTD	One Year	Three Year	Five Year	Inception
Class A (Max. 5.5% load) (10/08/2012)	MFADX	-0.67%	5.46%	6.86%	8.09%	8.21%
Class A (NAV) (10/08/2012)	MFADX	5.11%	11.59%	8.89%	9.32%	9.29%
Class I (07/31/2007)	MFLDX	5.18%	11.80%	9.14%	9.58%	9.55%
Class R2 (10/08/2012)	MFRDX	5.12%	11.40%	8.76%	9.19%	9.17%
S&P 500	N/A	10.61%	13.96%	12.67%	5.81%	3.61%**

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

Total Annual Fund Operating Expenses: Class A: 2.70%, Class R2: 2.80%, and Class I: 2.45%; 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.

Top five sectors–net

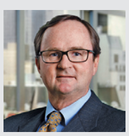
Industrial	23.8%
Materials	11.6%
Consumer Discretionary	9.4%
Energy	4.5%
Consumer Staples	3.7%

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 $7,405 million in MainStay Marketfield Fund and $578 million in The Marketfield Fund, Ltd.; total assets under management are $7,983 million.



Myles D. Gillespie
Principal, Senior Trader

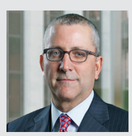
Myles D. Gillespie joined Marketfield Asset Management in 2007. Myles is a graduate of The Hotchkiss School and holds a Bachelor of Arts degree from Franklin and Marshall College (Class of 1983). From 1983 to 1986, he worked as a stock index futures trader with Henderson Brothers and in 1986 became a NYSE Specialist at Quick & Reilly. He was appointed Executive Vice President of JCC Specialist Corp., the successor firm to Quick and 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).

Michael Shaoul
Chairman and CEO

Michael Shaoul also serves as Chief Executive Officer of Oscar Gruss and 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.

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.



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

Mutual fund investing involves risk. Principal loss is possible. 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, 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 regularly makes short sales of securities, which involve the risk that losses may exceed the original amount invested. However, a mutual fund investor's risk is limited to the amount invested in a fund. 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. The investment in options is not suitable for all investors. Investments in absolute return strategies are not intended to outperform stocks and bonds during strong market rallies.

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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 or 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.

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 contain this and other information about the investment company. Please read the prospectus or summary prospectus carefully before investing.

Commentary

The past month has been characterized by a widespread series of transitions during which poor relative performances have devolved into meaningful absolute losses. One of the side effects of the abundance of central bank manufactured liquidity we have observed is that problems are illuminated initially via relative underperformance among a broad array of asset classes and equity sectors, which heretofore have been costly mostly in terms of lost opportunity. Now, lost opportunity is becoming actual capital loss.

Precious metals, broad commodity indices and emerging market equities have been the most notable asset classes to make the downward shift. Within developed equity markets, sectors that have lagged for some time in a generally constructive environment have recently shown significant losses in what is otherwise a minor corrective phase.

Equity market leadership on the downside has included all sectors related to the global commodity trade, those relying on demand from emerging market economies and a wide array of what we have termed 'legacy technology' providers which had generally been assumed to be immune from the cyclical fluctuations in the global economy.

The proximate trigger for the more forceful liquidation of these sectors and asset classes, all of which have been very disappointing relative performers for years, seems to be a general recognition that the widely anticipated stimulus programs undertaken by the Chinese authorities have failed to improve the tone of their economy. Apart from real estate speculation (which many would contend constitutes the main economic activity in China), little else appears to have been stimulated by a record expansion of bank credit and off balance sheet finance. Confirmation of this shortfall in real activity has come from a wide variety of U.S., European, Japanese and Australian companies doing business on the mainland.

We have argued for several years that the Chinese economy in its current form was not viable as an independent growth mechanism. Their dependency on demand and capital flows from developed market economies has not materially diminished during their so-called economic miracle. Without a radical change in the relationship between their ruling political class and the majority of the population, the chance of their overtaking the U.S. as an economic leader is about on par with the odds of a Chinese team winning the Super Bowl.

The list of investment media that have made the switch from poor relative to damaging absolute performance comprises many of the sectors that have lagged this year's equity market advance. The notable exception is fixed income, which, since the beginning of QE3 this past summer, has provided nothing more damaging than small losses in what has been a good environment for equity returns. In fact, certain of the more economically sensitive, higher yielding sectors have offered good absolute returns.

We have made the point for several months that a perception change that would prompt a more damaging liquidation within fixed income markets would be provoked by more positive evidence about the U.S. economy. Given how long it took for the recognition of China's fundamental weakness to begin to have a general influence among investors, it is hard to say what will be needed to convince observers that the domestic private economy is in good shape and improving steadily and that the Federal Reserve Board's prognostications are likely to be as inaccurate as they have been in other economic cycles.

The point we would make to our readers is that given the extreme position that the fixed income complex reached by the end of 2012, the reward for waiting for the above to become obvious is now likely to be provided by yields alone. For most sovereign and high grade corporate issues these are now de-minimis. This represents a key difference between the latter stages of a bond and more traditional "risk asset" bull market. The opportunity cost of leaving an equity or commodity bull market early can often be punitive (the NASDAQ 100 Index (NDX) for instance rose by over 95% during the last 6 months of the tech bubble in 1999/2000, and crude oil by almost 47% during the first 6 months of 2008), whereas the opportunity cost of exiting a variety of fixed income positions even 180 days early and parking the funds in cash would appear likely to be trivial. A similar show of patience in Emerging Markets (EM) has resulted in returns that have lagged U.S. equities by 40% or more over the last two years.

Commentary Cont.

Although we are not predicting the sort of collapse of valuations that befell equities 13 years ago and commodities in 2008, holding outsized fixed-income allocations during a period of persistently rising yields would likely be a painful experience. The lesson of recent weeks is that the time to cut allocations to an area is when there is plenty of appetite from other investors and the recent pull back in global yields would seem to be an excellent time to start the long process of reallocation.

April 23, 2013

Michael C. Aronstein
President, CIO & Portfolio Manager

The information provided herein represents the opinion of the Portfolio Manager and is not intended to be a forecast of future events, a guarantee of future results, nor investment advice.