



MUTUAL FUNDS

DECEMBER 31, 2019

Annual Report

USAA Target Retirement Income Fund

USAA Target Retirement 2020 Fund

USAA Target Retirement 2030 Fund

USAA Target Retirement 2040 Fund

USAA Target Retirement 2050 Fund

USAA Target Retirement 2060 Fund

Beginning January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports like this one will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on usaa.com, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund or your financial intermediary electronically by notifying your financial intermediary directly, or if you are a direct investor, by calling (800) 235-8396 or logging on to usaa.com.

You may elect to receive all future reports in paper free of charge. You can inform the Fund or your financial intermediary that you wish to continue receiving paper copies of your shareholder reports by notifying your financial intermediary directly, or if you are a direct investor, by calling (800) 235-8396 or logging on to usaa.com. Your election to receive reports in paper will apply to all funds held with the USAA family of funds or your financial intermediary.

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TABLE OF CONTENTS

USAA Mutual
Funds Trust

Manager's Commentary (Unaudited)	4
Investment Overview (Unaudited)	6
Investment Objective & Portfolio Holdings (Unaudited)	12
Report of Independent Registered Public Accounting Firm	18
Financial Statements	
<i>Schedule of Portfolio Investments</i>	19
<i>Statements of Assets and Liabilities</i>	25
<i>Statements of Operations</i>	27
<i>Statements of Changes in Net Assets</i>	29
<i>Financial Highlights</i>	32
Notes to Financial Statements	36
Supplemental Information (Unaudited)	57
<i>Expense Examples</i>	57
<i>Proxy Voting and Portfolio Holdings Information</i>	57
<i>Trustees' and Officers' Information</i>	58
<i>Additional Federal Income Tax Information</i>	64
<i>Privacy Policy (inside back cover)</i>	

This report is for the information of the shareholders and others who have received a copy of the currently effective prospectus of the Fund, managed by Victory Capital Management Inc. It may be used as sales literature only when preceded or accompanied by a current prospectus, which provides further details about the Fund.

IRA DISTRIBUTION WITHHOLDING DISCLOSURE

We generally must withhold federal income tax at a rate of 10% of the taxable portion of your distribution and, if you live in a state that requires state income tax withholding, at your state's tax rate.

However, you may elect not to have withholding apply or to have income tax withheld at a higher rate. Any withholding election that you make will apply to any subsequent distribution unless and until you change or revoke the election. If you wish to make a withholding election, or change or revoke a prior withholding election, call (800) 235-8396.

If you do not have a withholding election in place by the date of a distribution, federal income tax will be withheld from the taxable portion of your distribution at a rate of 10%. If you must pay estimated taxes, you may be subject to estimated tax penalties if your estimated tax payments are not sufficient and sufficient tax is not withheld from your distribution.

For more specific information, please consult your tax adviser.

(Unaudited)

Dear Shareholder,

As we turn the page into a new decade, it's hard not to reflect on the fact that we have been enjoying the longest-ever bull market in U.S. equities. The run has been impressive, and despite periods of tumult and plenty of negative news, the bull market endured throughout 2019.

For the annual reporting period ended December 31, 2019, the S&P 500® Index ("S&P 500") posted impressive gains of almost 29%. This represents the greatest one-year gain since 2013 and also illustrates a swift bounce-back after a precipitous drop late in 2018. The move higher supports the notion that underlying fundamentals of U.S. companies drive performance, rather than the political news and headline fears that often capture the attention of investors.

Perhaps we shouldn't be surprised at the impressive performance of equities. The U.S. economy—the world's largest—remains on solid footing and has been a key driver of both domestic and international stocks. Robust job creation, near-record low unemployment, and steady consumer spending continue and offer reasons for further optimism. Meanwhile, inflation remains muted, and the U.S. Federal Reserve (the "Fed") and other major global central banks have taken an accommodative stance. In fact, the Fed has cut interest rates by a total of 0.75% over three meetings last July, September, and October.

The risk-on attitudes of investors, coupled with the accommodative monetary policy, had an expected impact on U.S. Treasury yields. The 10-year Treasury yield declined significantly over the course of 2019, falling from 2.66% to 1.92% at year-end. More interesting, however, was that the yield on 10-year Treasuries fell below shorter-term yields for the first time since before the 2007-2008 Global Financial Crisis. This inverted yield curve spooked investors for a spell, only to revert back to a traditional upward sloping yield curve by the end of 2019.

The robust domestic economy, low interest rates, and ample liquidity from central banks provided a potent tonic for the stock market in 2019. In fact, at year-end 2019, the S&P 500 was approaching its highest valuation level since 1999. This reminds all of us to retain some historical context on the bull market. Many of us remember the Global Financial Crisis and, before that, the collapse of the dot-com bubble. Although those are now but a distant memory (and we are not forecasting such tumult), we should not forget that stocks don't always go up and cycles don't last forever. In other words, valuations still matter.

The key point is not to discount the risks. In addition to lofty valuations, investors need to keep apprised of trade disputes, geopolitical hotspots, a contentious U.S. election, and a host of other potential headwinds. Yet it is these very risks—these cross-currents—that may create pricing dislocations. This is an environment in which we believe our Victory Capital independent investment franchises can thrive.

On the following pages, you will find information relating to your USAA Funds investment. If you have any questions, we encourage you to contact your financial adviser. Or, if you invest with us directly, you may call (800) 235-8396, or visit our website at www.usaa.com.

My colleagues and I sincerely appreciate the confidence you have placed in the USAA Funds, and we value the opportunity to help meet your investment goals.

A handwritten signature in black ink, appearing to read 'C. Dyer', with a stylized, cursive flourish at the end.

Christopher K. Dyer, CFA

*President,
USAA Funds*

Manager's Commentary

Victory Solutions

Wasif A. Latif

Lance Humphrey, CFA

- **How did the global financial markets perform during the reporting period?**

The year 2019 was very good for stocks, especially in the United States.

The broad U.S. equity market as measured by the S&P 500® Index registered a very strong return for 2019, outpacing the return of global stocks as measured by the MSCI All-Country World Index. However, it was the information technology heavy Nasdaq Composite Index that had even higher returns for the year. On the flip side, international and emerging market equity securities lagged the global market even though they were both up double digits in absolute terms.

Despite a few trade war related scares in the middle of the year, the market staged a strong fourth quarter to end the year and continued the longest bull market on record. U.S. equities surged during the year, aided by clear messaging from the U.S. Federal Reserve (the "Fed") of a continued accommodative stance along with additional liquidity in the overnight interbank lending market. Indications of continued U.S. economic growth led by the consumer, as well as improvement in economic activity overseas, boosted investor confidence. This confluence of a stable economic environment, an accommodative Fed, and a resolution in sight for the trade war helped push stocks higher throughout the year.

Growth style investments continued their outperformance of the past few years in 2019 with a strong showing, led by information technology and communication services domestically while the value investment style underperformed the market. Regionally, the U.S. market outperformed the non-U.S. markets, aided by the information technology companies that also are globally dominant in their industries.

Additionally, bonds were up in 2019. In the fixed-income arena, it was corporate bonds that led the way in 2019, while U.S. Treasuries lagged. High-yield corporate bonds also posted strong double digit returns but lagged behind those of investment-grade credit ratings during 2019.

- **How did the USAA Target Retirement Funds (the "Funds") perform during the reporting period?**

Each Fund's investment objective is to provide capital appreciation and current income consistent with its current investment allocation. For the reporting period ended

USAA Target Retirement Series (Unaudited)

December 31, 2019, the total returns for each of the Funds are shown below, along with the return of the relevant benchmark index:

	<u>USAA Fund</u>	<u>S&P Target Date Indices</u>
USAA Target Retirement Income Fund	11.72%	13.33%
USAA Target Retirement 2020 Fund	13.83%	16.52%
USAA Target Retirement 2030 Fund	17.13%	20.38%
USAA Target Retirement 2040 Fund	19.57%	23.37%
USAA Target Retirement 2050 Fund	20.16%	24.53%
USAA Target Retirement 2060 Fund	20.09%	24.91%

- **What factors helped and hurt the Funds' performance?**

Consistent with a time in which most segments of the financial markets had strong positive returns, all six of the USAA Target Retirement Funds had solid double-digit returns during 2019. The Funds performed as expected, with returns in between those of stocks and bonds. The larger gains for the longer-dated portfolios reflect the progressively higher weighting in equities as the target dates of the six funds increase.

The results of the Funds underlying drivers mirrored the overall investment backdrop. The equity portfolio experienced gains, with larger increases for domestic equities versus the developed international and emerging markets. Holdings in investment-grade, fixed-income securities added value in the aggregate, with positions in short-term debt and government issues posting gains.

We maintained a steady approach in the past year. As always, we sought to provide broad exposure to the global financial markets, but we also overweighted (took larger relative positions) or underweighted (took lower relative positions) in certain asset classes based on valuations and fundamentals. In this vein, we continued to tilt the portfolios toward the international markets—both developed and emerging—versus the United States. We believe this positioning is warranted from a longer-term standpoint due to the more attractive valuations and greater latitude for better-than-expected economic growth outside of the United States.

We continue to hold a cautious view regarding the outlook for the financial markets. We believe the economic expansion may have reached its later stages, which translates to higher risks from uncertainty surrounding trade policy, corporate earnings prospects, and the geopolitical landscape. Amid this uncertain outlook, we remain true to our longstanding strategy of using fundamentals and valuations to construct portfolios designed to deliver favorable results over a full market cycle.

Thank you for allowing us to help you manage your investments.

USAA Target Retirement Income Fund

Investment Overview

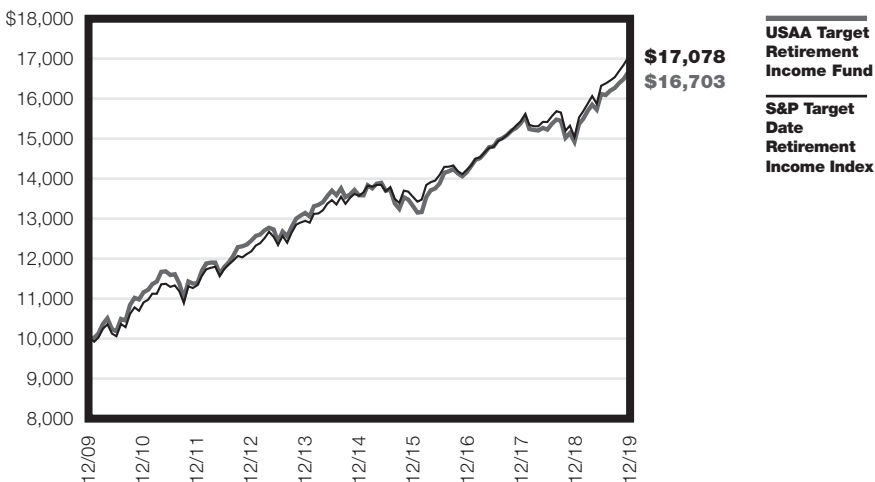
Average Annual Total Return		
Year Ended December 31, 2019		
INCEPTION DATE	7/31/08	
	Net Asset Value	S&P Target Date Retirement Income Index*
One Year	11.72%	13.33%
Five Year	4.19%	4.67%
Ten Year	5.26%	5.49%

Past performance is not indicative of future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month's end, please visit www.usaa.com.

Total return measures the price change in a share assuming the reinvestment of all net investment income and realized capital gain distributions, if any. The total returns quoted do not reflect adjustments made to the enclosed financial statements in accordance with U.S. generally accepted accounting principles or the deduction of taxes that a shareholder would pay on net investment income and realized capital gain distributions, including reinvested distributions, or redemptions of shares.

The total return figures set forth above include all waivers of fees for various periods since inception. Without such fee waivers, the total returns would have been lower.

USAA Target Retirement Income Fund – Growth of \$10,000



*The S&P Target Date Index series reflects the market consensus on asset allocations across different target date horizons. Each index represents the investment opportunity available to investors for the corresponding target date horizon, with asset class exposures driven by a survey of available target date funds. There are no expenses associated with the index, while there are expenses associated with the Fund. It is not possible to invest directly in an index.

The graph reflects investment of growth of a hypothetical \$10,000 investment in the Fund. Past performance is no guarantee of future results. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

USAA Target Retirement 2020 Fund

Investment Overview

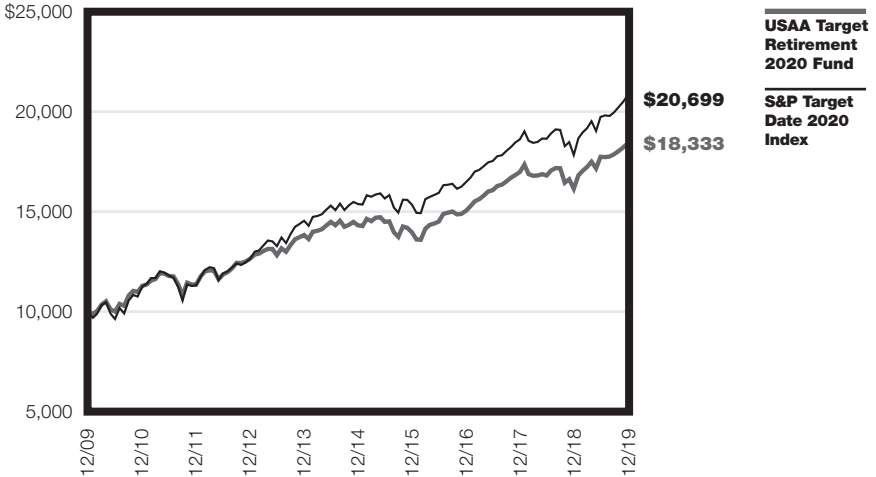
Average Annual Total Return		
Year Ended December 31, 2019		
INCEPTION DATE	7/31/08	
	Net Asset Value	S&P Target Date 2020 Index*
One Year	13.83%	16.52%
Five Year	5.08%	6.15%
Ten Year	6.25%	7.54%

Past performance is not indicative of future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month's end, please visit www.usaa.com.

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USAA Target Retirement 2020 Fund – Growth of \$10,000



*The S&P Target Date Index series reflects the market consensus on asset allocations across different target date horizons. Each index represents the investment opportunity available to investors for the corresponding target date horizon, with asset class exposures driven by a survey of available target date funds. There are no expenses associated with the index, while there are expenses associated with the Fund. It is not possible to invest directly in an index.

The graph reflects investment of growth of a hypothetical \$10,000 investment in the Fund. Past performance is no guarantee of future results.

The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

USAA Target Retirement Series (Unaudited)

USAA Target Retirement 2030 Fund

Investment Overview

Average Annual Total Return		
Year Ended December 31, 2019		
INCEPTION DATE	7/31/08	
	Net Asset Value	S&P Target Date 2030 Index*
One Year	17.13%	20.38%
Five Year	5.97%	7.27%
Ten Year	7.33%	8.66%

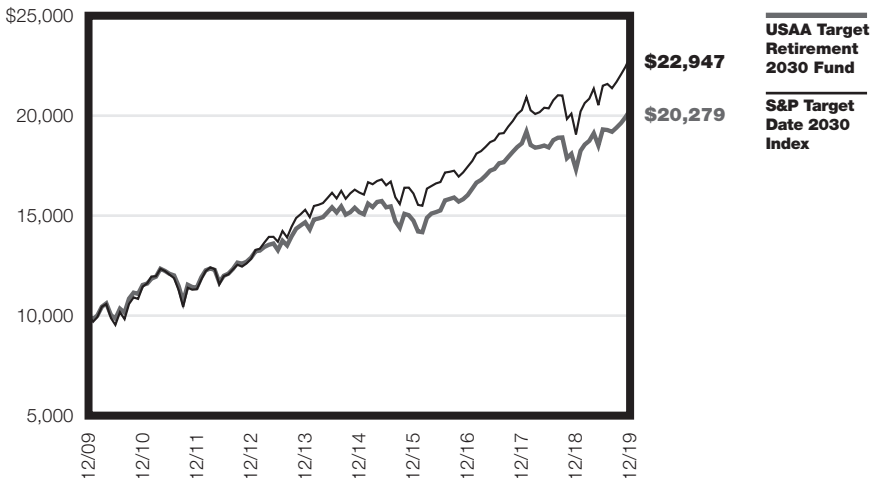
High double-digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future.

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Total return measures the price change in a share assuming the reinvestment of all net investment income and realized capital gain distributions, if any. The total returns quoted do not reflect adjustments made to the enclosed financial statements in accordance with U.S. generally accepted accounting principles or the deduction of taxes that a shareholder would pay on net investment income and realized capital gain distributions, including reinvested distributions, or redemptions of shares.

The total return figures set forth above include all waivers of fees for various periods since inception. Without such fee waivers, the total returns would have been lower.

USAA Target Retirement 2030 Fund – Growth of \$10,000



*The S&P Target Date Index series reflects the market consensus on asset allocations across different target date horizons. Each index represents the investment opportunity available to investors for the corresponding target date horizon, with asset class exposures driven by a survey of available target date funds. There are no expenses associated with the index, while there are expenses associated with the Fund. It is not possible to invest directly in an index.

The graph reflects investment of growth of a hypothetical \$10,000 investment in the Fund. Past performance is no guarantee of future results.

The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

USAA Target Retirement 2040 Fund

Investment Overview

Average Annual Total Return		
Year Ended December 31, 2019		
INCEPTION DATE	7/31/08	
	Net Asset Value	S&P Target Date 2040 Index*
One Year	19.57%	23.37%
Five Year	6.55%	8.11%
Ten Year	7.86%	9.45%

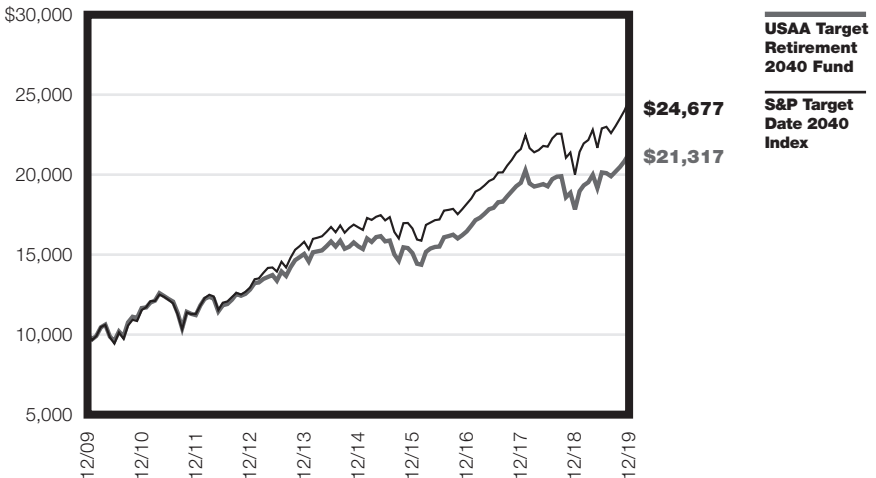
High double-digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future.

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Total return measures the price change in a share assuming the reinvestment of all net investment income and realized capital gain distributions, if any. The total returns quoted do not reflect adjustments made to the enclosed financial statements in accordance with U.S. generally accepted accounting principles or the deduction of taxes that a shareholder would pay on net investment income and realized capital gain distributions, including reinvested distributions, or redemptions of shares.

The total return figures set forth above include all waivers of fees for various periods since inception. Without such fee waivers, the total returns would have been lower.

USAA Target Retirement 2040 Fund – Growth of \$10,000



*The S&P Target Date Index series reflects the market consensus on asset allocations across different target date horizons. Each index represents the investment opportunity available to investors for the corresponding target date horizon, with asset class exposures driven by a survey of available target date funds. There are no expenses associated with the index, while there are expenses associated with the Fund. It is not possible to invest directly in an index.

The graph reflects investment of growth of a hypothetical \$10,000 investment in the Fund. Past performance is no guarantee of future results. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

USAA Target Retirement Series (Unaudited)

USAA Target Retirement 2050 Fund

Investment Overview

Average Annual Total Return		
Year Ended December 31, 2019		
INCEPTION DATE	7/31/08	
	Net Asset Value	S&P Target Date 2050 Index*
One Year	20.16%	24.53%
Five Year	6.77%	8.51%
Ten Year	8.00%	9.85%

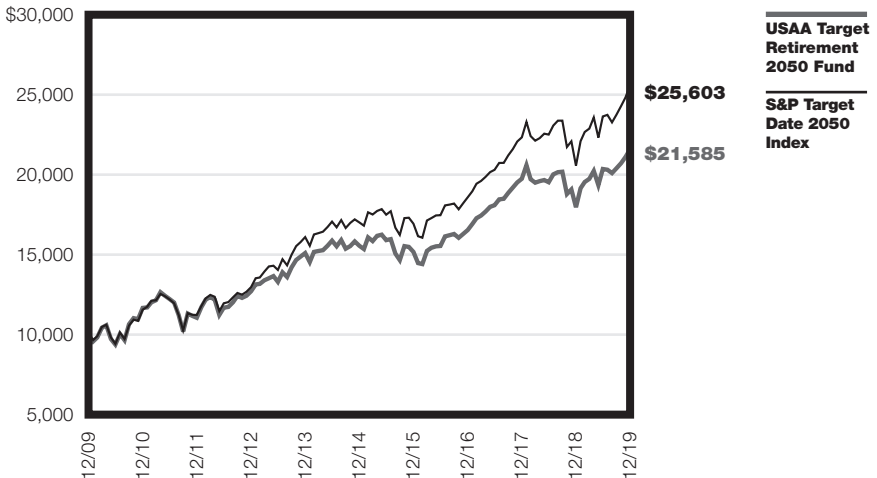
High double-digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future.

Past performance is not indicative of future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month's end, please visit www.usaa.com.

Total return measures the price change in a share assuming the reinvestment of all net investment income and realized capital gain distributions, if any. The total returns quoted do not reflect adjustments made to the enclosed financial statements in accordance with U.S. generally accepted accounting principles or the deduction of taxes that a shareholder would pay on net investment income and realized capital gain distributions, including reinvested distributions, or redemptions of shares.

The total return figures set forth above include all waivers of fees for various periods since inception. Without such fee waivers, the total returns would have been lower.

USAA Target Retirement 2050 Fund – Growth of \$10,000



*The S&P Target Date Index series reflects the market consensus on asset allocations across different target date horizons. Each index represents the investment opportunity available to investors for the corresponding target date horizon, with asset class exposures driven by a survey of available target date funds. There are no expenses associated with the index, while there are expenses associated with the Fund. It is not possible to invest directly in an index.

The graph reflects investment of growth of a hypothetical \$10,000 investment in the Fund. Past performance is no guarantee of future results. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

USAA Target Retirement 2060 Fund

Investment Overview

Average Annual Total Return		
Year Ended December 31, 2019		
INCEPTION DATE	7/12/13	
	Net Asset Value	S&P Target Date 2060 Index*
One Year	20.09%	24.91%
Five Year	6.70%	8.70%
Since Inception	7.13%	8.91%

High double-digit returns are attributable, in part, to unusually favorable market conditions and may not be repeated or consistently achieved in the future.

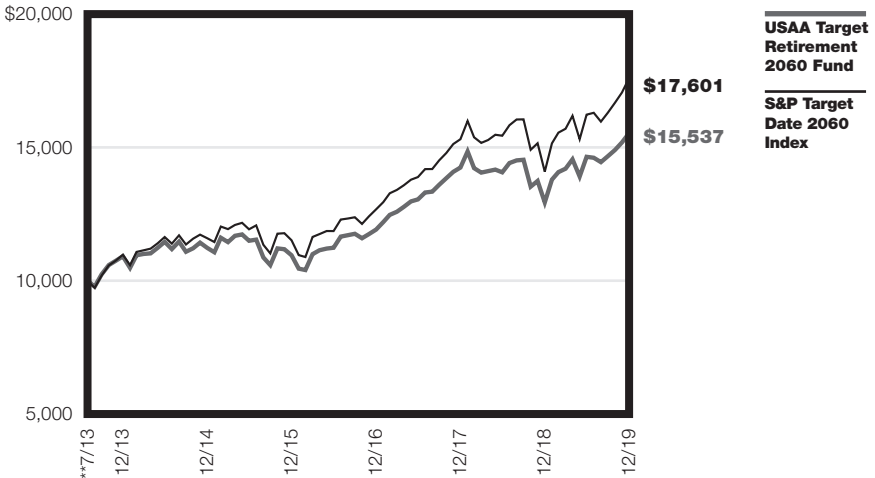
Past performance is not indicative of future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month's end, please visit www.usaa.com.

Total return measures the price change in a share assuming the reinvestment of all net investment income and realized capital gain distributions, if any. The total returns quoted do not reflect adjustments made to the enclosed financial statements in accordance with U.S. generally accepted accounting principles or the deduction of taxes that a shareholder would pay on net investment income and realized capital gain distributions, including reinvested distributions, or redemptions of shares.

+The since inception performance of the S&P Target Date 2060 Index is calculated from July 12, 2013 through December 31, 2019.

The total return figures set forth above include all waivers of fees for various periods since inception. Without such fee waivers, the total returns would have been lower.

USAA Target Retirement 2060 Fund – Growth of \$10,000



*The S&P Target Date Index series reflects the market consensus on asset allocations across different target date horizons. Each index represents the investment opportunity available to investors for the corresponding target date horizon, with asset class exposures driven by a survey of available target date funds. There are no expenses associated with the index, while there are expenses associated with the Fund. It is not possible to invest directly in an index. The graph reflects investment of growth of a hypothetical \$10,000 investment in the Fund. Past performance is no guarantee of future results.

The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

**The performance of the S&P Target Date 2060 Index is calculated from the end of the month, July 31, 2013, while the inception date of the USAA Target Retirement 2060 Fund is July 12, 2013. There may be a slight variation of performance numbers because of this difference.

USAA Target Retirement Income Fund*(Unaudited)***Top 10 Holdings***

12/31/19

(% of Net Assets)

<i>USAA Government Securities Fund, Institutional Shares</i>	29.1%
<i>USAA Income Fund, Institutional Shares</i>	18.9%
<i>USAA Short-Term Bond Fund, Institutional Shares</i>	14.1%
<i>USAA Global Managed Volatility Fund, Institutional Shares</i>	9.8%
<i>USAA Target Managed Allocation Fund</i>	5.3%
<i>Victory Market Neutral Income Fund, Class I</i>	4.1%
<i>VictoryShares USAA MSCI USA Value Momentum ETF</i>	2.4%
<i>USAA High Income Fund, Institutional Shares</i>	1.9%
<i>VictoryShares USAA MSCI International Value Momentum ETF</i>	1.8%
<i>Victory RS International Fund, Class R6</i>	1.5%

*Does not include futures, money market instruments and short-term investments purchased with cash collateral from securities loaned.

Refer to the Schedule of Portfolio Investments for a complete list of securities.

USAA Target Retirement 2020 Fund*(Unaudited)***Top 10 Holdings***

12/31/19

(% of Net Assets)

<i>USAA Government Securities Fund, Institutional Shares</i>	28.0%
<i>USAA Income Fund, Institutional Shares</i>	18.4%
<i>USAA Short-Term Bond Fund, Institutional Shares</i>	13.3%
<i>USAA Global Managed Volatility Fund, Institutional Shares</i>	10.8%
<i>USAA Target Managed Allocation Fund</i>	5.5%
<i>Victory Market Neutral Income Fund, Class I</i>	3.2%
<i>USAA High Income Fund, Institutional Shares</i>	2.5%
<i>VictoryShares USAA MSCI USA Value Momentum ETF</i>	2.2%
<i>USAA Growth Fund, Institutional Shares</i>	1.6%
<i>VictoryShares Dividend Accelerator ETF</i>	1.6%

*Does not include futures, money market instruments and short-term investments purchased with cash collateral from securities loaned.

Refer to the Schedule of Portfolio Investments for a complete list of securities.

USAA Target Retirement 2030 Fund*(Unaudited)***Top 10 Holdings***

12/31/19

(% of Net Assets)

<i>USAA Global Managed Volatility Fund, Institutional Shares</i>	20.1%
<i>USAA Government Securities Fund, Institutional Shares</i>	15.8%
<i>USAA Target Managed Allocation Fund</i>	10.8%
<i>USAA Income Fund, Institutional Shares</i>	9.5%
<i>VictoryShares USAA MSCI USA Value Momentum ETF</i>	4.9%
<i>USAA Short-Term Bond Fund, Institutional Shares</i>	4.0%
<i>Victory Integrity Mid-Cap Value Fund, Class R6</i>	3.3%
<i>VictoryShares USAA MSCI International Value Momentum ETF</i>	3.3%
<i>USAA Growth Fund, Institutional Shares</i>	3.3%
<i>Victory RS International Fund, Class R6</i>	3.0%

*Does not include futures, money market instruments and short-term investments purchased with cash collateral from securities loaned.

Refer to the Schedule of Portfolio Investments for a complete list of securities.

USAA Target Retirement 2040 Fund*(Unaudited)***Top 10 Holdings***

12/31/19

(% of Net Assets)

<i>USAA Global Managed Volatility Fund, Institutional Shares</i>	24.2%
<i>USAA Target Managed Allocation Fund</i>	12.9%
<i>USAA Government Securities Fund, Institutional Shares</i>	9.0%
<i>VictoryShares USAA MSCI USA Value Momentum ETF</i>	6.3%
<i>USAA Income Fund, Institutional Shares</i>	4.8%
<i>Victory Integrity Mid-Cap Value Fund, Class R6</i>	4.0%
<i>USAA Growth Fund, Institutional Shares</i>	4.0%
<i>Victory RS International Fund, Class R6</i>	3.9%
<i>VictoryShares USAA MSCI International Value Momentum ETF</i>	3.9%
<i>VictoryShares Dividend Accelerator ETF</i>	2.9%

*Does not include futures, money market instruments and short-term investments purchased with cash collateral from securities loaned.

Refer to the Schedule of Portfolio Investments for a complete list of securities.

USAA Target Retirement 2050 Fund*(Unaudited)***Top 10 Holdings***

12/31/19

(% of Net Assets)

<i>USAA Global Managed Volatility Fund, Institutional Shares</i>	25.7%
<i>USAA Target Managed Allocation Fund</i>	13.5%
<i>USAA Government Securities Fund, Institutional Shares</i>	7.4%
<i>VictoryShares USAA MSCI USA Value Momentum ETF</i>	6.7%
<i>Victory Integrity Mid-Cap Value Fund, Class R6</i>	4.4%
<i>USAA Growth Fund, Institutional Shares</i>	4.2%
<i>VictoryShares USAA MSCI International Value Momentum ETF</i>	4.1%
<i>Victory RS International Fund, Class R6</i>	4.0%
<i>USAA Income Fund, Institutional Shares</i>	3.7%
<i>VictoryShares Dividend Accelerator ETF</i>	3.0%

*Does not include futures, money market instruments and short-term investments purchased with cash collateral from securities loaned.

Refer to the Schedule of Portfolio Investments for a complete list of securities.

USAA Target Retirement 2060 Fund*(Unaudited)***Top 10 Holdings***

12/31/19

(% of Net Assets)

<i>USAA Global Managed Volatility Fund, Institutional Shares</i>	25.9%
<i>USAA Target Managed Allocation Fund</i>	13.4%
<i>USAA Government Securities Fund, Institutional Shares</i>	7.5%
<i>VictoryShares USAA MSCI USA Value Momentum ETF</i>	6.7%
<i>Victory Integrity Mid-Cap Value Fund, Class R6</i>	4.7%
<i>VictoryShares USAA MSCI International Value Momentum ETF</i>	4.6%
<i>Victory RS International Fund, Class R6</i>	4.1%
<i>USAA Growth Fund, Institutional Shares</i>	4.0%
<i>USAA Income Fund, Institutional Shares</i>	3.6%
<i>VictoryShares Dividend Accelerator ETF</i>	3.0%

*Does not include futures, money market instruments and short-term investments purchased with cash collateral from securities loaned.

Refer to the Schedule of Portfolio Investments for a complete list of securities.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Trustees of USAA Target Retirement Income Fund, USAA Target Retirement 2020 Fund, USAA Target Retirement 2030 Fund, USAA Target Retirement 2040 Fund, USAA Target Retirement 2050 Fund, and USAA Target Retirement 2060 Fund:

Opinion on the Financial Statements

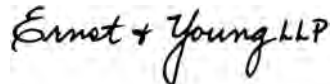
We have audited the accompanying statements of assets and liabilities of USAA Target Retirement Income Fund, USAA Target Retirement 2020 Fund, USAA Target Retirement 2030 Fund, USAA Target Retirement 2040 Fund, USAA Target Retirement 2050 Fund, and USAA Target Retirement 2060 Fund (the "Funds") (six of the funds constituting the USAA Mutual Funds Trust (the "Trust")), including the schedules of portfolio investments, as of December 31, 2019, and the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Funds at December 31, 2019, the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended and their financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Funds' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019, by correspondence with the custodian and brokers. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.



We have served as the auditor of one or more Victory Capital investment companies since 1995.

San Antonio, Texas
February 28, 2020

USAA Target Retirement Income Fund

December 31, 2019

(Amounts in Thousands, Except for Shares)

Security Description	Shares	Value*
Affiliated Exchange-Traded Funds (9.8%)		
VictoryShares Dividend Accelerator ETF	90,208	\$ 3,224
VictoryShares Emerging Market Volatility Wtd ETF	57,190	1,518
VictoryShares International High Div Volatility Wtd ETF	56,126	1,906
VictoryShares International Volatility Wtd ETF	47,801	1,902
VictoryShares U.S. 500 Volatility Wtd ETF	25,115	1,417
VictoryShares U.S. Multi-Factor Minimum Volatility ETF (a)	77,905	2,577
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	9,184	432
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	87,345	3,920
VictoryShares USAA MSCI International Value Momentum ETF	133,978	6,177
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	38,551	2,089
VictoryShares USAA MSCI USA Value Momentum ETF	149,900	8,083
Total Affiliated Exchange-Traded Funds (Cost \$33,242)		33,245
Affiliated Mutual Funds (90.1%)		
USAA Capital Growth Fund, Institutional Shares	85,826	951
USAA Global Managed Volatility Fund, Institutional Shares	2,987,705	33,193
USAA Government Securities Fund, Institutional Shares	9,945,506	98,362
USAA Growth Fund, Institutional Shares	156,692	4,072
USAA High Income Fund, Institutional Shares	820,872	6,518
USAA Income Fund, Institutional Shares	4,778,293	63,981
USAA Income Stock Fund, Institutional Shares	117,947	2,101
USAA Precious Metals and Minerals Fund, Institutional Shares	62,924	1,070
USAA Short-Term Bond Fund, Institutional Shares	5,141,304	47,454
USAA Small Cap Stock Fund, Institutional Shares	156,641	2,596
USAA Target Managed Allocation Fund	1,627,381	17,755
Victory Integrity Mid-Cap Value Fund, Class R6	164,500	3,185
Victory Market Neutral Income Fund, Class I	1,429,924	13,756
Victory RS International Fund, Class R6	462,556	4,949
Victory Trivalent International Core Equity Fund, Class R6	548,242	4,062
Total Affiliated Mutual Funds (Cost \$287,068)		304,005
Collateral for Securities Loaned (0.1%)[^]		
HSBC U.S. Government Money Market Fund, I Shares, 1.53% (b)	384,200	384
Total Collateral for Securities Loaned (Cost \$384)		384
Total Investments (Cost \$320,694) — 100.0%		337,634
Liabilities in excess of other assets — 0.00% (c)		(1)
NET ASSETS — 100.00%		\$337,633

* At December 31, 2019, the Fund's investments in foreign securities were 7.2% of net assets.

[^] Purchased with cash collateral from securities on loan.

(a) All or a portion of this security is on loan.

(b) Rate disclosed is the daily yield on December 31, 2019.

(c) Amount is less than 0.05%.

ETF — Exchange-Traded Fund

See notes to financial statements.

USAA Target Retirement 2020 Fund

December 31, 2019

(Amounts in Thousands, Except for Shares)

Security Description	Shares	Value*
Affiliated Exchange-Traded Funds (10.4%)		
VictoryShares Dividend Accelerator ETF	253,038	\$ 9,044
VictoryShares Emerging Market Volatility Wtd ETF (a)	102,075	2,710
VictoryShares International High Div Volatility Wtd ETF	85,388	2,900
VictoryShares International Volatility Wtd ETF	80,640	3,209
VictoryShares U.S. 500 Volatility Wtd ETF	597	34
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	260,745	8,625
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	29,385	1,382
VictoryShares USAA Core Intermediate-Term Bond ETF	31,835	1,654
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	131,534	5,903
VictoryShares USAA MSCI International Value Momentum ETF	192,678	8,884
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	53,393	2,893
VictoryShares USAA MSCI USA Value Momentum ETF	240,414	12,962
Total Affiliated Exchange-Traded Funds (Cost \$59,562)		60,200
Affiliated Mutual Funds (89.4%)		
USAA 500 Index Fund, Reward Shares	—(b)	—(c)
USAA Global Managed Volatility Fund, Institutional Shares	5,655,421	62,832
USAA Government Securities Fund, Institutional Shares	16,461,177	162,802
USAA Growth Fund, Institutional Shares	362,385	9,418
USAA High Income Fund, Institutional Shares	1,826,381	14,501
USAA Income Fund, Institutional Shares	8,008,198	107,231
USAA Income Stock Fund, Institutional Shares	370,325	6,595
USAA Precious Metals and Minerals Fund, Institutional Shares	110,440	1,879
USAA Short-Term Bond Fund, Institutional Shares	8,401,655	77,548
USAA Intermediate-Term Bond Fund, Institutional Shares	33	—(c)
USAA Small Cap Stock Fund, Institutional Shares	274,675	4,551
USAA Target Managed Allocation Fund	2,953,652	32,224
Victory Integrity Mid-Cap Value Fund, Class R6	462,353	8,951
Victory Market Neutral Income Fund, Class I	1,955,333	18,810
Victory RS International Fund, Class R6	696,770	7,455
Victory Trivalent International Core Equity Fund, Class R6	766,528	5,680
Total Affiliated Mutual Funds (Cost \$481,654)		520,477
Collateral for Securities Loaned (0.5%)[^]		
Fidelity Investments Money Market Government Portfolio, I shares, 1.50% (d)	2,728,458	2,728
Total Collateral for Securities Loaned (Cost \$2,728)		2,728
Total Investments (Cost \$543,944) — 100.3%		583,405
Liabilities in excess of other assets — (0.3%)		(1,934)
NET ASSETS — 100.00%		\$581,471

* At December 31, 2019, the Fund's investments in foreign securities were 6.3% of net assets.

[^] Purchased with cash collateral from securities on loan.

(a) All or a portion of this security is on loan.

(b) Amount is less than 500 shares.

(c) Amount is less than \$1.

(d) Rate disclosed is the daily yield on December 31, 2019.

ETF — Exchange-Traded Fund

See notes to financial statements.

USAA Target Retirement 2030 Fund

December 31, 2019

(Amounts in Thousands, Except for Shares)

Security Description	Shares	Value*
Affiliated Exchange-Traded Funds (19.1%)		
VictoryShares Dividend Accelerator ETF	922,928	\$ 32,985
VictoryShares Emerging Market Volatility Wtd ETF (a)	331,804	8,809
VictoryShares International High Div Volatility Wtd ETF	408,197	13,863
VictoryShares International Volatility Wtd ETF (a)	375,466	14,941
VictoryShares U.S. 500 Volatility Wtd ETF	117,326	6,620
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	894,216	29,581
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	99,195	4,665
VictoryShares USAA Core Intermediate-Term Bond ETF	109,010	5,662
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	432,058	19,391
VictoryShares USAA MSCI International Value Momentum ETF	978,123	45,099
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	229,300	12,423
VictoryShares USAA MSCI USA Value Momentum ETF	1,249,544	67,376
Total Affiliated Exchange-Traded Funds (Cost \$261,598)		261,415
Affiliated Mutual Funds (80.5%)		
USAA Capital Growth Fund, Institutional Shares	1,453,656	16,107
USAA Intermediate-Term Bond Fund, Institutional Shares	—(b)	—(c)
USAA Global Managed Volatility Fund, Institutional Shares	24,723,237	274,675
USAA Government Securities Fund, Institutional Shares	21,879,132	216,385
USAA Growth Fund, Institutional Shares	1,720,970	44,728
USAA High Income Fund, Institutional Shares	3,595,137	28,545
USAA Income Fund, Institutional Shares	9,701,193	129,899
USAA Income Stock Fund, Institutional Shares	1,323,521	23,572
USAA International Fund, Institutional Shares	—(b)	—(c)
USAA Precious Metals and Minerals Fund, Institutional Shares	249,586	4,245
USAA Short-Term Bond Fund, Institutional Shares	5,872,663	54,205
USAA Intermediate-Term Bond Fund, Institutional Shares	11	—(c)
USAA Small Cap Stock Fund, Institutional Shares	1,018,925	16,884
USAA Target Managed Allocation Fund	13,587,056	148,235
Victory Integrity Mid-Cap Value Fund, Class R6	2,359,470	45,679
Victory Market Neutral Income Fund, Class I	2,705,658	26,028
Victory RS International Fund, Class R6	3,876,184	41,475
Victory Trivalent International Core Equity Fund, Class R6	4,069,055	30,152
Total Affiliated Mutual Funds (Cost \$995,174)		1,100,814
Collateral for Securities Loaned (0.3%)[^]		
Fidelity Investments Money Market Government Portfolio, I shares, 1.50% (d) . . .	4,344,142	4,344
Total Collateral for Securities Loaned (Cost \$4,344)		4,344
Total Investments (Cost \$1,261,116) — 99.9%		1,366,573
Other assets in excess of liabilities — 0.1%		1,770
NET ASSETS — 100.00%		\$1,368,343

* At December 31, 2019, the Fund's investments in foreign securities were 12.7% of net assets.

[^] Purchased with cash collateral from securities on loan.

(a) All or a portion of this security is on loan.

(b) Rounds to less than 500 shares.

(c) Amount is less than \$1.

(d) Rate disclosed is the daily yield on December 31, 2019.

ETF — Exchange-Traded Fund

See notes to financial statements.

USAA Target Retirement 2040 Fund

December 31, 2019

(Amounts in Thousands, Except for Shares)

Security Description	Shares	Value*
Affiliated Exchange-Traded Funds (25.0%)		
VictoryShares Dividend Accelerator ETF	1,245,370	\$ 44,510
VictoryShares Emerging Market Volatility Wtd ETF	558,897	14,838
VictoryShares International High Div Volatility Wtd ETF	616,336	20,931
VictoryShares International Volatility Wtd ETF	524,922	20,889
VictoryShares U.S. 500 Volatility Wtd ETF	599,400	33,818
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	1,180,229	39,042
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	132,092	6,212
VictoryShares USAA Core Intermediate-Term Bond ETF	76,293	3,963
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF (a)	578,083	25,944
VictoryShares USAA MSCI International Value Momentum ETF	1,312,882	60,534
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	372,800	20,198
VictoryShares USAA MSCI USA Value Momentum ETF	1,800,663	97,092
Total Affiliated Exchange-Traded Funds (Cost \$387,696)		387,971
Affiliated Mutual Funds (74.6%)		
USAA 500 Index Fund, Reward Shares	—(b)	—(c)
USAA Capital Growth Fund, Institutional Shares	1,434,753	15,897
USAA Global Managed Volatility Fund, Institutional Shares	33,752,195	374,988
USAA Government Securities Fund, Institutional Shares	14,142,771	139,872
USAA Growth Fund, Institutional Shares	2,377,895	61,801
USAA High Income Fund, Institutional Shares	2,796,261	22,202
USAA Income Fund, Institutional Shares	5,596,038	74,931
USAA Income Stock Fund, Institutional Shares	1,874,077	33,377
USAA Precious Metals and Minerals Fund, Institutional Shares	277,582	4,722
USAA Short-Term Bond Fund, Institutional Shares	2,269,546	20,948
USAA Intermediate-Term Bond Fund, Institutional Shares	31	—(c)
USAA Small Cap Stock Fund, Institutional Shares	1,538,674	25,496
USAA Target Managed Allocation Fund	18,297,872	199,630
Victory Integrity Mid-Cap Value Fund, Class R6	3,205,995	62,068
Victory Market Neutral Income Fund, Class I	1,685,760	16,217
Victory RS International Fund, Class R6	5,695,395	60,941
Victory Trivalent International Core Equity Fund, Class R6	5,891,166	43,654
Total Affiliated Mutual Funds (Cost \$1,026,991)		1,156,744
Collateral for Securities Loaned (0.0%)^(d)		
HSBC U.S. Government Money Market Fund, I Shares, 1.53% (e)	18,400	18
Total Collateral for Securities Loaned (Cost \$18)		18
Total Investments (Cost \$1,414,705) — 99.6%		1,544,733
Other assets in excess of liabilities — 0.4%		6,819
NET ASSETS — 100.00%		\$1,551,552

* At December 31, 2019, the Fund's investments in foreign securities were 16.0% of net assets.

[^] Purchased with cash collateral from securities on loan.

(a) All or a portion of this security is on loan.

(b) Amount is less than 500 shares.

(c) Amount is less than \$1.

(d) Amount represents less than 0.05% of net assets.

(e) Rate disclosed is the daily yield on December 31, 2019.

ETF — Exchange-Traded Fund

See notes to financial statements.

USAA Target Retirement 2050 Fund

December 31, 2019

(Amounts in Thousands, Except for Shares)

Security Description	Shares	Value*
Affiliated Exchange-Traded Funds (27.1%)		
VictoryShares Dividend Accelerator ETF	759,933	\$ 27,160
VictoryShares Emerging Market Volatility Wtd ETF	343,734	9,126
VictoryShares International High Div Volatility Wtd ETF	342,991	11,648
VictoryShares International Volatility Wtd ETF	345,702	13,757
VictoryShares U.S. 500 Volatility Wtd ETF	424,909	23,973
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	704,349	23,300
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	85,377	4,015
VictoryShares USAA Core Intermediate-Term Bond ETF	19,425	1,009
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	393,668	17,668
VictoryShares USAA MSCI International Value Momentum ETF	798,656	36,824
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	246,047	13,331
VictoryShares USAA MSCI USA Value Momentum ETF	1,110,074	59,856
Total Affiliated Exchange-Traded Funds (Cost \$241,563)		241,667
Affiliated Mutual Funds (72.5%)		
USAA Capital Growth Fund, Institutional Shares	815,509	9,036
USAA Intermediate-Term Bond Fund, Institutional Shares	—(a)	—(b)
USAA Global Managed Volatility Fund, Institutional Shares	20,676,683	229,717
USAA Government Securities Fund, Institutional Shares	6,639,876	65,668
USAA Growth Fund, Institutional Shares	1,450,721	37,704
USAA High Income Fund, Institutional Shares	144,147	1,145
USAA Income Fund, Institutional Shares	2,456,526	32,893
USAA Income Stock Fund, Institutional Shares	1,127,204	20,076
USAA Precious Metals and Minerals Fund, Institutional Shares	155,949	2,653
USAA Short-Term Bond Fund, Institutional Shares	687,752	6,348
USAA Intermediate-Term Bond Fund, Institutional Shares	24	—(b)
USAA Small Cap Stock Fund, Institutional Shares	906,359	15,018
USAA Target Managed Allocation Fund	11,062,977	120,696
Victory Integrity Mid-Cap Value Fund, Class R6	2,007,729	38,870
Victory Market Neutral Income Fund, Class I	760,571	7,317
Victory RS International Fund, Class R6	3,296,996	35,278
Victory Trivalent International Core Equity Fund, Class R6	3,444,387	25,523
Total Affiliated Mutual Funds (Cost \$573,078)		647,942
Total Investments (Cost \$814,641) — 99.6%		889,609
Other assets in excess of liabilities — 0.4%		3,421
NET ASSETS — 100.00%		\$893,030

* At December 31, 2019, the Fund's investments in foreign securities were 16.8% of net assets.

(a) Amount is less than 500 shares.

(b) Amount is less than \$1.

ETF — Exchange-Traded Fund

See notes to financial statements.

USAA Target Retirement 2060 Fund

December 31, 2019

(Amounts in Thousands, Except for Shares)

Security Description	Shares	Value*
Affiliated Exchange-Traded Funds (27.7%)		
VictoryShares Dividend Accelerator ETF	97,284	\$ 3,477
VictoryShares Emerging Market Volatility Wtd ETF	49,314	1,309
VictoryShares International High Div Volatility Wtd ETF	44,883	1,524
VictoryShares International Volatility Wtd ETF	46,621	1,855
VictoryShares U.S. 500 Volatility Wtd ETF	54,809	3,092
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	99,047	3,276
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	12,473	587
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	53,685	2,409
VictoryShares USAA MSCI International Value Momentum ETF	115,740	5,337
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	31,306	1,696
VictoryShares USAA MSCI USA Value Momentum ETF	143,976	7,764
Total Affiliated Exchange-Traded Funds (Cost \$32,210)		32,326
Affiliated Mutual Funds (71.2%)		
USAA Capital Growth Fund, Institutional Shares	125,194	1,387
USAA Intermediate-Term Bond Fund, Institutional Shares	—(a)	—(b)
USAA Global Managed Volatility Fund, Institutional Shares	2,715,092	30,165
USAA Government Securities Fund, Institutional Shares	881,322	8,716
USAA Growth Fund, Institutional Shares	178,150	4,630
USAA High Income Fund, Institutional Shares	278	2
USAA Income Fund, Institutional Shares	310,741	4,161
USAA Income Stock Fund, Institutional Shares	132,624	2,362
USAA Precious Metals and Minerals Fund, Institutional Shares	19,382	330
USAA Short-Term Bond Fund, Institutional Shares	108	1
USAA Small Cap Stock Fund, Institutional Shares	124,035	2,055
USAA Target Managed Allocation Fund	1,433,609	15,641
Victory Integrity Mid-Cap Value Fund, Class R6	280,588	5,432
Victory Market Neutral Income Fund, Class I	8,700	84
Victory RS International Fund, Class R6	443,763	4,748
Victory Trivalent International Core Equity Fund, Class R6	427,903	3,171
Total Affiliated Mutual Funds (Cost \$76,759)		82,885
Total Investments (Cost \$108,969) — 98.9%		115,211
Other assets in excess of liabilities — 1.1%		1,282
NET ASSETS — 100.00%		\$116,493

* At December 31, 2019, the Fund's investments in foreign securities were 17.5% of net assets.

(a) Amount is less than 500 shares.

(b) Amount is less than \$1.

ETF — Exchange-Traded Fund

See notes to financial statements.

Statements of Assets and Liabilities

USAA Mutual Funds Trust

December 31, 2019

(Amounts in Thousands, Except Per Share Amounts)

	USAA Target Retirement Income Fund	USAA Target Retirement 2020 Fund	USAA Target Retirement 2030 Fund
ASSETS:			
Affiliated investments, at value (Cost \$320,310, \$541,216 and \$1,256,772)	\$337,250(a)	\$580,677(b)	\$1,362,229(c)
Unaffiliated investments, at value (Cost \$384, \$2,728 and \$4,344)	384	2,728	4,344
Cash and cash equivalents	573	625	5,944
Receivables:			
Interest	2	11	14
Distributions from affiliated funds	61	78	466
Capital shares issued	222	284	496
From Adviser	—	—	1
Prepaid expenses	7	11	10
Total Assets	338,499	584,414	1,373,504
LIABILITIES:			
Payables:			
Collateral received on loaned securities	384	2,728	4,344
Capital shares redeemed	426	152	732
Accrued expenses and other payables:			
Custodian fees	9	10	11
Compliance fees	—(d)	—(d)	1
Trustees' fees	2	2	2
Other accrued expenses	45	51	71
Total Liabilities	866	2,943	5,161
NET ASSETS:			
Capital	317,696	534,145	1,231,276
Total distributable earnings/(loss)	19,937	47,326	137,067
Net Assets	\$337,633	\$581,471	\$1,368,343
Shares (unlimited number of shares authorized with no par value):	30,104	50,119	109,705
Net asset value, offering and redemption price per share: (e)	\$ 11.22	\$ 11.60	\$ 12.47

(a) Includes \$374 of securities on loan.

(b) Includes \$2,683 of securities on loan.

(c) Includes \$4,232 of securities on loan.

(d) Rounds to less than \$1.

(e) Per share amount may not recalculate due to rounding of net assets and/or shares outstanding.

See notes to financial statements.

Statements of Assets and Liabilities

USAA Mutual Funds Trust

December 31, 2019

(Amounts in Thousands, Except Per Share Amounts)

	USAA Target Retirement 2040 Fund	USAA Target Retirement 2050 Fund	USAA Target Retirement 2060 Fund
ASSETS:			
Affiliated investments, at value (Cost \$1,414,687, \$814,641 and \$108,969)	\$1,544,715(a)	\$889,609	\$ 115,211
Unaffiliated investments, at value (Cost \$18, \$— and \$—)	18	—	—
Cash and cash equivalents	8,461	5,114	1,348
Receivables:			
Interest	15	9	2
Distributions from affiliated funds	652	410	54
Capital shares issued	918	396	99
From Adviser	1	—	70
Prepaid expenses	20	12	7
Total Assets	1,554,800	895,550	116,791
LIABILITIES:			
Payables:			
Collateral received on loaned securities	18	—	—
Investments purchased	1,729	1,851	200
Capital shares redeemed	1,403	584	38
Accrued expenses and other payables:			
Custodian fees	12	9	—
Compliance fees	1	—(b)	—(b)
Trustees' fees	2	2	2
Other accrued expenses	83	74	58
Total Liabilities	3,248	2,520	298
NET ASSETS:			
Capital	1,367,167	781,107	106,501
Total distributable earnings/(loss)	184,385	111,923	9,992
Net Assets	\$1,551,552	\$893,030	\$116,493
Shares (unlimited number of shares authorized with no par value):	123,383	69,531	9,295
Net asset value, offering and redemption price per share: (c)	\$ 12.58	\$ 12.84	\$ 12.53

(a) Includes \$18 of securities on loan.

(b) Rounds to less than \$1.

(c) Per share amount may not recalculate due to rounding of net assets and/or shares outstanding.

See notes to financial statements.

Statements of Operations

USAA Mutual Funds Trust

For the Year Ended December 31, 2019

(Amounts in Thousands)

	USAA Target Retirement Income Fund	USAA Target Retirement 2020 Fund	USAA Target Retirement 2030 Fund
Investment Income:			
Income distributions from affiliated funds	\$ 9,318	\$14,713	\$ 33,050
Interest	37	37	128
Securities lending (net of fees)	2	10	11
Total Income	9,357	14,760	33,189
Expenses:			
Sub-Administration fees	8	8	8
Professional fees	1	2	5
Custodian fees	44	48	55
Trustees' fees	41	41	41
Compliance fees	1	2	4
Legal and audit fees	82	83	88
Printing fees	20	31	68
State registration and filing fees	31	29	41
Interest expense on interfund lending	—(a)	—	—
Other expenses	11	11	16
Total Expenses	239	255	326
Expenses waived/reimbursed by Adviser	—	—	(1)
Net Expenses	239	255	325
Net Investment Income (Loss)	9,118	14,505	32,864
Realized/Unrealized Gains (Losses) from Investments:			
Net realized gains (losses) from sales of affiliated funds	9,657	35,533	83,416
Capital gain distributions received from affiliated funds	2,379	5,182	21,394
Net change in unrealized appreciation/ depreciation on affiliated funds	15,252	19,408	65,221
Net realized/unrealized gains (losses) on investments	27,288	60,123	170,031
Change in net assets resulting from operations	\$36,406	\$74,628	\$202,895

(a) Amount is less than \$1.

See notes to financial statements.

Statements of Operations

USAA Mutual Funds Trust

For the Year Ended December 31, 2019

(Amounts in Thousands)

	USAA Target Retirement 2040 Fund	USAA Target Retirement 2050 Fund	USAA Target Retirement 2060 Fund
Investment Income:			
Income distributions from affiliated funds	\$ 35,293	\$ 19,540	\$ 2,513
Interest	150	99	19
Securities lending (net of fees)	12	3	5
Total Income	35,455	19,642	2,537
Expenses:			
Sub-Administration fees	8	8	8
Professional fees	6	3	—(a)
Custodian fees	57	51	42
Trustees' fees	41	41	41
Compliance fees	4	3	—(a)
Legal and audit fees	88	86	83
Printing fees	91	62	20
State registration and filing fees	34	32	33
Other expenses	16	14	10
Total Expenses	345	300	237
Expenses waived/reimbursed by Adviser	(1)	—	(54)
Expenses waived/reimbursed by AMCO	—	—	(78)
Net Expenses	344	300	105
Net Investment Income (Loss)	35,111	19,342	2,432
Realized/Unrealized Gains (Losses) from Investments:			
Net realized gains (losses) from sales of affiliated funds	115,743	64,512	2,377
Capital gain distributions received from affiliated funds	29,930	18,868	2,416
Net change in unrealized appreciation/ depreciation on affiliated funds	73,975	47,604	11,491
Net realized/unrealized gains (losses) on investments	219,648	130,984	16,284
Change in net assets resulting from operations	\$254,759	\$150,326	\$18,716

(a) Rounds to less than \$1.

See notes to financial statements.

(Amounts in Thousands)

	USAA Target Retirement Income Fund		USAA Target Retirement 2020 Fund		USAA Target Retirement 2030 Fund	
	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
From Investments:						
Operations:						
Net investment income (loss)	\$ 9,118	\$ 8,623	\$ 14,505	\$ 14,446	\$ 32,864	\$ 28,747
Net realized gains (losses) from investments	12,036	13,232	40,715	39,191	104,810	86,601
Net change in unrealized appreciation/depreciation on investments	15,252	(31,905)	19,408	(82,699)	65,221	(205,485)
Change in net assets resulting from operations	36,406	(10,050)	74,628	(29,062)	202,895	(90,137)
Change in net assets resulting from distributions to shareholders	(20,806)	(19,060)	(57,178)	(44,523)	(143,003)	(95,056)
Change in net assets resulting from capital transactions	3,237	(1,960)	9,867	10,156	124,887	82,364
Change in net assets	18,837	(31,070)	27,317	(63,429)	184,779	(102,829)
Net Assets:						
Beginning of period	318,796	349,866	554,154	617,583	1,183,564	1,286,393
End of period	\$337,633	\$318,796	\$581,471	\$554,154	\$1,368,343	\$1,183,564
Capital Transactions:						
Proceeds from shares issued	\$ 41,829	\$ 52,125	\$ 47,372	\$ 60,443	\$ 119,955	\$ 139,251
Distributions reinvested	20,602	18,863	56,837	44,322	142,769	94,862
Cost of shares redeemed	(59,194)	(72,948)	(94,342)	(94,609)	(137,837)	(151,749)
Change in net assets resulting from capital transactions	\$ 3,237	\$ (1,960)	\$ 9,867	\$ 10,156	\$ 124,887	\$ 82,364
Share Transactions:						
Issued	3,693	4,525	3,891	4,732	9,245	10,136
Reinvested	1,823	1,719	4,825	3,837	11,294	7,770
Redeemed	(5,234)	(6,359)	(7,742)	(7,434)	(10,584)	(11,104)
Change in Shares	282	(115)	974	1,135	9,955	6,802

See notes to financial statements.

(Amounts in Thousands)

	USAA Target Retirement 2040 Fund		USAA Target Retirement 2050 Fund		USAA Target Retirement 2060 Fund	
	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
From Investments:						
Operations:						
Net investment income (loss)	\$ 35,111	\$ 29,609	\$ 19,342	\$ 15,866	\$ 2,432	\$ 1,784
Net realized gains (losses) from investments	145,673	117,103	83,380	67,666	4,793	4,265
Net change in unrealized appreciation/depreciation on investments	73,975	(268,528)	47,604	(157,012)	11,491	(14,926)
Change in net assets resulting from operations	254,759	(121,816)	150,326	(73,480)	18,716	(8,877)
Change in net assets resulting from distributions to shareholders	(178,743)	(121,300)	(95,648)	(69,927)	(6,542)	(4,012)
Change in net assets resulting from capital transactions	165,208	129,376	96,903	79,935	16,916	22,693
Change in net assets	241,224	(113,740)	151,581	(63,472)	29,090	9,804
Net Assets:						
Beginning of period	1,310,328	1,424,068	741,449	804,921	87,403	77,599
End of period	\$1,551,552	\$1,310,328	\$893,030	\$ 741,449	\$116,493	\$ 87,403
Capital Transactions:						
Proceeds from shares issued	\$ 129,343	\$ 149,298	\$ 89,371	\$ 104,037	\$ 27,519	\$ 32,589
Distributions reinvested	178,580	121,220	95,564	69,884	6,537	4,009
Cost of shares redeemed	(142,715)	(141,142)	(88,032)	(93,986)	(17,140)	(13,905)
Change in net assets resulting from capital transactions	\$ 165,208	\$ 129,376	\$ 96,903	\$ 79,935	\$ 16,916	\$ 22,693
Share Transactions:						
Issued	9,869	10,559	6,769	7,252	2,255	2,567
Reinvested	14,024	9,864	7,358	5,641	517	355
Redeemed	(10,874)	(10,010)	(6,635)	(6,553)	(1,390)	(1,101)
Change in Shares	13,019	10,413	7,492	6,340	1,382	1,821

See notes to financial statements.

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For a Share Outstanding Throughout Each Period

	Net Asset Value, Beginning of Period	Investment Activities			Distributions to Shareholders From		
		Net Investment Income (Loss)	Net Realized and Unrealized Gains (Losses) on Investments	Total from Investment Activities	Net Investment Income	Net Realized Gains From Investments	
USAA Target Retirement Income Fund							
Year Ended							
December 31, 2019	\$10.69	0.31(b)	0.93	1.24	(0.31)	(0.40)	
Year Ended							
December 31, 2018	\$11.69	0.29	(0.64)	(0.35)	(0.29)	(0.36)	
Year Ended							
December 31, 2017	\$11.41	0.28	0.70	0.98	(0.28)	(0.42)	
Year Ended							
December 31, 2016	\$11.09	0.28	0.42	0.70	(0.28)	(0.10)	
Year Ended							
December 31, 2015	\$11.82	0.28	(0.50)	(0.22)	(0.28)	(0.23)	
USAA Target Retirement 2020 Fund							
Year Ended							
December 31, 2019	\$11.28	0.31(b)	1.25	1.56	(0.30)	(0.94)	
Year Ended							
December 31, 2018	\$12.86	0.30	(0.92)	(0.62)	(0.30)	(0.66)	
Year Ended							
December 31, 2017	\$12.28	0.30	1.25	1.55	(0.30)	(0.67)	
Year Ended							
December 31, 2016	\$11.85	0.30	0.60	0.90	(0.38)	(0.09)	
Year Ended							
December 31, 2015	\$12.56	0.30	(0.60)	(0.30)	(0.21)	(0.20)	
USAA Target Retirement 2030 Fund							
Year Ended							
December 31, 2019	\$11.87	0.33(b)	1.70	2.03	(0.31)	(1.12)	
Year Ended							
December 31, 2018	\$13.84	0.30	(1.25)	(0.95)	(0.30)	(0.72)	
Year Ended							
December 31, 2017	\$12.89	0.30	1.77	2.07	(0.32)	(0.80)	
Year Ended							
December 31, 2016	\$12.34	0.30	0.77	1.07	(0.48)	(0.04)	
Year Ended							
December 31, 2015	\$13.05	0.27	(0.63)	(0.36)	(0.08)	(0.27)	

* Assumes reinvestment of all net investment income and realized capital gain distributions, if any, during the period. Includes adjustments in accordance with U.S. generally accepted accounting principles and could differ from the Lipper reported return.

^ The net expense ratio may not correlate to the applicable expense limits in place during the period since the current contractual expense limitation is applied for a two-year period beginning July 1, 2019, and in effect through June 30, 2021, instead of coinciding with the Fund's fiscal year end. Details of the current contractual expense limitation in effect can be found in Note 4 of the accompanying Notes to Financial Statements.

(a) The expense ratios exclude the impact of expenses paid to each underlying fund.

(b) Per share net investment income (loss) has been calculated using the average daily shares method.

(c) Overall increase in purchases and sales of securities.

See notes to financial statements.

For a Share Outstanding Throughout Each Period

Total Distributions	Net Asset Value, End of Period	Total Return*	Ratios to Average Net Assets			Supplemental Data	
			Net Expenses^(a)	Net Investment Income (Loss)	Gross Expenses(a)	Net Assets, End of Period (000's)	Portfolio Turnover
(0.71)	\$11.22	11.72%	0.07%	2.75%	0.07%	\$ 337,633	16%
(0.65)	\$10.69	(3.01)%	0.07%	2.53%	0.07%	\$ 318,796	29%
(0.70)	\$11.69	8.66%	0.07%	2.44%	0.07%	\$ 349,866	41%(c)
(0.38)	\$11.41	6.36%	0.07%	2.41%	0.07%	\$ 317,856	14%
(0.51)	\$11.09	(1.95)%	0.06%	2.36%	0.06%	\$ 330,809	35%
(1.24)	\$11.60	13.83%	0.04%	2.51%	0.04%	\$ 581,471	28%
(0.96)	\$11.28	(4.85)%	0.04%	2.41%	0.04%	\$ 554,154	34%
(0.97)	\$12.86	12.71%	0.04%	2.33%	0.04%	\$ 617,583	39%(c)
(0.47)	\$12.28	7.57%	0.04%	2.33%	0.04%	\$ 570,796	11%
(0.41)	\$11.85	(2.40)%	0.04%	2.31%	0.04%	\$ 583,926	30%
(1.43)	\$12.47	17.13%	0.03%	2.53%	0.03%	\$1,368,343	24%
(1.02)	\$11.87	(6.99)%	0.03%	2.25%	0.03%	\$1,183,564	36%
(1.12)	\$13.84	16.12%	0.03%	2.29%	0.03%	\$1,286,393	32%
(0.52)	\$12.89	8.70%	0.03%	2.22%	0.03%	\$1,098,440	8%
(0.35)	\$12.34	(2.81)%	0.03%	2.08%	0.03%	\$1,060,971	32%

See notes to financial statements.

For a Share Outstanding Throughout Each Period

	Net Asset Value, Beginning of Period	Investment Activities			Distributions to Shareholders From		
		Net Investment Income (Loss)	Net Realized and Unrealized Gains (Losses) on Investments	Total from Investment Activities	Net Investment Income	Net Realized Gains From Investments	
USAA Target Retirement 2040 Fund							
Year Ended							
December 31, 2019	\$11.87	0.32(b)	1.99	2.31	(0.29)	(1.31)	
Year Ended							
December 31, 2018	\$14.25	0.27	(1.46)	(1.19)	(0.28)	(0.91)	
Year Ended							
December 31, 2017	\$12.82	0.29	2.07	2.36	(0.29)	(0.64)	
Year Ended							
December 31, 2016	\$12.23	0.26	0.83	1.09	(0.48)	(0.02)	
Year Ended							
December 31, 2015	\$12.89	0.23	(0.58)	(0.35)	—(d)	(0.31)	
USAA Target Retirement 2050 Fund							
Year Ended							
December 31, 2019	\$11.95	0.31(b)	2.09	2.40	(0.28)	(1.23)	
Year Ended							
December 31, 2018	\$14.45	0.26	(1.54)	(1.28)	(0.26)	(0.96)	
Year Ended							
December 31, 2017	\$12.78	0.27	2.20	2.47	(0.28)	(0.52)	
Year Ended							
December 31, 2016	\$12.18	0.23	0.87	1.10	(0.42)	(0.08)	
Year Ended							
December 31, 2015	\$12.81	0.20	(0.52)	(0.32)	—(d)	(0.31)	
USAA Target Retirement 2060 Fund							
Year Ended							
December 31, 2019	\$11.05	0.28(b)	1.94	2.22	(0.27)	(0.47)	
Year Ended							
December 31, 2018	\$12.74	0.23	(1.39)	(1.16)	(0.23)	(0.30)	
Year Ended							
December 31, 2017	\$11.07	0.22	1.93	2.15	(0.22)	(0.26)	
Year Ended							
December 31, 2016	\$10.48	0.15	0.77	0.92	(0.30)	(0.03)	
Year Ended							
December 31, 2015	\$10.93	0.18(b)	(0.45)	(0.27)	(0.01)	(0.17)	

* Assumes reinvestment of all net investment income and realized capital gain distributions, if any, during the period. Includes adjustments in accordance with U.S. generally accepted accounting principles and could differ from the Lipper reported return.

^ The net expense ratio may not correlate to the applicable expense limits in place during the period since the current contractual expense limitation is applied for a two-year period beginning July 1, 2019, and in effect through June 30, 2021, instead of coinciding with the Fund's fiscal year end. Details of the current contractual expense limitation in effect can be found in Note 4 of the accompanying Notes to Financial Statements.

(a) The expense ratios exclude the impact of expenses paid to each underlying fund.

(b) Per share net investment income (loss) has been calculated using the average daily shares method.

(c) Overall increase in purchases and sales of securities.

(d) Amount is less than \$0.005.

(e) Overall decrease in purchases and sales of securities.

See notes to financial statements.

For a Share Outstanding Throughout Each Period

Total Distributions	Net Asset Value, End of Period	Total Return*	Ratios to Average Net Assets			Supplemental Data	
			Net Expenses ^{^(a)}	Net Investment Income (Loss)	Gross Expenses(a)	Net Assets, End of Period (000's)	Portfolio Turnover
(1.60)	\$12.58	19.57%	0.02%	2.41%	0.02%	\$1,551,552	29%
(1.19)	\$11.87	(8.53)%	0.02%	2.08%	0.02%	\$1,310,328	35%
(0.93)	\$14.25	18.46%	0.03%	2.15%	0.03%	\$1,424,068	32%
(0.50)	\$12.82	8.97%	0.03%	1.99%	0.03%	\$1,195,926	9%(e)
(0.31)	\$12.23	(2.71)%	0.03%	1.78%	0.03%	\$1,128,269	35%
(1.51)	\$12.84	20.16%	0.04%	2.32%	0.04%	\$ 893,030	30%
(1.22)	\$11.95	(9.02)%	0.04%	1.96%	0.04%	\$ 741,449	36%
(0.80)	\$14.45	19.39%	0.04%	2.00%	0.04%	\$ 804,921	30%
(0.50)	\$12.78	9.02%	0.05%	1.87%	0.05%	\$ 659,642	6%(e)
(0.31)	\$12.18	(2.48)%	0.04%	1.58%	0.04%	\$ 603,281	39%
(0.74)	\$12.53	20.09%	0.10%	2.30%	0.22%	\$ 116,493	29%
(0.53)	\$11.05	(9.18)%	0.10%	2.00%	0.23%	\$ 87,403	36%
(0.48)	\$12.74	19.51%	0.10%	1.95%	0.29%	\$ 77,599	37%(c)
(0.33)	\$11.07	8.80%	0.10%	1.85%	0.41%	\$ 53,142	4%(e)
(0.18)	\$10.48	(2.47)%	0.10%	1.64%	0.51%	\$ 37,963	35%

See notes to financial statements.

1. Organization:

USAA Mutual Funds Trust (the “Trust”) is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end investment company. The Trust is comprised of 47 funds and is authorized to issue an unlimited number of shares, which are units of beneficial interest with no par value. Each Fund is classified as diversified under the 1940 Act.

The accompanying financial statements are those of the following six Funds (collectively, the “Funds” and individually, a “Fund”):

<u>Funds (Legal Name)</u>	<u>Funds (Short Name)</u>
USAA Target Retirement Income Fund	Target Income
USAA Target Retirement 2020 Fund	Target 2020
USAA Target Retirement 2030 Fund	Target 2030
USAA Target Retirement 2040 Fund	Target 2040
USAA Target Retirement 2050 Fund	Target 2050
USAA Target Retirement 2060 Fund	Target 2060

Each Fund is a “fund of funds” in that it invests in a selection of affiliated mutual funds and exchange-traded funds managed by the Funds’ Adviser, Victory Capital Management Inc., an affiliate of the Fund.

Each Fund may rely on certain Securities and Exchange Commission (“SEC”) exemptive orders or rules that permit funds meeting various conditions to invest in an exchange-traded fund (ETF) in amounts exceeding limits set forth in the Investment Company Act of 1940, as amended, that would otherwise be applicable.

On November 6, 2018, United Services Automobile Association (“USAA”), the parent company of USAA Asset Management Company (“AMCO”), the investment adviser to the Funds, and USAA Transfer Agency Company, d/b/a USAA Shareholder Account Services (“SAS”), the transfer agent to the Funds, announced that AMCO and SAS would be acquired by Victory Capital Holdings Inc., a global investment management firm headquartered in Cleveland, Ohio (the “Transaction”). The Transaction closed on July 1, 2019. A special shareholder meeting was held on April 18, 2019, at which shareholders of the Funds approved a new investment advisory agreement between the Trust, on behalf of the Funds, and Victory Capital Management Inc. (“VCM” or “Adviser”). Effective July 1, 2019, VCM replaced AMCO as the investment adviser to the Funds and Victory Capital Transfer Agency Company replaced SAS as the Funds’ transfer agent. In addition, effective on that same date, shareholders of the Funds also elected the following two new directors to the Board of the Trust to serve upon the closing of the Transaction: (1) David C. Brown, to serve as an Interested Trustee; and (2) John C. Walters, to serve as an Independent Trustee.

Under the Trust’s organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds enter into contracts with their vendors and others that provide for general indemnifications. The Funds’ maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds. However, based on experience, the Funds expect that risk of loss to be remote.

2. Significant Accounting Policies:

The following is a summary of significant accounting policies followed by the Trust in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the period. Actual results could differ from those estimates. The Funds follow the specialized accounting and reporting requirements under GAAP that are applicable to investment companies under Accounting Standards Codification Topic 946.

Investment Valuation:

The Funds record investments at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The valuation techniques described below maximize the use of observable inputs and minimize the use of unobservable inputs in determining fair value. The inputs used for valuing the Funds' investments are summarized in the three broad levels listed below:

- Level 1 — quoted prices in active markets for identical securities
- Level 2 — other significant observable inputs (including quoted prices for similar securities or interest rates applicable to those securities, etc.)
- Level 3 — significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The inputs or methodologies used for valuation techniques are not necessarily an indication of the risk associated with entering into those investments.

The Trust's Board of Trustees (the "Board") has established the Pricing and Liquidity Committee (the "Committee"), and subject to Board oversight, the Committee administers and oversees the Funds' valuation policies and procedures, which are approved by the Board.

Portfolio securities listed or traded on securities exchanges, including exchange-traded funds ("ETFs"), American Depositary Receipts ("ADRs") and Rights, are valued at the closing price on the exchange or system where the security is principally traded, if available, or the over-the-counter markets, are valued at the last sales price or official closing price. If there have been no sales for that day on the exchange or system, then a security is valued at the last available bid quotation on the exchange or system where the security is principally traded. In each of these situations, valuations typically are categorized as Level 1 in the fair value hierarchy.

Investments in the underlying affiliated Funds and other open-end investment companies, other than exchange-traded funds (ETFs), are valued at their net asset value ("NAV") at the end of each business day and are categorized in Level 1 of the fair value hierarchy.

The underlying affiliated Funds have specific valuation procedures. In the event that price quotations or valuations are not readily available, are not reflective of market value, or a significant event has been recognized in relation to a security or class of securities, the securities are valued in good faith by the Committee in accordance with valuation procedures approved by the Board. The effect of fair value pricing is that securities may not be priced on the basis of quotations from the primary market in which they are traded and the actual price realized from the sale of a security may differ materially from the fair value price. Valuing these securities at fair value is intended to cause the Fund's NAV to be more reliable than it otherwise would be.

A summary of the valuations as of December 31, 2019, based upon the three levels defined above, is included in the table below while the breakdown, by category, of investments is disclosed in the Schedule of Portfolio Investments (amounts in thousands):

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Target Income				
Affiliated Exchange-Traded Funds	\$ 33,245	\$—	\$—	\$ 33,245
Affiliated Mutual Funds	304,005	—	—	304,005
Collateral for Securities Loaned	384	—	—	384
Total	<u>\$ 337,634</u>	<u>\$—</u>	<u>\$—</u>	<u>\$ 337,634</u>
Target 2020				
Affiliated Exchange-Traded Funds	60,200	—	—	60,200
Affiliated Mutual Funds	520,477	—	—	520,477
Collateral for Securities Loaned	2,728	—	—	2,728
Total	<u>\$ 583,405</u>	<u>\$—</u>	<u>\$—</u>	<u>\$ 583,405</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Target 2030				
Affiliated Exchange-Traded Funds	\$ 261,415	\$—	\$—	\$ 261,415
Affiliated Mutual Funds	1,100,814	—	—	1,100,814
Collateral for Securities Loaned	4,344	—	—	4,344
Total	<u>\$1,366,573</u>	<u>\$—</u>	<u>\$—</u>	<u>\$1,366,573</u>
Target 2040				
Affiliated Exchange-Traded Funds	387,971	—	—	387,971
Affiliated Mutual Funds	1,156,744	—	—	1,156,744
Collateral for Securities Loaned	18	—	—	18
Total	<u>\$1,544,733</u>	<u>\$—</u>	<u>\$—</u>	<u>\$1,544,733</u>
Target 2050				
Affiliated Exchange-Traded Funds	241,667	—	—	241,667
Affiliated Mutual Funds	647,942	—	—	647,942
Total	<u>\$ 889,609</u>	<u>\$—</u>	<u>\$—</u>	<u>\$ 889,609</u>
Target 2060				
Affiliated Exchange-Traded Funds	32,326	—	—	32,326
Affiliated Mutual Funds	82,885	—	—	82,885
Total	<u>\$ 115,211</u>	<u>\$—</u>	<u>\$—</u>	<u>\$ 115,211</u>

For the year ended December 31, 2019, there were no transfers in or out of the Level 3 fair value hierarchy.

Investment Companies:

Exchange-Traded Funds:

The Funds may invest in ETFs. ETFs are a type of index fund, the shares of which are bought and sold on a securities exchange. An ETF trades like common stock and represents a fixed portfolio of securities designed to track the performance and dividend yield of a particular domestic or foreign market index. The Funds may purchase shares of an ETF to temporarily gain exposure to a portion of the U.S. or a foreign market while awaiting purchase of underlying securities. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although the lack of liquidity of an ETF could result in it being more volatile. Additionally, ETFs have fees and expenses that reduce their value.

Open-End Funds:

The Funds may invest in portfolios of open-end investment companies. These investment companies value securities in their portfolios for which market quotations are readily available at their market values (generally the last reported sale price) and all other securities and assets at their fair value by the methods established by the board of directors of the underlying funds.

Investment Transactions and Related Income:

Changes in holdings of investments are accounted for no later than one business day following the trade date. For financial reporting purposes, however, investment transactions are accounted for on trade date on the last business day of the reporting period. Dividend income and capital gain distributions from the underlying USAA Funds are recorded on the ex-dividend date. Interest income is determined on the basis of coupon interest accrued using the effective interest method which adjusts, where applicable, the amortization of premiums or accretion of discount. Gains or losses realized on sales of securities are determined by comparing the identified cost of the security lot sold with the net sales proceeds.

Securities Lending:

The Funds, through a securities lending agreement with Citibank, N.A. (“Citibank”), may lend securities to qualified financial institutions, such as certain broker-dealers, to earn additional income, net of income retained by Citibank. Borrowers are required to secure their loans for collateral in the amount of at least 102% of the value of U.S. securities loaned or at least 105% of the value of non-U.S. securities loaned, marked-to-market daily. Any collateral shortfalls associated with increases in the valuation of the securities loaned are cured the next business day once the shortfall exceeds \$100 thousand. Collateral may be cash, U.S. government securities, or other securities as permitted by SEC guidelines. Cash collateral may be invested in high-quality short-term investments, primarily open-end investment companies. Collateral requirements are determined daily based on the value of the Fund’s securities on loan as of the end of the prior business day. During the time portfolio securities are on loan, the borrower will pay the Fund any dividends or interest paid on such securities plus any fee negotiated between the parties to the lending agreement. The Fund also earns a return from the collateral. The Fund pays Citibank various fees in connection with the investment of cash collateral and fees based on the investment income received from securities lending activities. Securities lending income (net of these fees) is disclosed on the Statement of Operations. Loans are terminable upon demand and the borrower must return the loaned securities within the lesser of one standard settlement period or five business days. Risks relating to securities-lending transactions include that the borrower may not provide additional collateral when required or return the securities when due, and that the value of the short-term investments will be less than the amount of cash collateral required to be returned to the borrower. The Funds’ agreement with Citibank does not include master netting provisions. Non-cash collateral received by the Fund may not be sold or re-pledged except to satisfy borrower default. Cash collateral is listed in each Fund’s Schedule of Portfolio Investments and Financial Statements while non-cash collateral is not included. The following table (amounts in thousands) is a summary of the Fund’s securities lending transactions as of December 31, 2019:

	<u>Value of Securities on Loan</u>	<u>Non-Cash Collateral</u>	<u>Cash Collateral</u>
Target Income	\$ 374	\$—	\$ 384
Target 2020	2,683	—	2,728
Target 2030	4,232	—	4,344
Target 2040	18	—	18

Federal Income Taxes:

It is each Fund’s policy to continue to qualify as a regulated investment company by complying with the provisions available to certain investment companies, as defined in applicable sections of the Internal Revenue Code, and to make distributions of net investment income and net realized gains sufficient to relieve it from all, or substantially all, federal income taxes. Accordingly, no provision for federal income taxes is required in the financial statements. The Fund has a tax year end of December 31.

Management of the Funds have reviewed tax positions taken in tax years that remain subject to examination by all major tax jurisdictions, including federal (i.e., the last four tax year ends and the interim tax period since then). Management believes that there is no tax liability resulting from unrecognized tax benefits related to uncertain tax positions taken.

Allocations:

Expenses directly attributable to the Funds are charged to the Funds, while expenses that are attributable to more than one fund in the Trust, or jointly with an affiliated trust, are allocated among the respective funds in the Trust and/or affiliated trust based upon net assets or another appropriate basis.

3. Purchases and Sales:

Cost of purchases and proceeds from sales/maturities of securities (excluding securities maturing less than one year from acquisition) for the year ended December 31, 2019, were as follows (amounts in thousands):

	Purchases (excluding U.S. Government Securities)	Sales (excluding U.S. Government Securities)
Target Income	\$ 53,914	\$ 59,214
Target 2020	159,517	186,584
Target 2030	343,962	311,327
Target 2040	463,224	414,542
Target 2050	292,520	252,553
Target 2060	44,980	29,868

There were no purchases and sales of U.S. government securities during the year ended December 31, 2019.

4. Fees and Transactions with Affiliates and Related Parties:**Investment Advisory and Management Fees:**

Effective with the Transaction on July 1, 2019, investment advisory services are provided to the Funds by the Adviser, a New York corporation registered as an investment adviser with the SEC. The Adviser is a wholly-owned indirect subsidiary of Victory Capital Holdings, Inc., a publicly traded Delaware corporation, and a wholly-owned direct subsidiary of Victory Capital Operating, LLC. The Adviser does not receive any fees from the Funds for these services.

Prior to the Transaction on July 1, 2019, AMCO provided investment management services to the Funds pursuant to an Advisory Agreement. Under this agreement, AMCO was responsible for managing the business and affairs of the Funds, and for directly managing day-to-day investment of the Funds' assets, subject to the authority of and supervision by the Board. AMCO did not receive any fees from the Funds for these services.

Administration and Servicing Fees:

Effective with the Transaction on July 1, 2019, VCM serves as the Funds' administrator and fund accountant under a Fund Administration, Servicing and Accounting Agreement, VCM does not receive any fees from the Funds for these services.

Prior to the Transaction on July 1, 2019, AMCO provided certain administration and servicing functions for the Funds. AMCO did not receive any fees from the Funds for these services.

Effective with the Transaction on July 1, 2019, the Funds (as part of the Trust) have entered into an agreement to provide compliance services with the Adviser, pursuant to which the Adviser furnishes its compliance personnel, including the services of the Chief Compliance Officer ("CCO"), and other resources reasonably necessary to provide the Trust with compliance oversight services related to the design, administration, and oversight of a compliance program for the Trust in accordance with Rule 38a-1 under the 1940 Act. The CCO is an employee of the Adviser, which pays the compensation of the CCO and support staff. Funds in the Trust, Victory Variable Insurance Funds, Victory Portfolios, and Victory Portfolios II (collectively, the "Victory Funds Complex") in the aggregate, compensates the Adviser for these services. Amounts incurred during the period from July 1, 2019 to December 31, 2019 are reflected on the Statement of Operations as Compliance fees.

Effective with the Transaction on July 1, 2019, Citi Fund Services Ohio, Inc. ("Citi"), an affiliate of Citibank, acts as sub-administrator and sub-fund accountant to the Funds pursuant to a Sub-Administration and Sub-Fund Accounting Services Agreement between VCM and Citi. VCM pays Citi a fee for providing these services. The Trust reimburses VCM and Citi for all of their reasonable out-of-pocket expenses incurred in providing these services and certain other expenses specifically allocated to the Funds under the Fund Administration, Servicing, and Accounting Agreement.

In addition to the services provided under its Administration and Servicing Agreement with the Funds, AMCO also provided certain compliance and legal services for the benefit of the Funds prior to the

Transaction on July 1, 2019. The Board approved the reimbursement of a portion of these expenses incurred by AMCO.

Transfer Agency Fees:

Effective with the Transaction on July 1, 2019, Victory Capital Transfer Agency, Inc. (“VCTA”), (formerly USAA Shareholder Account Services (“SAS”)), provides transfer agency services to the Funds. VCTA nor SAS received any fees from the Funds for these services.

Effective with the Transaction on July 1, 2019, FIS Investor Services LLC serves as sub-transfer agent and dividend disbursing agent for the Funds pursuant to a Sub-Transfer Agent Agreement between VCTA and FIS Investor Services LLC. VCTA provides FIS Investor Services LLC a fee for providing these services.

Distributor/Underwriting Services:

Effective with the Transaction on July 1, 2019, Victory Capital Advisers, Inc. (the “Distributor”), an affiliate of the Adviser, serves as distributor for the continuous offering of the shares of the Funds pursuant to a Distribution Agreement between the Distributor and the Trust.

Prior to the Transaction on July 1, 2019, USAA Investment Management Company provided exclusive underwriting and distribution of each Fund’s shares on a continuing, best-efforts basis.

Other Fees:

Prior to the Transaction on July 1, 2019, State Street Bank and Trust Company served as the Funds’ accounting agent and custodian.

Effective August 5, 2019, Citibank, N.A., serves as the Funds’ custodian.

K&L Gates LLP provides legal services to the Trust.

Effective with the Transaction on July 1, 2019, the Adviser has entered into an expense limitation agreement with the Funds until at least June 30, 2021. Under the terms of the agreement, the Adviser has agreed to waive fees or reimburse certain expenses to the extent that ordinary operating expenses incurred in any fiscal year exceed the expense limit for each respective Fund. Such excess amounts will be the liability of the Adviser. Interest, taxes, brokerage commissions, other expenditures, which are capitalized in accordance with GAAP, and other extraordinary expenses not incurred in the ordinary course of the Fund’s business are excluded from the expense limits. Effective July 1, 2019 through December 31, 2019, the expense limits (excluding voluntary waivers) are as follows:

	<u>In effect July 1, 2019 until June 30, 2021</u>
Target Income	0.07%
Target 2020	0.04%
Target 2030	0.03%
Target 2040	0.02%
Target 2050	0.04%
Target 2060	0.10%

Under this expense limitation agreement, the Funds have agreed to repay fees and expenses that were waived or reimbursed by the Adviser for a period up to three years after the fiscal year in which the waiver or reimbursement took place, subject to the lesser of any operating expense limits in effect at the time of: (a) the original waiver or expense reimbursement; or (b) the recoupment, after giving effect to the recoupment amount. As of December 31, 2019, the following amounts are available to be repaid to the Adviser. Amounts repaid to the Adviser during the year ended December 31, 2019, if any, are reflected on the Statement of Operations as “Expenses waived/reimbursed by Adviser” (amounts in thousands):

	<u>Expires December 31, 2022</u>
Target 2030	\$ 1
Target 2040	\$ 1
Target 2060	\$54

The Adviser, may voluntarily waive or reimburse additional fees to assist the Funds in maintaining competitive expense ratios. Voluntary waivers and reimbursements applicable to the Funds are not available to be recouped at a future time. There were no voluntary waivers or reimbursements for the year ended December 31, 2019.

Prior to the Transaction on July 1, 2019, AMCO agreed, through April 30, 2020, to limit the total annual operating expenses of Target 2060 to 0.10% of the average daily net assets, excluding extraordinary expenses and before reductions of any expenses paid indirectly, and to reimburse all expenses in excess of those amounts. Effective with the Transaction on July 1, 2019, this expense limit is no longer in effect. For the period from January 1, 2019 through June 30, 2019, Target 2030, Target 2040 and Target 2060 incurred reimbursements of \$1, \$1 and \$89 thousand, respectively. These amounts are reflected on the Statements of Operations as “Expenses waived/reimbursed by AMCO.”

Certain officers and/or interested trustees of the Fund are also officers and/or employees of the Adviser, Administrator, Sub-Administrator, Sub-Fund Accountant, and Legal.

5. Risks:

The Funds may be subject to other risks in addition to these identified risks.

Any investment involves risk, and there is no assurance that the each Fund’s objective will be achieved. Each Fund is actively managed and the investment techniques and risk analyses used by each Fund’s manager(s) may not produce the desired results. As you consider an investment in the Fund, you also should take into account your tolerance for the daily fluctuations of the financial markets and whether you can afford to leave your money in the Fund for long periods of time to ride out down periods. As with other mutual funds, losing money is a risk of investing in the Fund.

The risks of each Fund directly correspond to the risks of the underlying affiliated funds in which each Fund invests. By investing in the underlying affiliated funds, the Fund has exposure to the risk of many different areas of the market. The degree to which the risks described below apply to the Fund varies according to the Fund’s asset allocation. For instance, the more the Fund is allocated to stock funds, the greater the risk associated with equity securities. The Funds are also subject to asset allocation risk (i.e., the risk that allocations will not produce the intended results) and to management risk (i.e., the risk that the selection of underlying affiliated funds will not produce the intended results).

In managing a Fund that invests in underlying affiliated funds, the Adviser may have conflicts of interest in allocating the Fund’s assets among the various underlying affiliated funds. This is because the fees payable by some of the underlying affiliated funds to the Adviser and/or its affiliates are higher than the fees payable by other underlying affiliated funds, and because the Adviser also manages and administers the underlying affiliated funds.

6. Borrowing and Interfund Lending:

Line of Credit:

Effective with the Transaction on July 1, 2019, the Victory Funds Complex participates in a short-term, demand note “Line of Credit” agreement with Citibank. Under the agreement with Citibank, the Victory Funds Complex could borrow up to \$600 million, of which \$300 million is committed and \$300 million is uncommitted. \$40 million of the Line of Credit is reserved for use by the Victory Floating Rate Fund, another series of the Victory Funds Complex, with that Fund paying the related commitment fees for that amount. The purpose of the agreement is to meet temporary or emergency cash needs. Citibank receives an annual commitment fee of 0.15% on \$300 million for providing the Line of Credit. Each fund in the Victory Funds Complex pays a pro-rata portion of the commitment fees plus any interest (one month LIBOR plus one percent) on amounts borrowed. Interest charged to the Funds during the period is presented on the Statements of Operations under line of credit fees.

Prior to the Transaction on July 1, 2019, the line of credit among the Trust, with respect to its funds, and USAA Capital Corporation (“CAPCO”) terminated. For the period from January 1, 2019 to June 30, 2019, the Funds paid CAPCO the following facility fees (amounts in thousands):

Target Income	\$ 1
Target 2020	2
Target 2030	5
Target 2040	6
Target 2050	3
Target 2060	—*

* Amount is less than \$1.

The Funds had no borrowings under either agreement with Citibank or CAPCO during the year ended December 31, 2019.

Interfund Lending:

Effective with the Transaction on July 1, 2019, the Trust and Adviser rely on an exemptive order granted by the SEC in March 2017 (the "Order"), permitting the establishment and operation of an Interfund Lending Facility (the "Facility"). The Facility allows the Funds to directly lend and borrow money to or from any other Fund in the Victory Fund Complex relying upon the Order at rates beneficial to both the borrowing and lending funds. Advances under the Facility are allowed for temporary or emergency purposes. The interfund loan rate is determined, as specified in the Order, by averaging the current repurchase agreement rate and the current bank loan rate. As a Borrower, interest charged to the Fund during the period is presented on the Statements of Operations under Interest expense on Interfund lending. As a Lender, interest earned by the Fund during the period is reflected on the Statements of Operations under Income on Interfund lending.

The average borrowing and lending for the days outstanding and average interest rate for each Fund during the year ended December 31, 2019 were as follows (amounts in thousands):

	Borrower or Lender	Amount Outstanding at December 31, 2019	Average Borrowing* Rate*	Days Borrowing Outstanding	Average Interest Rate*	Maximum Borrowing During the Period
Target Income	Borrower	\$—	\$2,251	1	2.11%	\$2,251

* For the year ended December 31, 2019, based on the number of days borrowings were outstanding.

7. Federal Income Tax Information:

Distributions of net investment income, if any, are made quarterly by Target Income and annually by each of the other Funds. Distributable net realized gains, if any, are declared and paid at least annually by each Fund.

The amounts of dividends from net investment income and distributions from net realized gains (collectively distributions to shareholders) are determined in accordance with federal income tax regulations, which may differ from GAAP. To the extent these "book/tax" differences are permanent in nature (e.g., net operating loss and distribution reclassification), such amounts are reclassified within the components of net assets based on their federal tax-basis treatment; temporary differences (e.g., wash sales) do not require reclassification. To the extent dividends and distributions exceed net investment income and net realized gains for tax purposes, they are reported as distributions of capital. Net investment losses incurred by the Funds may be reclassified as an offset to capital on the accompanying Statements of Assets and Liabilities.

The following permanent reclassifications were made between capital accounts to reflect the portion of the payment made to redeeming shareholders that was claimed as a distribution for income tax purposes during the year ended December 31, 2019 (amounts in thousands):

	Total Distributable Earnings/(Loss)	Capital
Target 2020	\$(1,830)	\$1,830

The tax character of distributions paid during the tax years ended as noted below were as follows (total distributions paid may differ from the Statement of Changes in Net Assets because, for tax purposes, dividends are recognized when actually paid) (amounts in thousands):

Year Ended December 31, 2019

	Distributions paid from			Total Distributions Paid
	Ordinary Income	Net Long-Term Capital Gains	Total Taxable Distributions	
Target Income	\$ 9,126	\$ 11,680	\$ 20,806	\$ 20,806
Target 2020	14,828	42,350	57,178	57,178
Target 2030	33,422	109,581	143,003	143,003
Target 2040	36,373	142,370	178,743	178,743
Target 2050	20,107	75,541	95,648	95,648
Target 2060	2,480	4,062	6,542	6,542

Year Ended December 31, 2018

	Distributions paid from			Total Distributions Paid
	Ordinary Income	Net Long-Term Capital Gains	Total Taxable Distributions	
Target Income	\$ 9,497	\$ 9,563	\$ 19,060	\$ 19,060
Target 2020	14,608	29,915	44,523	44,523
Target 2030	29,981	65,075	95,056	95,056
Target 2040	30,920	90,380	121,300	121,300
Target 2050	16,518	53,409	69,927	69,927
Target 2060	1,800	2,212	4,012	4,012

As of the tax year ended December 31, 2019, the components of accumulated earnings (deficit) on a tax basis were as follows (amounts in thousands):

	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Accumulated Earnings	Unrealized Appreciation (Depreciation)*	Total Accumulated Earnings (Deficit)
Target Income . . .	\$ —	\$ 4,446	\$ 4,446	\$ 15,491	\$ 19,937
Target 2020	551	9,585	10,136	37,190	47,326
Target 2030	363	33,291	33,654	103,413	137,067
Target 2040	709	55,309	56,018	128,367	184,385
Target 2050	620	37,219	37,839	74,084	111,923
Target 2060	233	3,548	3,781	6,211	9,992

* The difference between the book-basis and tax-basis unrealized appreciation (depreciation) is attributable primarily to tax deferral of losses on wash sales.

During the tax year ended December 31, 2019, the Funds had no capital loss carryforwards, for federal income tax purposes.

As of December 31, 2019, the cost basis for federal income tax purposes, gross unrealized appreciation, gross unrealized depreciation, and net unrealized appreciation (depreciation) for investments were as follows (amounts in thousands):

	Cost of Investments for Federal Tax Purposes	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation (Depreciation)
Target Income . . .	\$ 322,143	\$ 17,774	\$ (2,283)	\$ 15,491
Target 2020	546,215	40,914	(3,724)	37,190
Target 2030	1,263,160	113,475	(10,062)	103,413
Target 2040	1,416,366	140,879	(12,512)	128,367
Target 2050	815,525	81,582	(7,498)	74,084
Target 2060	109,000	7,072	(861)	6,211

8. Affiliated Securities:

An affiliated security is a security in which the Fund has ownership of at least 5% of the security's outstanding voting shares or an investment company managed by VCM. The Funds do not invest in affiliated underlying funds for the purpose of exercising management or control. These underlying funds are noted as affiliated in each Fund's Schedule of Portfolio Investments. The affiliated underlying fund's annual or semiannual reports may be viewed at usaa.com. Transactions in affiliated securities during the year ended December 31, 2019 were as follows (amount in thousands):

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
Target Income								
USAA Government Securities Fund, Institutional Shares . . .	\$101,822	\$ 2,591	\$ (9,193)	\$ (40)	\$ —	\$ 3,182	\$ 98,362	\$2,585
USAA Capital Growth Fund, Institutional Shares	—	3,012	(2,170)	106	89	3	951	14
USAA Target Managed Allocation Fund	15,213	829	(825)	(85)	56	2,623	17,755	772
USAA Precious Metals and Minerals Fund, Institutional Shares . . .	—	822	—	—	—	248	1,070	—
USAA High Income Fund, Institutional Shares	7,687	499	(2,169)	(39)	—	540	6,518	460
USAA Short-Term Bond Fund, Institutional Shares	48,922	1,422	(3,862)	32	—	940	47,454	1,417
USAA Income Fund, Institutional Shares . . .	64,474	2,635	(7,687)	69	153	4,490	63,981	2,304
USAA Emerging Markets Fund, Institutional Shares . . .	1,583	—	(1,842)	21	—	238	—	—
USAA International Fund, Institutional Shares	13,133	137	(14,750)	3,763	132	(2,283)	—	4
USAA Small Cap Stock Fund, Institutional Shares	1,358	1,035	—	—	227	203	2,596	6
USAA Income Stock Fund, Institutional Shares	3,426	469	(2,106)	10	317	302	2,101	65
USAA Growth Fund, Institutional Shares . . .	5,859	847	(3,174)	1,671	795	(1,131)	4,072	52
USAA Global Managed Volatility Fund, Institutional Shares . . .	31,000	1,341	(4,262)	(102)	607	5,216	33,193	734
USAA 500 Index Fund, Reward Shares	2,884	32	(3,479)	2,338	—	(1,775)	—	32

Notes to Financial Statements — continued

USAA Mutual Funds Trust

December 31, 2019

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
Victory Trivalent International Core Equity Fund, Class R6	\$ —	\$ 3,722	\$ —	\$ —	\$ —	\$ 340	\$ 4,062	\$ 31
Victory Integrity Mid-Cap Value Fund, Class R6	—	2,951	—	—	—	234	3,185	23
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	3,645	—	—	—	—	275	3,920	109
VictoryShares USAA MSCI International Value Momentum ETF	5,555	—	—	—	—	622	6,177	215
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	830	1,088	—	—	—	171	2,089	22
VictoryShares USAA MSCI USA Value Momentum ETF	6,755	—	—	—	—	1,328	8,083	152
VictoryShares Dividend Accelerator ETF	—	3,069	—	—	—	155	3,224	19
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	—	2,459	—	—	—	118	2,577	27
VictoryShares International Volatility WTD ETF	—	1,823	—	—	—	79	1,902	18
VictoryShares Emerging Market Volatility Wtd ETF	—	1,508	—	—	—	10	1,518	13
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	—	405	—	—	—	27	432	7
VictoryShares International High Div Volatility WTD ETF	—	1,825	—	—	—	81	1,906	29
Victory Market Neutral Income Fund, Class I	—	13,570	—	—	—	186	13,756	197
Victory RS International Fund, Class R6	—	4,647	—	—	3	302	4,949	8
VictoryShares U.S. 500 Volatility Wtd ETF	—	1,397	—	—	—	20	1,417	3
USAA Value Fund, Institutional Shares	3,494	—	(3,915)	1,913	—	(1,492)	—	—
Total	\$317,640	\$54,135	\$(59,434)	\$9,657	\$2,379	\$15,252	\$337,250	\$9,318

Notes to Financial Statements — continued

USAA Mutual Funds Trust

December 31, 2019

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
Target 2020								
USAA Government Securities Fund, Institutional Shares . . .	\$141,464	\$ 19,909	\$ (2,874)	\$ (23)	\$ —	\$ 4,326	\$162,802	\$ 3,709
USAA Capital Growth Fund, Institutional Shares	—	8,001	(8,254)	253	—	—	—	—
USAA Target Managed Allocation Fund	40,424	1,609	(16,788)	866	115	6,113	32,224	1,494
USAA Precious Metals and Minerals Fund, Institutional Shares . . .	—	1,444	—	—	—	435	1,879	—
USAA High Income Fund, Institutional Shares . . .	13,660	844	(948)	26	—	919	14,501	845
USAA Short-Term Bond Fund, Institutional Shares	49,557	28,192	(1,200)	6	—	993	77,548	1,509
USAA Intermediate-Term Bond Fund, Institutional Shares . . .	105	6	(117)	22	1	(16)	—	5
USAA Income Fund, Institutional Shares . . .	87,108	17,620	(3,544)	(46)	243	6,093	107,231	3,275
USAA Emerging Markets Fund, Institutional Shares	2,783	—	(3,224)	562	—	(121)	—	—
USAA International Fund, Institutional Shares . . .	33,993	—	(37,344)	11,714	—	(8,363)	—	—
USAA Small Cap Stock Fund, Institutional Shares	4,519	866	(1,588)	323	399	431	4,551	10
USAA Income Stock Fund, Institutional Shares . . .	10,692	2,952	(8,212)	152	996	1,011	6,595	218
USAA Growth Fund, Institutional Shares . . .	19,721	2,149	(14,917)	7,803	2,020	(5,338)	9,418	128
USAA Global Managed Volatility Fund, Institutional Shares . . .	82,967	2,943	(36,840)	2,842	1,404	10,920	62,832	1,539
USAA 500 Index Fund, Reward Shares	9,701	97	(11,629)	4,854	—	(3,023)	—	98
Victory Trivalent International Core Equity Fund, Class R6	—	5,209	—	—	—	471	5,680	43
Victory Integrity Mid-Cap Value Fund, Class R6	—	12,025	(4,006)	176	—	756	8,951	64

Notes to Financial Statements — *continued*

USAA Mutual Funds Trust

December 31, 2019

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
VictoryShares USAA Core Intermediate-Term Bond ETF	\$ 1,531	\$ —	\$ —	\$ —	\$ —	\$ 123	\$ 1,654	\$ 50
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	6,108	—	(647)	(149)	—	591	5,903	180
VictoryShares USAA MSCI International Value Momentum ETF	13,873	—	(6,504)	(999)	—	2,514	8,884	516
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	2,424	—	—	—	—	469	2,893	51
VictoryShares USAA MSCI USA Value Momentum ETF	18,492	—	(9,013)	1	—	3,482	12,962	395
VictoryShares Dividend Accelerator ETF	—	8,527	—	—	—	517	9,044	64
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	—	8,232	—	—	—	393	8,625	90
VictoryShares International Volatility WTD ETF	—	4,655	(1,652)	73	—	133	3,209	40
VictoryShares Emerging Market Volatility Wtd ETF	—	2,692	—	—	—	18	2,710	23
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	—	1,297	—	—	—	85	1,382	23
VictoryShares International High Div Volatility WTD ETF	—	4,659	(1,953)	70	—	124	2,900	62
Victory Market Neutral Income Fund, Class I	—	18,556	—	—	—	254	18,810	270
Victory RS International Fund, Class R6	—	7,002	—	—	4	453	7,455	12
VictoryShares US 500 Volatility Wtd ETF . . .	—	33	—	—	—	1	34	—
USAA Value Fund, Institutional Shares . .	13,680	—	(15,331)	7,007	—	(5,356)	—	—
Total	\$552,802	\$159,519	\$(186,585)	\$35,533	\$5,182	\$19,408	\$580,677	\$14,713

Notes to Financial Statements — continued

USAA Mutual Funds Trust

December 31, 2019

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
Target 2030								
USAA Government Securities Fund, Institutional Shares . . .	\$ 210,402	\$ 6,793	\$ (7,246)	\$ (22)	\$ —	\$ 6,458	\$ 216,385	\$ 5,480
USAA Capital Growth Fund, Institutional Shares	—	26,748	(11,040)	372	1,508	27	16,107	238
USAA Target Managed Allocation Fund	120,867	6,914	—	—	471	20,454	148,235	6,444
USAA Precious Metals and Minerals Fund, Institutional Shares . . .	63	3,192	—	—	—	990	4,245	—
USAA High Income Fund, Institutional Shares . . .	25,179	1,618	—	—	—	1,748	28,545	1,618
USAA Short-Term Bond Fund, Institutional Shares	52,084	5,691	(4,610)	(17)	—	1,057	54,205	1,510
USAA Intermediate-Term Bond Fund, Institutional Shares . . .	226	12	(250)	51	2	(39)	—	10
USAA Income Fund, Institutional Shares . . .	111,377	12,623	(1,999)	66	301	7,832	129,899	4,230
USAA Emerging Markets Fund, Institutional Shares	7,208	—	(8,338)	1,430	—	(300)	—	—
USAA International Fund, Institutional Shares . . .	95,967	309	(107,550)	31,424	302	(20,150)	—	8
USAA Small Cap Stock Fund, Institutional Shares	13,931	2,542	(1,975)	35	1,478	2,351	16,884	38
USAA Income Stock Fund, Institutional Shares . . .	29,595	13,134	(22,365)	259	3,559	2,949	23,572	720
USAA Growth Fund, Institutional Shares . . .	62,384	9,302	(32,850)	13,036	8,735	(7,144)	44,728	567
USAA Global Managed Volatility Fund, Institutional Shares . . .	247,844	11,086	(25,700)	(566)	5,015	42,011	274,675	6,073
USAA 500 Index Fund, Reward Shares	30,263	339	(36,604)	16,891	—	(10,889)	—	339
Victory Trivalent International Core Equity Fund, Class R6	—	27,628	—	—	—	2,524	30,152	227

Notes to Financial Statements — continued

USAA Mutual Funds Trust

December 31, 2019

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
Victory Integrity Mid-Cap Value Fund, Class R6	\$ —	\$ 42,400	\$ —	\$ —	\$ —	\$ 3,279	\$ 45,679	\$ 329
VictoryShares USAA Core Intermediate-Term Bond ETF	4,743	541	—	—	—	378	5,662	156
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	18,030	—	—	—	—	1,361	19,391	541
VictoryShares USAA MSCI International Value Momentum ETF	40,553	—	—	—	—	4,546	45,099	1,573
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	8,947	1,739	—	—	—	1,737	12,423	196
VictoryShares USAA MSCI USA Value Momentum ETF	56,304	—	—	—	—	11,072	67,376	1,266
VictoryShares Dividend Accelerator ETF	—	31,284	—	—	—	1,701	32,985	210
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	—	28,235	—	—	—	1,346	29,581	310
VictoryShares International Volatility WTD ETF	—	14,323	—	—	—	618	14,941	140
VictoryShares Emerging Market Volatility Wtd ETF	—	8,749	—	—	—	60	8,809	76
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	—	4,377	—	—	—	288	4,665	78
VictoryShares International High Div Volatility WTD ETF	—	13,271	—	—	—	592	13,863	212
Victory Market Neutral Income Fund, Class I	—	25,676	—	—	—	352	26,028	373
Victory RS International Fund, Class R6	—	38,941	—	—	23	2,534	41,475	70
VictoryShares U.S. 500 Volatility Wtd ETF ...	—	6,493	—	—	—	127	6,620	18
USAA Value Fund, Institutional Shares ...	44,990	—	(50,798)	20,457	—	(14,649)	—	—
Total	\$1,180,957	\$343,960	\$(311,325)	\$83,416	\$21,394	\$ 65,221	\$1,362,229	\$33,050

Notes to Financial Statements — continued

USAA Mutual Funds Trust

December 31, 2019

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
Target 2040								
USAA Government Securities Fund, Institutional Shares . . .	\$ 138,037	\$ 3,587	\$ (6,002)	\$ 63	\$ —	\$ 4,187	\$ 139,872	\$ 3,580
USAA Capital Growth Fund, Institutional Shares	—	35,298	(20,372)	879	1,488	92	15,897	235
USAA Target Managed Allocation Fund	162,773	9,310	—	—	634	27,547	199,630	8,677
USAA Precious Metals and Minerals Fund, Institutional Shares . . .	58	3,564	—	—	—	1,100	4,722	—
USAA High Income Fund, Institutional Shares . . .	20,923	1,320	(1,471)	(22)	—	1,452	22,202	1,321
USAA Short-Term Bond Fund, Institutional Shares	23,324	659	(3,500)	60	—	405	20,948	657
USAA Intermediate-Term Bond Fund, Institutional Shares . . .	163	8	(180)	9	1	—	—	7
USAA Income Fund, Institutional Shares . . .	70,928	2,787	(3,781)	79	179	4,918	74,931	2,608
USAA Emerging Markets Fund, Institutional Shares	10,611	—	(12,445)	4,740	—	(2,906)	—	—
USAA International Fund, Institutional Shares . . .	129,866	1,757	(147,024)	42,679	1,710	(27,278)	—	48
USAA Small Cap Stock Fund, Institutional Shares	19,202	5,636	(2,541)	87	2,233	3,112	25,496	57
USAA Income Stock Fund, Institutional Shares . . .	41,658	17,135	(29,756)	239	4,735	4,101	33,377	966
USAA Growth Fund, Institutional Shares . . .	83,583	12,852	(42,246)	14,612	12,070	(7,000)	61,801	783
USAA Global Managed Volatility Fund, Institutional Shares . . .	334,080	15,137	(30,267)	(670)	6,846	56,708	374,988	8,291
USAA 500 Index Fund, Reward Shares	40,594	456	(49,015)	26,352	—	(18,387)	—	456
Victory Trivalent International Core Equity Fund, Class R6	—	39,976	—	—	—	3,678	43,654	328

Notes to Financial Statements — *continued*

USAA Mutual Funds Trust

December 31, 2019

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
Victory Integrity Mid-Cap Value Fund, Class R6	\$ —	\$ 57,658	\$ —	\$ —	\$ —	\$ 4,410	\$ 62,068	\$ 447
VictoryShares USAA Core Intermediate-Term Bond ETF	3,668	—	—	—	—	295	3,963	119
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	24,123	—	—	—	—	1,821	25,944	723
VictoryShares USAA MSCI International Value Momentum ETF	54,432	—	—	—	—	6,102	60,534	2,112
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	11,524	6,377	—	—	—	2,297	20,198	269
VictoryShares USAA MSCI USA Value Momentum ETF	78,526	3,075	—	—	—	15,491	97,092	1,773
VictoryShares Dividend Accelerator ETF	—	42,208	—	—	—	2,302	44,510	280
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	—	37,266	—	—	—	1,776	39,042	409
VictoryShares International Volatility WTD ETF	—	20,025	—	—	—	864	20,889	196
VictoryShares Emerging Market Volatility Wtd ETF	—	14,733	—	—	—	105	14,838	112
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	—	5,828	—	—	—	384	6,212	104
VictoryShares International High Div Volatility WTD ETF	—	20,037	—	—	—	894	20,931	320
Victory Market Neutral Income Fund, Class I	—	15,998	—	—	—	219	16,217	233
Victory RS International Fund, Class R6	—	57,195	—	—	34	3,746	60,941	102
VictoryShares U.S. 500 Volatility Wtd ETF	—	33,340	—	—	—	478	33,818	80
USAA Value Fund, Institutional Shares	58,243	—	(65,941)	26,636	—	(18,938)	—	—
Total	\$1,306,316	\$463,222	\$(414,541)	\$115,743	\$29,930	\$ 73,975	\$1,544,715	\$35,293

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
Target 2050								
USAA Government Securities Fund, Institutional Shares . . .	\$ 64,040	\$ 3,274	\$ (3,647)	\$ 30	\$ —	\$ 1,971	\$ 65,668	\$ 1,682
USAA Capital Growth Fund, Institutional Shares	—	21,277	(12,927)	630	846	56	9,036	134
USAA Target Managed Allocation Fund	98,413	5,629	—	—	383	16,654	120,696	5,247
USAA Precious Metals and Minerals Fund, Institutional Shares . . .	—	2,039	—	—	—	614	2,653	—
USAA High Income Fund, Institutional Shares . . .	1,913	103	(1,000)	22	—	107	1,145	102
USAA Short-Term Bond Fund, Institutional Shares	8,454	225	(2,500)	43	—	126	6,348	224
USAA Intermediate-Term Bond Fund, Institutional Shares . . .	124	7	(138)	7	1	—	—	5
USAA Income Fund, Institutional Shares . . .	30,496	1,219	(1,001)	41	79	2,138	32,893	1,141
USAA Emerging Markets Fund, Institutional Shares	7,030	—	(8,256)	2,768	—	(1,542)	—	—
USAA International Fund, Institutional Shares . . .	77,851	3,557	(90,399)	23,769	1,831	(14,778)	—	51
USAA Small Cap Stock Fund, Institutional Shares . . .	12,011	3,584	(2,526)	206	1,315	1,743	15,018	34
USAA Income Stock Fund, Institutional Shares . . .	23,307	12,038	(17,822)	151	2,836	2,402	20,076	579
USAA Growth Fund, Institutional Shares . . .	50,089	7,841	(24,734)	6,813	7,363	(2,305)	37,704	478
USAA Global Managed Volatility Fund, Institutional Shares . . .	202,168	10,808	(17,438)	(351)	4,194	34,530	229,717	5,079
USAA 500 Index Fund, Reward Shares	24,242	287	(29,481)	15,605	—	(10,653)	—	286
Victory Trivalent International Core Equity Fund, Class R6	—	23,406	—	—	—	2,117	25,523	192
Victory Integrity Mid-Cap Value Fund, Class R6	—	36,125	—	—	—	2,745	38,870	280

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
VictoryShares USAA Core Intermediate-Term Bond ETF	\$ 934	\$ —	\$ —	\$ —	\$ —	\$ 75	\$ 1,009	\$ 30
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	14,914	1,586	—	—	—	1,168	17,668	456
VictoryShares USAA MSCI International Value Momentum ETF	33,112	—	—	—	—	3,712	36,824	1,284
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	7,742	4,039	—	—	—	1,550	13,331	180
VictoryShares USAA MSCI USA Value Momentum ETF	44,630	6,178	—	—	—	9,048	59,856	1,061
VictoryShares Dividend Accelerator ETF	—	25,793	—	—	—	1,367	27,160	166
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	—	22,240	—	—	—	1,060	23,300	244
VictoryShares International Volatility WTD ETF	—	13,312	—	—	—	445	13,757	101
VictoryShares Emerging Market Volatility Wtd ETF	—	9,045	—	—	—	81	9,126	53
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	—	3,832	—	—	—	183	4,015	50
VictoryShares International High Div Volatility WTD ETF	—	11,151	—	—	—	497	11,648	178
Victory Market Neutral Income Fund, Class I	—	7,218	—	—	—	99	7,317	105
Victory RS International Fund, Class R6	—	33,142	—	—	20	2,136	35,278	59
VictoryShares U.S. 500 Volatility Wtd ETF ...	—	23,566	—	—	—	407	23,973	59
USAA Value Fund, Institutional Shares ...	36,056	—	(40,685)	14,778	—	(10,149)	—	—
Total	\$737,526	\$292,521	\$(252,554)	\$64,512	\$18,868	\$ 47,604	\$889,609	\$19,540

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
Target 2060								
USAA Government Securities Fund, Institutional Shares . . .	\$ 7,207	\$ 1,265	\$ —	\$ —	\$ —	\$ 244	\$ 8,716	\$ 212
USAA Capital Growth Fund, Institutional Shares	—	2,615	(1,287)	52	130	7	1,387	20
USAA Target Managed Allocation Fund	11,551	2,042	—	—	50	2,048	15,641	680
USAA Precious Metals and Minerals Fund, Institutional Shares . . .	—	254	—	—	—	76	330	—
USAA High Income Fund, Institutional Shares . . .	138	54	(200)	6	—	4	2	8
USAA Intermediate-Term Bond Fund, Institutional Shares . . .	8	—	(8)	—	—	—	—	—
USAA Income Fund, Institutional Shares . . .	3,651	245	—	—	10	265	4,161	142
USAA Emerging Markets Fund, Institutional Shares	874	—	(1,030)	138	—	18	—	—
USAA International Fund, Institutional Shares . . .	8,568	918	(10,489)	669	232	334	—	7
USAA Small Cap Stock Fund, Institutional Shares . . .	1,480	637	(303)	(38)	180	279	2,055	5
USAA Short-Term Bond Fund, Institutional Shares	916	179	(1,114)	20	—	—	1	20
USAA Income Stock Fund, Institutional Shares . . .	2,518	1,782	(2,241)	35	356	268	2,362	72
USAA Growth Fund, Institutional Shares . . .	5,800	963	(2,652)	421	904	98	4,630	59
USAA Global Managed Volatility Fund, Institutional Shares . . .	23,746	3,860	(1,657)	(30)	551	4,246	30,165	666
USAA 500 Index Fund, Reward Shares	2,877	442	(3,997)	1,030	—	(352)	—	41
Victory Trivalent International Core Equity Fund, Class R6	—	2,906	—	—	—	265	3,171	24
Victory Integrity Mid-Cap Value Fund, Class R6	—	5,051	—	—	—	381	5,432	39

Notes to Financial Statements — *continued*

USAA Mutual Funds Trust

December 31, 2019

	Fair Value 12/31/2018	Purchases at Cost	Proceeds from Sales	Realized Gain (Loss)	Capital Gain Distribution	Net Change in Unrealized Appreciation/ Depreciation	Fair Value 12/31/2019	Dividend Income
VictoryShares USAA MSCI Emerging Markets Value Momentum ETF	\$ 1,854	\$ 407	\$ —	\$ —	\$ —	\$ 148	\$ 2,409	\$ 58
VictoryShares USAA MSCI International Value Momentum ETF	4,621	191	—	1	—	524	5,337	183
VictoryShares USAA MSCI USA Small Cap Value Momentum ETF	931	570	—	—	—	195	1,696	23
VictoryShares USAA MSCI USA Value Momentum ETF	5,176	1,478	—	—	—	1,110	7,764	134
VictoryShares Dividend Accelerator ETF	—	3,302	—	—	—	175	3,477	21
VictoryShares U.S. Multi-Factor Minimum Volatility ETF	—	3,129	—	—	—	147	3,276	33
VictoryShares International Volatility WTD ETF	—	1,805	—	—	—	50	1,855	13
VictoryShares Emerging Market Volatility Wtd ETF	—	1,289	—	—	—	20	1,309	7
VictoryShares U.S. Small Cap High Div Volatility Wtd ETF	—	551	—	—	—	36	587	10
VictoryShares International High Div Volatility WTD ETF	—	1,471	—	—	—	53	1,524	19
Victory Market Neutral Income Fund, Class I	—	83	—	—	—	1	84	1
Victory RS International Fund, Class R6	—	4,458	—	—	3	290	4,748	8
VictoryShares U.S. 500 Volatility Wtd ETF ...	—	3,032	—	—	—	60	3,092	8
USAA Value Fund, Institutional Shares ...	4,315	—	(4,889)	73	—	501	—	—
Total	\$86,231	\$44,979	\$(29,867)	\$2,377	\$2,416	\$11,491	\$115,211	\$2,513

(Unaudited)

Expense Examples

As a shareholder of the Fund, you may incur two types of costs: (1) transaction costs, and (2) ongoing costs, including management fees and other Fund expenses. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

These examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from July 1, 2019 through December 31, 2019.

The **Actual Expense** figures in the table below provide information about actual account values and actual expenses. You may use the information below, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the table under the heading entitled "Actual Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

The **Hypothetical Expense** figures in the table below provide information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare this 5% hypothetical example with the 5% hypothetical examples that appear in shareholder reports of other funds.

Please note the expenses shown in the table below are meant to highlight your ongoing costs only and do not reflect any transactional costs. If these transactional costs were included, your costs would have been higher.

	Beginning Account Value 7/1/19	Actual Ending Account Value 12/31/19	Hypothetical Ending Account Value 12/31/19	Actual Expenses Paid During Period 7/1/19- 12/31/19*	Hypothetical Expenses Paid During Period 7/1/19- 12/31/19*	Annualized Expense Ratio During Period 7/1/19- 12/31/19
Target Income	\$1,000.00	\$1,034.10	\$1,024.90	\$0.31	\$0.31	0.06%
Target 2020	1,000.00	1,037.10	1,025.00	0.21	0.20	0.04%
Target 2030	1,000.00	1,050.10	1,025.10	0.10	0.10	0.02%
Target 2040	1,000.00	1,058.30	1,025.10	0.10	0.10	0.02%
Target 2050	1,000.00	1,060.50	1,025.05	0.16	0.15	0.03%
Target 2060	1,000.00	1,060.80	1,024.70	0.52	0.51	0.10%

* Expenses are equal to the average account value multiplied by the Fund's annualized expense ratio multiplied by 184/365 (the number of days in the most recent fiscal half-year divided by the number of days in the fiscal year).

Proxy Voting and Portfolio Holdings Information

Proxy Voting:

Information regarding the policies and procedures the Funds use to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling (800) 539-3863. The information is also included in the Funds' Statement of Additional Information, which is available on the SEC's website at www.sec.gov.

Information relating to how the Funds voted proxies relating to portfolio securities held during the most recent 12 months ended June 30 is available on the SEC's website at www.sec.gov.

Availability of Schedules of Portfolio Investments:

The Trust files a complete list of Schedules of Portfolio Investments with the SEC for the first and third quarter of each fiscal year on Form N-PORT. Prior to the implementation of Form N-PORT, the trust filed a complete list of Schedules of Portfolio Investments with the SEC for the first and third quarters of each fiscal year on Form N-Q. Forms N-PORT and Forms N-Q are available on the SEC's website at www.sec.gov.

*(Unaudited)***Trustee and Officer Information****Board of Trustees:**

Overall responsibility for management of the Trust rests with the Board. The Trust is managed by the Board in accordance with the laws of the state of Delaware. There are currently 10 Trustees, eight of whom are not “interested persons” of the Trust within the meaning of that term under the 1940 Act (“Independent Trustees”) and two of whom is an “interested person” of the Trust within the meaning of that term under the 1940 Act (“Interested Trustee”). The Trustees, in turn, elect the officers of the Trust to actively supervise its day-to-day operations.

The following tables list the Trustees, their ages, position with the Trust, commencement of service, principal occupations during the past five years and any directorships of other investment companies or companies whose securities are registered under the Securities Exchange Act of 1934, as amended, or who file reports under that Act. Each Trustee oversees 47 portfolios in the Trust. Each Trustee’s address is 15935 La Cantera Pkwy, Building Two, San Antonio, TX, 78256. Pursuant to a policy adopted by the Board, the term of office for each Trustee shall be until the Independent Trustee reaches age 75 or an Interested Trustee reaches age 75. The Board may change or grant exceptions from this policy at any time without shareholder approval. A Trustee may resign or be removed by a vote of the other Trustees or the holders of a majority of the outstanding shares of the Trust at any time. Vacancies on the Board can be filled by the action of a majority of the Trustees, provided that after filling such vacancy at least two-thirds of the Trustees have been elected by the shareholders.

<u>Name and Date of Birth</u>	<u>Position Held with the Trust</u>	<u>Year Commenced Service</u>	<u>Principal Occupation During Past 5 Years</u>	<u>Other Directorships Held During Past 5 Years</u>
<i>Independent Trustees.</i>				
Jefferson C. Boyce, Born September 1957	Lead Independent Trustee, and Vice Chairman	2013	Senior Managing Director, New York Life Investments, LLC (1992-2012)	Westhab, Inc
John C. Walters, Born February 1962	Trustee	2019	Retired. Mr. Walters brings significant Board experience including active involvement with the board of a Fortune 500 company, and a proven record of leading large, complex financial organizations. He has a demonstrated record of success in distribution, manufacturing, investment brokerage, and investment management in both the retail and institutional investment businesses. He has substantial experience in the investment management business with a demonstrated ability to develop and drive strategy while managing operation, financial, and investment risk.	Guardian Variable Products Trust (16 series), Lead Independent Director; Amerilife Holdings LLC, Director; Stadion Money Management; Director; University of North Carolina (Chapel Hill), Member Board of Governors.

(Unaudited)

Name and Date of Birth	Position Held with the Trust	Year Commenced Service	Principal Occupation During Past 5 Years	Other Directorships Held During Past 5 Years
Robert L. Mason, Ph.D., Born July 1946	Trustee	1997	Adjunct Professor in the Department of Management Science and Statistics in the College of Business at the University of Texas at San Antonio (since 2001); Institute Analyst, Southwest Research Institute (March 2002-January 2016)	None
Dawn M. Hawley, Born February 1954	Trustee	2014	Manager of Finance, Menil Foundation, Inc. (May 2007-June 2011), which is a private foundation that oversees the assemblage of sculptures, prints, drawings, photographs, and rare books. Director of Financial Planning and Analysis and Chief Financial Officer, AIM Management Group, Inc. (October 1987-January 2006)	None
Paul L. McNamara, Born July 1948	Trustee	2012	Director, Cantor Opportunistic Alternatives Fund, LLC (March 2010-February 2014), which is a closed-end fund of funds by Cantor Fitzgerald Investment Advisors, LLC	None

(Unaudited)

Name and Date of Birth	Position Held with the Trust	Year Commenced Service	Principal Occupation During Past 5 Years	Other Directorships Held During Past 5 Years
Richard Y. Newton III, Born January 1956	Trustee	2017	Director, Elta North America (01/18-present), which is a global leader in the design, manufacture, and support of innovative electronic systems in the ground, maritime, airborne, and security domains for the nation's warfighters, security personnel, and first responders; Managing Partner, Pioneer Partnership Development Group (December 2015-present); Executive Director, The Union League Club of New York (June 2014-November 2015); Executive Vice President, Air Force Association (August 2012-May 2014); Lieutenant General, United States Air Force (January 2008-June 2012)	None
Barbara B. Ostdiek, Ph.D., Born March 1964	Trustee	2008	Senior Associate Dean of Degree Programs at Jesse H. Jones Graduate School of Business at Rice University (since 2013); Associate Professor of Finance at Jessie H. Jones Graduate School of Business at Rice University (since 2001)	None
Michael F. Reimherr, Born August 1945	Trustee	2000	President of Reimherr Business Consulting (May 1995-December 2017); St. Mary's University Investment Committee overseeing University Endowment (since 2014)	None

(Unaudited)

Name and Date of Birth	Position Held with the Trust	Year Commenced Service	Principal Occupation During Past 5 Years	Other Directorships Held During Past 5 Years
<i>Interested Trustees.</i>				
David C. Brown, ** Born May 1972	Trustee	2019	Chairman and Chief Executive Officer (since 2013), Co-Chief Executive Officer (2011-2013), Victory Capital Management Inc.; Chairman and Chief Executive Officer, Victory Capital Holdings, Inc. (since 2013). Mr. Brown brings to the Board extensive business, finance and leadership skills gained and developed through years of experience in the financial services industry, including his tenure overseeing the strategic direction as CEO of Victory Capital. These skills, combined with Mr. Brown's extensive knowledge of the financial services industry and demonstrated success in the development and distribution of investment strategies and products, enable him to provide valuable insights to the Board and strategic direction for the Funds	Trustee, Victory Portfolios (42 series), Victory Portfolios II (26 series), Victory Variable Insurance Funds (9 series)

(Unaudited)

Name and Date of Birth	Position Held with the Trust	Year Commenced Service	Principal Occupation During Past 5 Years	Other Directorships Held During Past 5 Years
Daniel S. McNamara, ** Born June 1966	Trustee and Chair of the Board of Trustees	2012	Trustee, President, and Vice Chairman of USAA ETF Trust (June 2017-June 2019); President of Financial Advice & Solutions Group (FASG), USAA (since 2013); Director, IMCO (September 2009-April 2014); President, AMCO (August, 2011-April 2013); Senior Vice President of USAA Financial Planning Services Insurance Agency, Inc. (FPS) (since 2011) Director of USAA Investment Management Company (IMCO) (since 2009); Chairman of Board of IMCO (since 2013); Director of USAA Asset Management Company (AMCO), (August 2011-June 2019); President and Director of USAA Shareholder Account Services (SAS) (October 2009-June 2019); Director and Vice Chairman of FPS (since 2013); President and Director of USAA Investment Corporation (ICORP) (since 2010); Chairman of Board of ICORP (since 2013); Director of USAA Financial Advisors, Inc. (FAI) (since 2013); Chairman of Board of FAI (since 2015). Mr. McNamara brings to the Board extensive experience in the financial services industry, including experience as an officer of the Trust.	None

** Mr. McNamara and Mr. Brown are “Interested Persons” by reason of their relationships with the Adviser.

The Statement of Additional Information includes additional information about the Trustees of the Trust and is available, without charge, on the SEC’s website at www.sec.gov and/or by calling (800)-539-3863.

(Unaudited)

Officers:

The officers of the Trust, their ages, commencement of service and their principal occupations during the past five years, are detailed in the following table. Each officer serves until the earlier of his or her resignation, removal, retirement, death, or the election of a successor. The mailing address of each officer of the Trust is 15935 La Cantera Pkwy, Building Two, San Antonio, TX, 78256. The officers of the Trust receive no compensation directly from the Trust for performing the duties of their offices.

Name and Date of Birth	Position with the Trust	Year Commenced Service	Principal Occupation During Past 5 Years
<i>Interested Officers.</i>			
Christopher K. Dyer, Born February 1962	President	2019	Director of Fund Administration, Victory Capital (2004-present)
Scott A Stahorsky, Born July 1969	Vice President	2019	Manager, Fund Administration, Victory Capital (since 2015); Senior Analyst, Fund Administration, Victory Capital (prior to 2015)
James K. De Vries, Born April 1969	Treasurer, Principal Financial Officer	2018	Executive Director, Victory Capital Management Inc. (since 2019); Treasurer, USAA ETF Trust (September 2018-June 2019); Executive Director, Investment and Financial Administration, USAA (April 2012-June 2019); Assistant Treasurer, USAA ETF Trust (June 2017-September 2018); Assistant Treasurer, USAA Mutual Funds Trust (December 2013-February 2018)
Allan Shaer, Born March 1965	Assistant Treasurer	2019	Senior Vice President, Financial Administration, Citi Fund Services Ohio, Inc (since 2016); Vice President, Mutual Fund Administration, JP Morgan Chase (2011-2016)
Carol D. Trevino, Born October 1965	Assistant Treasurer	2018	Director, Accounting and Finance, Victory Capital Management Inc. (since 2019); Accounting/Financial Director, USAA (December 2013-June 2019); Assistant Treasurer, USAA ETF Trust (September 2018-June 2019).
Erin G. Wagner, Born February 1974	Secretary	2019	Deputy General Counsel, the Adviser (since 2013)
Charles Booth, Born April 1960	Anti-Money Laundering Compliance Officer and Identity Theft Officer	2019	Director, Regulatory Administration and CCO Support Services, Citi Fund Services Ohio, Inc.
Amy Campos, Born July 1976	Chief Compliance Officer	2019	Chief Compliance Officer, USAA Mutual Funds Trust (since 2019); Executive Director, Deputy Chief Compliance Officer, USAA Mutual Funds Trust and USAA ETF Trust (July 2017-June 2019); Compliance Director, USAA Mutual Funds Trust (2014-July 2017)

*(Unaudited)***Additional Federal Income Tax Information**

The following federal tax information related to the Fund's fiscal year ended December 31, 2019, is provided for information purposes only and should not be used for reporting to federal or state revenue agencies. Federal tax information for the calendar year will be reported to you on Form 1099-DIV in January 2020.

With respect to distributions paid, the Fund designates the following amounts (or, if subsequently determined to be different, the maximum amount allowable) for the fiscal year ended December 31, 2019 (amounts in thousands):

	Dividend Received Deduction (corporate shareholders)⁽¹⁾	Qualified Dividend Income (non-corporate shareholders)⁽¹⁾	Short-Term Capital Gain Distributions⁽²⁾	Long-Term Capital Gain Distributions⁽²⁾	Foreign Taxes Paid⁽³⁾	Foreign Source Income
Target Income . . .	7%	12%	\$ —	\$ 11,680	\$ 47	\$ 419
Target 2020 ..	10%	14%	310	44,180	70	859
Target 2030 ..	17%	24%	541	109,581	59	2,780
Target 2040 ..	20%	29%	1,250	142,370	437	3,846
Target 2050 ..	22%	31%	758	75,541	294	2,308
Target 2060 ..	21%	39%	48	4,062	151	298

(1) Presented as a percentage of net investment income.

(2) Pursuant to Section 852 of the Internal Revenue Code.

(3) The Fund has elected under Section 853 of the Internal Revenue Code to pass through the credit for taxes paid in foreign countries.

Privacy Policy

Protecting the Privacy of Information

The Trust respects your right to privacy. We also know that you expect us to conduct and process your business in an accurate and efficient manner. To do so, we must collect and maintain certain personal information about you. This is the information we collect from you on applications or other forms, and from the transactions you make with us or third parties. It may include your name, address, social security number, account transactions and balances, and information about investment goals and risk tolerance.

We do not disclose any information about you or about former customers to anyone except as permitted or required by law. Specifically, we may disclose the information we collect to companies that perform services on our behalf, such as the transfer agent that processes shareholder accounts and printers and mailers that assist us in the distribution of investor materials. We may also disclose this information to companies that perform marketing services on our behalf. This allows us to continue to offer you Victory investment products and services that meet your investing needs, and to effect transactions that you request or authorize. These companies will use this information only in connection with the services for which we hired them. They are not permitted to use or share this information for any other purpose.

To protect your personal information internally, we permit access only by authorized employees and maintain physical, electronic and procedural safeguards to guard your personal information.*

* You may have received communications regarding information about privacy policies from other financial institutions which gave you the opportunity to “opt-out” of certain information sharing with companies which are not affiliated with that financial institution. The Trust does not share information with other companies for purposes of marketing solicitations for products other than the Trust. Therefore, the Trust does not provide opt-out options to their shareholders.

15935 La Cantera Pkwy
Building Two
San Antonio, Texas 78256



Visit our website at:
usaa.com

Call
(800) 235-8396