



MUTUAL FUNDS

NOVEMBER 30, 2019

Semi Annual Report

USAA Government Securities 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.

Victory Capital means Victory Capital Management Inc., the investment manager of the USAA Mutual Funds. USAA Mutual Funds are distributed by Victory Capital Advisers, Inc., a broker dealer registered with FINRA and an affiliate of Victory Capital. Victory Capital and its affiliates are not affiliated with United Services Automobile Association or its affiliates. USAA and the USAA logos are registered trademarks and the USAA Mutual Funds and USAA Investments logos are trademarks of United Services Automobile Association and are being used by Victory Capital and its affiliates under license.

TABLE OF CONTENTS

USAA Mutual
Funds Trust

Financial Statements	
<i>Investment Objective & Portfolio Holdings</i>	2
<i>Schedule of Portfolio Investments</i>	3
<i>Statement of Assets and Liabilities</i>	10
<i>Statement of Operations</i>	11
<i>Statements of Changes in Net Assets</i>	12
<i>Financial Highlights</i>	14
Notes to Financial Statements	16
Supplemental Information	26
<i>Expense Examples</i>	26
<i>Proxy Voting and Portfolio Holdings Information</i>	26
<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.

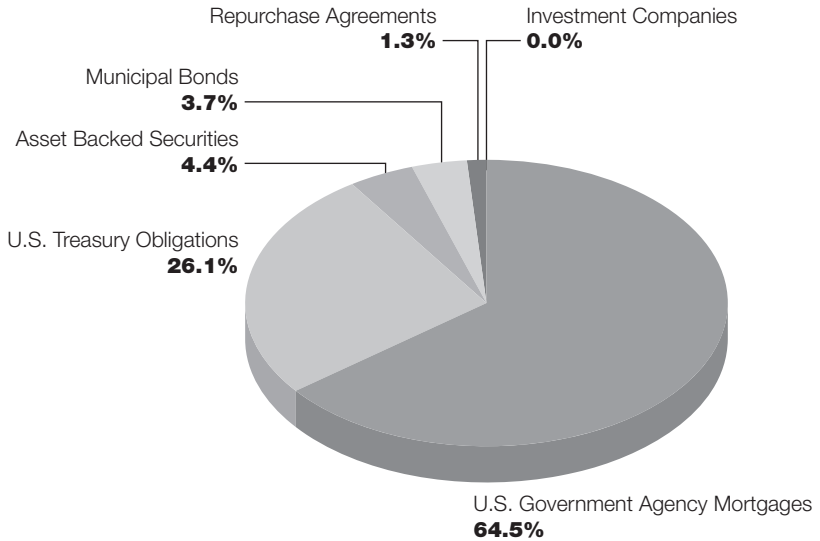
If you do not have a withholding election in place by the date of a distribution, federal income tax will be withheld from the taxable portion of your distribution at a rate of 10%. If you must pay estimated taxes, you may be subject to estimated tax penalties if your estimated tax payments are not sufficient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

For more specific information, please consult your tax adviser.

Investment Objective & Portfolio Holdings:

The Fund's investment objective is to provide investors a high level of current income consistent with preservation of principal.

**Asset Allocation:
11/30/19
(% of Net Assets)**



Percentages are of the net assets of the Fund and may not equal 100%.
Refer to the Schedule of Portfolio Investments for a complete list of securities.

(Amounts in Thousands, Except for Shares)

(Unaudited)

Security Description	Principal Amount	Value
Asset Backed Securities (4.4%)		
Goal Capital Funding Trust, Series 2005-2, Class A4, 2.11%(LIBOR03M+20bps), 8/25/44, Callable 8/25/20 @ 100 (a)	\$ 7,623	\$ 7,359
Montana Higher Education Student Assistance Corp., Series 2012-1, Class A2, 2.85%(LIBOR01M+100bps), 5/20/30, Callable 12/20/29 @ 100 (a)	7,499	7,483
Navient Student Loan Trust, Series 2014-1, Class A3, 2.22%(LIBOR01M+51bps), 6/25/31, Callable 5/25/30 @ 100 (a)	2,721	2,683
Navient Student Loan Trust, Series 2016-2, Class A2, 2.76%(LIBOR01M+105bps), 6/25/65, Callable 8/25/31 @ 100 (a) (b)	1,199	1,205
Navient Student Loan Trust, Series 2019-1, Class A1, 2.04%(LIBOR01M+33bps), 12/27/67, Callable 11/25/31 @ 100 (a) (b)	2,683	2,683
Nelnet Student Loan Trust, Series 2006-3, Class B, 2.36%(LIBOR03M+25bps), 6/25/41, Callable 9/25/24 @ 100 (a)	3,033	2,898
Nelnet Student Loan Trust, Series 2015-3, Class A2, 2.31%(LIBOR01M+60bps), 2/27/51, Callable 11/25/34 @ 100 (a) (b)	4,711	4,673
PHEAA Student Loan Trust, Series 2011-1, Class A1, 3.21%(LIBOR03M+110bps), 6/25/38, Callable 12/25/28 @ 100 (a) (b)	2,707	2,711
SLC Student Loan Trust, Series 2005-3, Class A4, 2.27%(LIBOR03M+15bps), 12/15/39, Callable 3/15/28 @ 100 (a)	7,000	6,618
SLM Student Loan Trust, Series 2006-4, Class B, 2.14%(LIBOR03M+20bps), 1/25/70, Callable 1/25/32 @ 100 (a)	4,486	4,209
SLM Student Loan Trust, Series 2013-6, Class A3, 2.36%(LIBOR01M+65bps), 6/25/55, Callable 1/25/28 @ 100 (a)	3,504	3,497
SLM Student Loan Trust, Series 2006-6, Class A3, 2.05%(LIBOR03M+11bps), 10/27/25, Callable 7/25/31 @ 100 (a)	30	30
SunTrust Student Loan Trust, Series 2006-1A, Class B, 2.21%(LIBOR03M+27bps), 10/28/37, Callable 7/28/26 @ 100 (a) (b)	1,268	1,133
Total Asset Backed Securities (Cost \$47,454)		47,182
Municipal Bonds (3.7%)		
Connecticut (0.5%):		
State of Connecticut, GO, 2.92%, 8/1/23	5,000	5,140
Kansas (0.3%):		
Kansas Development Finance Authority Revenue, Series H, 3.94%, 4/15/26	3,000	3,260
New York (1.3%):		
New York City Transitional Finance Authority Future Tax Secured Revenue, Series A3, 2.85%, 8/1/24	9,530	9,820
The Port Authority of New York & New Jersey Revenue, Series 187, 2.53%, 10/15/20	5,000	5,028
		<u>14,848</u>
Texas (1.6%):		
City of Abilene, GO 2.41%, 2/15/26 (c)	1,715	1,721
2.54%, 2/15/27 (c)	1,195	1,202
2.64%, 2/15/29 (c)	1,000	1,006

See notes to financial statements.

USAA Government Securities Fund

November 30, 2019

(Amounts in Thousands, Except for Shares)

(Unaudited)

Security Description	Principal Amount	Value
City of Houston, Texas Combined Utility System Revenue		
3.72%, 11/15/28	\$ 1,530	\$ 1,688
3.82%, 11/15/29, Continuously Callable @100	3,000	3,313
Texas Public Finance Authority State of Texas, GO		
Series C, 2.83%, 10/1/25	3,000	3,116
Series C, 3.01%, 10/1/26, Continuously Callable @100	4,000	4,174
		16,220
Total Municipal Bonds (Cost \$37,799)		39,468

U.S. Government Agency Mortgages (64.5%)

Federal Home Loan Mortgage Corporation		
Series K011, Class A2, 4.08%, 11/25/20 (g)	2,850	2,882
5.00%, 1/1/21	24	25
Series K715, Class A2, 2.86%, 1/25/21	4,890	4,904
Series K019, Class A2, 2.27%, 3/25/22	2,248	2,259
Series K026, Class A1, 1.69%, 4/25/22	1,857	1,844
Series K720, Class A2, 2.72%, 6/25/22	4,000	4,053
Series K022, Class A2, 2.36%, 7/25/22	3,000	3,029
Series K023, Class A2, 2.31%, 8/25/22	10,000	10,085
Series K026, Class A2, 2.51%, 11/25/22	5,000	5,074
Series K027, Class A2, 2.64%, 1/25/23	5,000	5,096
Series K029, Class A2, 3.32%, 2/25/23 (g)	3,000	3,119
Series K722, Class A2, 2.41%, 3/25/23	3,000	3,028
Series K725, Class A2, 3.00%, 1/25/24	5,000	5,173
Series K037, Class A2, 3.49%, 1/25/24	10,030	10,576
Series K038, Class A2, 3.39%, 3/25/24	3,000	3,160
Series K727, Class A2, 2.95%, 7/25/24	20,000	20,637
Series K052, Class A1, 2.60%, 1/25/25	3,000	3,042
Series K045, Class A2, 3.02%, 1/25/25	3,000	3,134
Series K730, Class A2, 3.59%, 1/25/25	5,000	5,316
Series K048, Class A2, 3.28%, 6/25/25 (g)	10,000	10,595
Series K056, Class A1, 2.20%, 7/25/25	4,300	4,311
Series K049, Class A2, 3.01%, 7/25/25	4,000	4,187
Series K002, Class A2, 3.37%, 7/25/25 (d)	30,000	31,802
Series K733, Class A2, 3.75%, 8/25/25	15,000	16,170
Series K051, Class A2, 3.31%, 9/25/25	20,000	21,278
Series K733, Class AM, 3.75%, 9/25/25	5,000	5,403
Series K1R1, Class A2, 2.85%, 3/25/26 (d)	7,709	8,015
Series K056, Class A2, 2.53%, 5/25/26	5,000	5,117
Series K057, Class A2, 2.57%, 7/25/26	17,000	17,443
Series K058, Class A2, 2.65%, 8/25/26 (d)	5,000	5,154
Series K061, Class A1, 3.01%, 8/25/26	2,288	2,368
Series 3987, Class A, 2.00%, 9/15/26	1,606	1,594
Series K059, Class A2, 3.12%, 9/25/26 (g)	4,500	4,761
Series K061, Class A2, 3.35%, 11/25/26 (g)	4,000	4,291
Series K066, Class A2, 3.12%, 6/25/27	3,000	3,179
Series K067, Class A2, 3.19%, 7/25/27	9,274	9,880
Series K069, Class A2, 3.19%, 9/25/27 (g)	2,879	3,067
Series K071, Class A2, 3.29%, 11/25/27	5,000	5,357
Series K076, Class A2, 3.90%, 4/25/28	7,000	7,817

See notes to financial statements.

USAA Government Securities Fund

November 30, 2019

(Amounts in Thousands, Except for Shares)

(Unaudited)

Security Description	Principal Amount	Value
Series K080, Class A2, 3.93%, 7/25/28 (g)	\$ 30,000	\$ 33,597
Series K081, Class A2, 3.90%, 8/25/28 (g)	13,000	14,548
Series K082, Class A2, 3.92%, 9/25/28 (g)	5,000	5,603
Series K084, Class A2, 3.78%, 10/25/28 (g)	10,000	11,087
Series K085, Class A2, 4.06%, 10/25/28 (g)	9,706	10,979
3.00%, 3/1/32	4,901	5,043
3.00%, 2/1/33	7,372	7,590
3.00%, 9/1/33	5,834	5,984
3.00%, 10/1/33	8,309	8,523
3.50%, 10/1/33	18,519	19,195
4.00%, 10/1/33	10,680	11,153
5.50%, 12/1/35	495	559
Series 3134, Class FA, 2.07%(LIBOR01M+30bps), 3/15/36 (a)	765	758
4.00%, 9/1/40	1,281	1,371
Series 4023, Class PF, 2.32%(LIBOR01M+55bps), 10/15/41 (a)	1,140	1,140
3.50%, 5/1/42	5,021	5,288
3.00%, 6/1/42	4,164	4,294
4.00%, 7/1/48	14,610	15,178
3.50%, 8/1/48	7,728	7,954
4.00%, 8/1/48	3,592	3,736
4.50%, 9/1/48	5,486	5,785
Series K078, Class A2, 3.85%, 6/25/51	12,500	13,922
		461,512
Federal National Mortgage Association		
1.58%, 1/1/20	9,280	9,262
3.50%, 5/1/21	330	332
2.63%, 9/1/21	10,000	10,108
2.42%, 11/1/22	20,154	20,381
2.50%, 4/1/23	8,265	8,395
Series M1, Class A2, 3.32%, 7/25/23 (g)	1,292	1,339
Series M7, Class AV2, 2.16%, 10/25/23	4,908	4,922
Series M13, Class A2, 2.80%, 6/25/25 (g)	2,356	2,431
2.13%, 4/24/26	18,000	18,380
Series M1, Class A1, 2.50%, 9/25/26 (g)	1,122	1,132
3.00%, 2/1/27	3,112	3,193
3.00%, 2/1/27	1,882	1,930
Series M8, Class A2, 3.06%, 5/25/27 (g)	4,000	4,230
Series M12, Class A2, 3.18%, 6/25/27 (g)	6,250	6,632
Series 73, Class DC, 1.50%, 7/25/27	2,886	2,846
Series 102, Class GA, 1.38%, 9/25/27	1,370	1,337
Series 100, Class BA, 1.50%, 9/25/27	1,074	1,051
Series 103, Class HB, 1.50%, 9/25/27	1,141	1,125
Series 107, Class GC, 1.50%, 10/25/27	1,249	1,223
Series M4, Class A2, 3.14%, 3/25/28 (g)	2,842	3,009
Series M10, Class A2, 3.50%, 7/25/28 (g)	8,049	8,724
Series 29, Class FY, 2.01%(LIBOR01M+30bps), 4/25/35 (a)	1,322	1,311
5.00%, 12/1/35	640	710
Series 84, Class F, 2.01%(LIBOR01M+30bps), 8/25/37 (a)	976	966
5.50%, 11/1/37	200	224
6.00%, 5/1/38	353	395

See notes to financial statements.

USAA Government Securities Fund

November 30, 2019

(Amounts in Thousands, Except for Shares)

(Unaudited)

Security Description	Principal Amount	Value
4.00%, 8/1/39	\$ 1,808	\$ 1,933
3.50%, 1/1/42	3,203	3,374
3.50%, 5/1/42	4,923	5,182
3.00%, 1/1/48	4,323	4,409
3.50%, 2/1/48	8,351	8,657
4.00%, 5/1/48	7,438	7,731
3.00%, 8/1/48	4,328	4,399
4.00%, 8/1/49 (d)	4,843	5,031
3.50%, 9/1/49 (d)	5,875	6,031
		162,335
Government National Mortgage Association		
8.50%, 6/15/21	4	4
9.00%, 7/15/21	2	2
6.00%, 8/15/22	150	157
8.00%, 12/20/22	6	6
8.00%, 6/15/23	21	22
4.50%, 4/20/24	943	977
4.50%, 5/15/24	347	361
4.50%, 9/15/24	390	406
4.50%, 9/15/24	322	335
4.50%, 10/15/24	453	473
4.50%, 10/15/24	354	369
7.00%, 5/15/27	105	115
8.00%, 5/15/27	99	106
7.50%, 2/15/28	59	64
6.00%, 4/15/28	208	227
6.50%, 5/15/28	19	20
6.50%, 5/15/28	76	81
6.75%, 5/15/28	8	8
6.50%, 7/15/28	47	51
7.00%, 7/15/28	11	12
7.00%, 8/15/28	22	25
6.50%, 9/15/28	43	45
7.00%, 9/15/28	60	65
6.00%, 11/15/28	28	30
6.50%, 11/15/28	77	81
6.50%, 1/15/29	6	7
6.50%, 1/15/29	21	22
6.00%, 2/15/29	112	119
7.50%, 3/15/29	13	15
7.50%, 4/15/29	31	33
7.00%, 5/15/29	242	273
7.00%, 6/15/29	289	326
6.00%, 7/15/29	120	132
7.50%, 10/15/29	77	87
7.50%, 10/15/29	18	19
8.00%, 7/15/30	65	69
8.00%, 8/20/30	200	234
8.00%, 9/15/30	21	24
7.00%, 9/20/30	227	259

See notes to financial statements.

USAA Government Securities Fund

November 30, 2019

(Amounts in Thousands, Except for Shares)

(Unaudited)

Security Description	Principal Amount	Value
7.50%, 1/15/31	\$ 9	\$ 9
6.50%, 3/15/31	62	66
6.00%, 3/20/31	109	122
7.50%, 4/20/31	45	53
6.50%, 5/20/31	70	80
6.50%, 7/20/31	50	58
7.00%, 8/15/31	25	25
6.50%, 8/20/31	127	145
7.00%, 9/15/31	56	64
6.50%, 10/15/31	161	177
7.00%, 10/15/31	43	47
7.50%, 11/15/31	18	19
6.50%, 1/15/32	99	111
6.50%, 4/20/32	187	216
6.00%, 5/15/32	224	245
7.00%, 6/15/32	18	20
6.50%, 6/20/32	206	238
7.00%, 7/15/32	81	93
6.50%, 8/15/32	159	181
6.00%, 8/20/32	297	337
6.50%, 9/15/32	686	784
6.00%, 9/20/32	266	301
6.00%, 1/15/33	652	736
6.00%, 2/15/33	288	325
5.50%, 4/20/33	250	278
5.00%, 5/20/33	844	912
6.00%, 7/15/33	212	238
5.00%, 7/20/33	1,024	1,106
6.00%, 9/15/33	213	237
5.50%, 10/15/33	1,788	1,999
6.00%, 10/20/33	273	310
5.50%, 12/15/33	748	835
6.00%, 12/20/33	241	266
6.00%, 2/20/34	903	1,030
5.50%, 3/20/34	853	951
6.00%, 3/20/34	787	896
5.00%, 6/20/34	669	724
5.50%, 7/15/34	471	529
6.50%, 8/20/34	619	722
6.00%, 9/20/34	538	613
6.00%, 10/20/34	1,481	1,691
6.00%, 11/20/34	95	106
5.50%, 2/20/35	3,021	3,382
5.50%, 4/20/35	2,651	2,968
5.50%, 7/20/35	1,242	1,391
5.00%, 9/20/35	1,518	1,641
5.50%, 10/15/35	1,087	1,219
6.00%, 5/20/36	515	587
5.50%, 1/20/37	514	574
5.00%, 2/20/37	312	337

See notes to financial statements.

USAA Government Securities Fund

November 30, 2019

(Amounts in Thousands, Except for Shares)

(Unaudited)

Security Description	Principal Amount	Value
6.00%, 3/15/37	\$ 234	\$ 264
6.00%, 9/15/37	118	128
5.50%, 3/15/38	468	518
5.50%, 4/15/38	895	996
6.00%, 5/15/38	245	273
6.00%, 5/15/38	476	540
6.00%, 9/15/38	310	356
6.00%, 10/15/38	297	341
6.00%, 12/15/38	456	521
5.00%, 2/15/39	271	296
5.50%, 6/15/39	1,752	1,970
4.50%, 9/15/39	2,978	3,215
4.50%, 11/15/39	1,967	2,123
4.50%, 12/15/39	3,076	3,320
4.50%, 2/15/40	9,011	9,793
4.50%, 3/15/40	1,875	2,017
4.50%, 6/15/40	1,162	1,250
4.00%, 7/15/40	657	695
4.50%, 7/15/40	1,582	1,701
4.00%, 8/15/40	981	1,048
4.00%, 9/15/40	2,456	2,600
4.00%, 11/20/40	1,812	1,937
4.50%, 1/15/41	1,896	2,039
		<u>73,596</u>
Total U.S. Government Agency Mortgages (Cost \$666,292)		697,443

U.S. Treasury Obligations (26.1%)		
U.S. Treasury Notes		
1.38%, 1/15/20	8,500	8,497
2.38%, 4/30/20	6,000	6,018
1.50%, 8/15/20	10,000	9,988
2.63%, 8/31/20	5,000	5,035
2.75%, 11/30/20	12,000	12,125
1.13%, 2/28/21	6,000	5,958
2.63%, 6/15/21	20,000	20,285
2.13%, 6/30/21	3,000	3,021
2.63%, 7/15/21	15,000	15,226
2.75%, 8/15/21	10,000	10,180
2.75%, 9/15/21	35,000	35,666
2.88%, 11/15/21	10,000	10,236
2.00%, 2/15/22	3,000	3,024
2.13%, 6/30/22	20,000	20,263
1.88%, 7/31/22	10,000	10,069
1.63%, 8/31/22	20,000	20,011
2.00%, 11/30/22	11,000	11,125
1.38%, 6/30/23	5,000	4,960
2.13%, 11/30/23	22,000	22,426
2.00%, 6/30/24	20,000	20,320
1.88%, 8/31/24	10,000	10,109
2.25%, 11/15/24	5,000	5,144

See notes to financial statements.

USAA Government Securities Fund

November 30, 2019

(Amounts in Thousands, Except for Shares)

(Unaudited)

Security Description	Shares or Principal Amount	Value
2.13%, 11/30/24	\$ 4,000	\$ 4,092
2.00%, 2/15/25	4,000	4,069
2.13%, 5/15/25	4,500	4,606
Total U.S. Treasury Obligations (Cost \$278,575)		282,453
Investment Companies (0.0%) (e)		
Federated Treasury Obligations Fund, Institutional Shares, 1.52% (f)	688	1
Total Investment Companies (Cost \$1)		1
Repurchase Agreements (1.3%)		
Credit Agricole CIB NY, 1.62%, 12/2/19, Purchased on 11/29/19, with maturity date of 12/2/19, value of \$13,767,858, collateralized by U.S. Treasury Notes, 1.38%, 1/15/20, fair value \$13,969,951	13,766,000	13,766
Total Repurchase Agreements (Cost \$13,766)		13,766
Total Investments (Cost \$1,043,887) — 100.0%		1,080,313
Liabilities in excess of other assets — 0.0% (e)		(133)
NET ASSETS — 100.00%		\$1,080,180

(a) Variable or Floating-Rate Security. Rate disclosed is as of November 30, 2019.

(b) Rule 144A security or other security that is restricted as to resale to institutional investors. The Fund's Adviser has deemed this security to be liquid, unless otherwise noted, based upon procedures approved by the Board of Trustees. As of November 30, 2019, the fair value of these securities was \$12,405 (thousands) and amounted to 1.1% of net assets.

(c) Security purchased on a when-issued basis.

(d) All or a portion of this security has been segregated as collateral for securities purchased on a when-issued basis.

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

(f) Rate disclosed is the daily yield on November 30, 2019.

(g) Variable Rate Demand Notes that provide the rights to sell the security at face value on either that day or within the rate-reset period. The interest rate is reset on the put date at a stipulated daily, weekly, monthly, quarterly, or other specified time interval to reflect current market conditions. These securities do not indicate a reference rate and spread in their description.

bps — Basis points

GO — General Obligation

LIBOR — London InterBank Offered Rate

LIBOR01M — 1 Month US Dollar LIBOR, rate disclosed as of November 30, 2019, based on the last reset date of the security

LIBOR03M — 3 Month US Dollar LIBOR, rate disclosed as of November 30, 2019, based on the last reset date of the security

See notes to financial statements.

Statement of Assets and Liabilities

USAA Mutual Funds Trust

November 30, 2019

(Amounts in Thousands, Except Per Share Amounts)

(Unaudited)

	USAA Government Securities Fund
Assets:	
Investments, at value (Cost \$1,043,887)	\$1,080,313
Receivables:	
Interest	4,209
Capital shares issued	114
From Adviser	8
Prepaid expenses	13
Total assets	1,084,657
Liabilities:	
Payables:	
Investments purchased	3,910
Capital shares redeemed	207
Accrued expenses and other payables:	
Investment Advisory fees	111
Administration fees	102
Custody fees	15
Transfer agent fees	82
Compliance fees	—(a)
12b-1 fees	1
Other accrued expenses	49
Total liabilities	4,477
Net Assets:	
Capital	1,046,030
Total distributable earnings/(loss)	34,150
Net assets	\$1,080,180
Net Assets	
Fund Shares	\$ 333,733
Institutional Shares	734,747
Adviser Shares	5,106
R6 Shares	6,594
Total	\$1,080,180
Shares (unlimited number of shares authorized with no par value):	
Fund Shares	33,645
Institutional Shares	74,057
Adviser Shares	515
R6 Shares	665
Total	108,882
Net asset value, offering and redemption price per share: (b)	
Fund Shares	\$ 9.92
Institutional Shares	\$ 9.92
Adviser Shares	\$ 9.91
R6 Shares	\$ 9.91

(a) Rounds to less than \$1.

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

See notes to financial statements.

Statement of Operations

USAA Mutual Funds Trust

For the Six Months Ended November 30, 2019

(Amounts in Thousands)

(Unaudited)

	USAA Government Securities Fund
Investment Income:	
Interest	\$15,434
Securities lending (net of fees)	—(a)
Total income	15,434
Expenses:	
Investment Advisory fees	703
Administration fees — Fund Shares	250
Administration fees — Institutional Shares	371
Administration fees — Adviser Shares	4
Administration fees — R6 Shares	2
12b-1 fees — Adviser Shares	6
Custodian fees	37
Transfer agent fees — Fund Shares	198
Transfer agent fees — Institutional Shares	371
Transfer agent fees — Adviser Shares	—(a)
Transfer agent fees — R6 Shares	—(a)
Trustees' fees	20
Compliance fees	3
Legal and audit fees	43
State registration and filing fees	33
Sub-Administration fees	9
Other expenses	27
Total expenses	2,077
Expenses waived/reimbursed by Adviser	(3)
Expenses waived/reimbursed by AMCO	(4)
Net expenses	2,070
Net Investment Income (Loss)	13,364
Realized/Unrealized Gains (Losses) from Investments:	
Net realized gains (losses) from investment securities	295
Net change in unrealized appreciation/depreciation on investment securities	8,739
Net realized/unrealized gains (losses) on investments	9,034
Change in net assets resulting from operations	\$22,398

(a) Rounds to less than \$1.

See notes to financial statements.

(Amounts in Thousands)

	USAA Government Securities Fund	
	Six Months Ended November 30, 2019 (unaudited)	Year Ended May 31, 2019
From Investments:		
Operations:		
Net investment income (loss)	\$ 13,364	\$ 23,271
Net realized gains (losses) from investments	295	(457)
Net change in unrealized appreciation (depreciation) on investments	8,739	35,278
Change in net assets resulting from operations	22,398	58,092
Distributions to Shareholders:		
Fund Shares	(4,142)	(7,783)
Institutional Shares	(9,523)	(15,121)
Adviser Shares	(56)	(103)
Class R6 Shares	(84)	(158)
Change in net assets resulting from distributions to shareholders	(13,805)	(23,165)
Change in net assets resulting from capital transactions	(10,236)	450,985
Capital Contribution from USAA Transfer Agency Company	—	1
Change in net assets	(1,643)	485,913
Net Assets:		
Beginning of period	1,081,823	595,910
End of period	\$1,080,180	\$1,081,823
Capital Transactions:		
Fund Shares		
Proceeds from shares issued	\$ 25,980	\$ 36,701
Distributions reinvested	3,790	7,207
Cost of shares redeemed	(26,692)	(58,880)
Total Fund Shares	\$ 3,078	\$ (14,972)
Institutional Shares		
Proceeds from shares issued	\$ 13,548	\$ 474,117
Distributions reinvested	9,382	15,202
Cost of shares redeemed	(36,390)	(23,341)
Total Institutional Shares	\$ (13,460)	\$ 465,978
Adviser Shares		
Proceeds from shares issued	\$ 30	\$ 110
Distributions reinvested	2	3
Cost of shares redeemed	(6)	(24)
Total Adviser Shares	\$ 26	\$ 89
Class R6 Shares		
Proceeds from shares issued	\$ 303	\$ 147
Distributions reinvested	18	35
Cost of shares redeemed	(201)	(292)
Total Class R6 Shares	\$ 120	\$ (110)
Change in net assets resulting from capital transactions	\$ (10,236)	\$ 450,985

See notes to financial statements.

(Amounts in Thousands)

	USAA Government Securities Fund	
	Six Months Ended November 30, 2019 (unaudited)	Year Ended May 31, 2019
Share Transactions:		
Fund Shares		
Issued	2,616	3,829
Reinvested	381	751
Redeemed	(2,687)	(6,159)
Total Fund Shares	310	(1,579)
Institutional Shares		
Issued	1,362	49,953
Reinvested	944	1,582
Redeemed	(3,648)	(2,450)
Total Institutional Shares	(1,342)	49,085
Adviser Shares		
Issued	4	11
Reinvested	—(a)	—(a)
Redeemed	(1)	(2)
Total Adviser Shares	3	9
Class R6 Shares		
Issued	30	15
Reinvested	2	4
Redeemed	(20)	(31)
Total Class R6 Shares	12	(12)
Change in Shares	(1,017)	47,503

(a) Rounds to less than 1.

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 Gains (Losses) on Investments	Total from Investment Activities	Net Investment Income	Total Distributions
USAA Government Securities Fund						
Fund Shares						
Six Months Ended						
November 30, 2019						
(unaudited)	\$ 9.84	0.12(d)	0.08	0.20	(0.12)	(0.12)
Year Ended May 31, 2019	\$ 9.55	0.23	0.29	0.52	(0.23)	(0.23)
Year Ended May 31, 2018	\$ 9.86	0.20	(0.31)	(0.11)	(0.20)	(0.20)
Year Ended May 31, 2017	\$10.00	0.20	(0.14)	0.06	(0.20)	(0.20)
Year Ended May 31, 2016	\$10.04	0.22	(0.04)	0.18	(0.22)	(0.22)
Year Ended May 31, 2015	\$10.02	0.25	0.03	0.28	(0.26)	(0.26)
Institutional Shares						
Six Months Ended						
November 30, 2019						
(unaudited)	\$ 9.85	0.12(d)	0.08	0.20	(0.13)	(0.13)
Year Ended May 31, 2019	\$ 9.55	0.24	0.30	0.54	(0.24)	(0.24)
Year Ended May 31, 2018	\$ 9.86	0.21	(0.31)	(0.10)	(0.21)	(0.21)
Year Ended May 31, 2017	\$10.00	0.21	(0.14)	0.07	(0.21)	(0.21)
August 7, 2015 (e)						
through May 31, 2016	\$ 9.94	0.18	0.06	0.24	(0.18)	(0.18)
Adviser Shares						
Six Months Ended						
November 30, 2019						
(unaudited)	\$ 9.84	0.10(d)	0.08	0.18	(0.11)	(0.11)
Year Ended May 31, 2019	\$ 9.54	0.21	0.30	0.51	(0.21)	(0.21)
Year Ended May 31, 2018	\$ 9.85	0.18	(0.31)	(0.13)	(0.18)	(0.18)
Year Ended May 31, 2017	\$10.00	0.17	(0.15)	0.02	(0.17)	(0.17)
Year Ended May 31, 2016	\$10.04	0.19	(0.04)	0.15	(0.19)	(0.19)
Year Ended May 31, 2015	\$10.01	0.22	0.04	0.26	(0.23)	(0.23)
Class R6 Shares						
Six Months Ended						
November 30, 2019						
(unaudited)	\$ 9.84	0.12(d)	0.08	0.20	(0.13)	(0.13)
Year Ended May 31, 2019	\$ 9.55	0.24	0.29	0.53	(0.24)	(0.24)
Year Ended May 31, 2018	\$ 9.85	0.22	(0.30)	(0.08)	(0.22)	(0.22)
December 1, 2016 (e)						
through May 31, 2017	\$ 9.80	0.11	0.05	0.16	(0.11)	(0.11)

* 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 5 of the accompanying Notes to Financial Statements.

(a) Not annualized for periods less than one year.

(b) Annualized for periods less than one year.

See notes to financial statements.

For a Share Outstanding Throughout Each Period

Redemption fees added to beneficial interests	Net Asset Value, End of Period	Total Return*(a)	Ratios to Average Net Assets			Supplemental Data	
			Net Expenses^(b)	Net Investment Income (Loss)(b)	Gross Expenses(b)	Net Assets, End of Period (000's)	Portfolio Turnover(a)(c)
—	\$ 9.92	2.05%	0.44%	2.41%	0.44%	\$333,733	5%
—	\$ 9.84	5.56%	0.47%	2.42%	0.47%	\$328,123	9%
—	\$ 9.55	(1.09)%	0.48%	2.09%	0.48%	\$333,464	15%
—	\$ 9.86	0.62%	0.48%	2.02%	0.48%	\$390,897	18%
—	\$10.00	1.80%	0.51%	2.17%	0.51%	\$432,471	14%
—	\$10.04	2.78%	0.51%	2.52%	0.51%	\$435,421	15%
—	\$ 9.92	2.09%	0.35%	2.49%	0.35%	\$734,747	5%
—	\$ 9.85	5.76%	0.38%	2.55%	0.38%	\$742,233	9%
—	\$ 9.55	(1.01)%	0.39%	2.18%	0.39%	\$251,297	15%
—	\$ 9.86	0.71%	0.40%	2.12%	0.40%	\$133,607	18%
—	\$10.00	2.39%	0.44%	2.16%	0.44%	\$106,692	14%
—	\$ 9.91	1.79%	0.75%	2.09%	0.92%	\$ 5,106	5%
—	\$ 9.84	5.37%	0.75%	2.14%	0.87%	\$ 5,042	9%
—(f)	\$ 9.54	(1.36)%	0.75%	1.82%	0.87%	\$ 4,804	15%
—	\$ 9.85	0.25%	0.75%	1.76%	0.93%	\$ 6,089	18%
—	\$10.00	1.55%	0.75%	1.93%	0.95%	\$ 5,088	14%
—(f)	\$10.04	2.58%	0.80%(g)	2.22%	1.05%	\$ 5,116	15%
—	\$ 9.91	1.99%	0.35%	2.49%	0.44%	\$ 6,594	5%
—	\$ 9.84	5.68%	0.35%	2.54%	0.51%	\$ 6,425	9%
—	\$ 9.55	(0.87)%	0.35%	2.22%	0.64%	\$ 6,345	15%
—	\$ 9.85	1.62%	0.35%	2.22%	1.12%	\$ 5,027	18%

(c) Portfolio turnover is calculated on the basis of the Fund as a whole without distinguishing between the classes of shares issued.

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

(e) Commencement of operations.

(f) Amount is less than \$0.005.

(g) Prior to October 1, 2014, AMCO voluntarily agreed to reimburse the Adviser Shares for expenses in excess of 0.90% of their average daily net assets.

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.

The accompanying financial statements are those of the USAA Government Securities Fund (the "Fund"). The Fund offers four classes of shares: Fund Shares, Institutional Shares, Adviser Shares and R6 Shares. The Fund is classified as diversified under the 1940 Act.

Each class of shares of the Fund has substantially identical rights and privileges except with respect to fees paid under distribution plans, expenses allocable exclusively to each class of shares, voting rights on matters solely affecting a single class of shares, and the exchange privilege of each class of shares.

On November 6, 2018, United Services Automobile Association ("USAA"), the parent company of USAA Asset Management Company ("AMCO"), the investment adviser to the Fund, and USAA Transfer Agency Company, d/b/a USAA Shareholder Account Services ("SAS"), the transfer agent to the Fund, 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 Fund approved a new investment advisory agreement between the Trust, on behalf of the Fund, and Victory Capital Management Inc. ("VCM" or "Adviser"). Effective July 1, 2019, VCM replaced AMCO as the investment adviser to the Fund and Victory Capital Transfer Agency Company replaced SAS as the Fund's transfer agent. In addition, effective on that same date, shareholders of the Fund 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. Effective July 1, 2019, Citibank, N.A. is the new custodian for the USAA Mutual Funds.

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 Fund. In addition, in the normal course of business, the Fund enters into contracts with its vendors and others that provide for general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund. However, based on experience, the Fund expects 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 Fund follows the specialized accounting and reporting requirements under GAAP that are applicable to investment companies under Accounting Standards Codification Topic 946.

Investment Valuation:

The Fund records 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 Fund's investments are summarized in the three broad levels listed below:

- Level 1 — quoted prices in active markets for identical securities

(Unaudited)

- 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 Fund's valuation policies and procedures, which are approved by the Board.

Investments in open-end investment companies are valued at net asset value. These valuations are typically categorized as Level 1 in the fair value hierarchy.

Debt securities of United States ("U.S.") issuers, along with corporate and municipal securities, including short-term investments maturing in 60 days or less, may be valued using evaluated bid or the last sales price to price securities by dealers or an independent pricing service approved by the Board. These valuations are typically categorized as Level 2 in the fair value hierarchy.

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. These valuations are typically categorized as Level 2 or Level 3 in the fair value hierarchy, based on the observability of inputs used to determine the fair value. 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 net asset value ("NAV") to be more reliable than it otherwise would be.

A summary of the valuations as of November 30, 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>
Asset Backed Securities	\$—	\$ 47,182	\$—	\$ 47,182
Municipal Bonds	—	39,468	—	39,468
U.S. Government Agency Mortgages . .	—	697,443	—	697,443
U.S. Treasury Obligations	—	282,453	—	282,453
Investment Companies	1	—	—	1
Repurchase Agreements	—	13,766	—	13,766
Total	<u>\$ 1</u>	<u>\$1,080,312</u>	<u>\$—</u>	<u>\$1,080,313</u>

Investment Companies:

The Fund 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.

Securities Purchased on a Delayed-Delivery or When-Issued Basis:

The Fund may purchase securities on a delayed-delivery or when-issued basis. Delivery and payment for securities that have been purchased by the Fund on a delayed-delivery or when-issued basis or for delayed draws on loans can take place a month or more after the trade date. At the time the Fund makes the commitment to purchase a security on a delayed-delivery or when-issued basis, the Fund records the transaction and reflects the value of the security in determining net asset value. No interest

(Unaudited)

accrues to the Fund until the transaction settles and payment takes place. A segregated account is established and the Fund maintains cash and/or marketable securities at least equal in value to commitments for delayed-delivery or when-issued securities. If the Fund owns delayed-delivery or when-issued securities, these values are included in “Payable for investments purchased” on the accompanying Statement of Assets and Liabilities and the segregated assets are identified in the Schedule of Portfolio Investments.

Municipal Obligations:

The values of municipal obligations can fluctuate and may be affected by adverse tax, legislative, or political changes, and by financial developments affecting municipal issuers. Payment of municipal obligations may depend on a relatively limited source of revenue, resulting in greater credit risk. Future changes in federal tax laws or the activity of an issuer may adversely affect the tax-exempt status of municipal obligations.

Mortgage- and Asset-Backed Securities:

The values of some mortgage-related or asset-backed securities may be particularly sensitive to changes in prevailing interest rates. Early repayment of principal on some mortgage-related securities may expose the Fund to a lower rate of return upon reinvestment of principal. The values of mortgage and asset-backed securities depend in part on the credit quality and adequacy of the underlying assets or collateral and may fluctuate in response to the market’s perception of these factors as well as current and future repayment rates. Some mortgage-backed securities are backed by the full faith and credit of the U.S. government (e.g., mortgage-backed securities issued by the Government National Mortgage Association, commonly known as “Ginnie Mae”), while other mortgage-backed securities (e.g., mortgage-backed securities issued by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, commonly known as “Fannie Mae” and “Freddie Mac”), are backed only by the credit of the government entity issuing them. In addition, some mortgage-backed securities are issued by private entities and, as such, are not guaranteed by the U.S. government or any agency or instrumentality of the U.S. government.

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. 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 Fund, through a securities lending agreement with Citibank, N.A. (“Citibank”), may lend its 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 \$100,000. 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

(Unaudited)

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 Fund's 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 the Fund's Portfolio of Investments and Financial Statements while non-cash collateral is not included.

At November 30, 2019, the Fund had no securities on loan.

Federal Income Taxes:

It is the 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 May 31.

Management of the Fund has reviewed tax positions taken in tax years that remain subject to examination by all major tax jurisdictions, including federal (i.e., all open tax years 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 Fund are charged to the Fund, while expenses which 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.

Income, expenses (other than class-specific expenses such as transfer agent fees, state registration fees, printing and 12b-1 fees), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets on the date income is earned or expenses and realized and unrealized gains and losses are incurred.

Cross-Trade Transactions:

Pursuant to Rule 17a-7 under the 1940 Act, the Fund may engage in cross-trades which are securities transactions with affiliated investment companies and advisory accounts managed by the Adviser and any applicable sub-adviser. Any such purchase or sale transaction must be effected without brokerage commission or other remuneration, except for customary transfer fees. The transaction must be effected at the current market price, which is either the security's last sale price on an exchange or, if there are no transactions in the security that day, at the average of the highest bid and lowest asked price. For the six months ended November 30, 2019, the Fund did not engage in any Rule 17a-7 transactions under the 1940 Act.

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 six months ended November 30, 2019 were as follows for the Fund (amounts in thousands):

Excluding		U.S. Government Securities	
U.S. Government Securities			
Purchases	Sales	Purchases	Sales
\$20,238	\$16,557	\$28,536	\$44,412

*(Unaudited)***4. Affiliated Fund Ownership:**

The Fund offers its shares for investment by other USAA funds. The USAA fund-of-funds do not invest in the underlying funds for the purpose of exercising management or control, and the affiliated fund-of-funds' annual and semiannual reports may be viewed at usaa.com. As of November 30, 2019, certain USAA fund-of-funds owned total outstanding shares of the Fund:

<u>Affiliated USAA Fund</u>	<u>Ownership %</u>
Cornerstone Conservative Fund	5.8
Target Retirement Income Fund	13.5
Target Retirement 2020 Fund	19.9
Target Retirement 2030 Fund	29.4
Target Retirement 2040 Fund	19.0
Target Retirement 2050 Fund	8.9
Target Retirement 2060 Fund	1.2

5. 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 Fund by the Adviser, a New York corporation registered as an investment adviser with the Securities and Exchange Commission ("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. Under the terms of the Investment Advisory Agreement, the Adviser is entitled to receive a base fee and a performance adjustment. The Fund's base fee is accrued daily and paid monthly at an annualized rate of 0.125% of average daily net assets. Amounts incurred and paid to VCM from July 1, 2019 through November 30, 2019 are \$568 thousand and are reflected on the Statement of Operations as Investment Advisory fees.

Prior to the Transaction on July 1, 2019, AMCO provided investment management services to the Fund pursuant to an Advisory Agreement. Under this agreement, AMCO was responsible for managing the business and affairs of the Fund, and for directly managing day-to-day investment of the Fund's assets, subject to the authority of and supervision by the Board. The investment management fee for the Fund was comprised of a base fee and a performance adjustment. The Fund's base fee was accrued daily and paid monthly at an annualized rate of 0.125% of the Fund's average daily net assets.

Effective with the Transaction on July 1, 2019, no performance adjustments will be made for periods beginning July 1, 2019, through June 30, 2020. Only performance beginning as of July 1, 2019, and thereafter will be utilized in calculating future performance adjustments.

Prior to the Transaction on July 1, 2019, the performance adjustment for each share class was calculated monthly by comparing the Fund's performance to that of the Lipper Intermediate U.S. Government Funds Index. The Lipper Intermediate U.S. Government Funds Index measures the total return performance of funds tracked by Lipper that invest 65% of fund assets in securities issued or guaranteed by the U.S. government, its agency, or its instrumentalities, with dollar-weighted average maturities of five to ten years. The performance period for each share class consists of the current month plus the previous 35 months (or the number of months beginning July 1, 2019, if fewer). The following table is utilized to determine the extent of the performance adjustment:

<u>Over/Under Performance Relative to Index (in basis points)^(a)</u>	<u>Annual Adjustment Rate (in basis points)^(a)</u>
+/- 20 to 50	+/- 4
+/- 51 to 100	+/- 5
+/- 101 and greater	+/- 6

(Unaudited)

^(a) Based on the difference between average annual performance of the relevant share class of the Fund and its relevant index, rounded to the nearest basis point. Average daily net assets of the share class are calculated over a rolling 36-month period.

Each class' annual performance adjustment rate is multiplied by the average daily net assets of each respective class over the entire performance period, which is then multiplied by a fraction, the numerator of which is the number of days in the month and the denominator of which is 365 (366 in leap years). The resulting amount is then added to (in the case of overperformance), or subtracted from (in the case of underperformance) the base fee.

Under the performance fee arrangement, each class pays a positive performance fee adjustment for a performance period whenever the class outperforms the Lipper Intermediate U.S. Government Funds Index over that period, even if the class has overall negative returns during the performance period.

For the period June 1, 2019 through June 30, 2019, performance adjustments for Fund Shares, Institutional Shares, Adviser Shares, and R6 Shares were \$0, \$0, \$0, and less than \$(1) thousand, respectively and 0.00%, 0.00%, 0.00%, and less than (0.005%) of net assets, respectively. Base fees incurred and paid to AMCO from June 1, 2019 through June 30, 2019 were \$135 thousand and reflected on the Statement of Operations as Investment Advisory fees.

Effective with the Transaction on July 1, 2019, the Trust relies on an exemptive order granted to VCM and its affiliated funds by the SEC in March 2019 permitting the use of a "manager-of-managers" structure for certain funds. Prior to that date, the Trust relied on a similar exemptive order granted by the SEC to the Trust and its affiliated persons. Under a manager of managers structure, the investment adviser may select (with approval of the Board and without shareholder approval) one or more subadvisers to manage the day-to-day investment of a fund's assets. For the six months ended November 30, 2019, the Fund had no subadvisers.

Administration and Servicing Fees:

Effective with the Transaction on July 1, 2019, VCM serves as the Fund's administrator and fund accountant. Under the Fund Administration, Servicing and Accounting Agreement, VCM is paid for its services an annual fee at a rate of 0.15% of average daily net assets for both the Fund Shares and Adviser Shares, 0.10% of average daily net assets of the Institutional Shares, and 0.05% of average daily net assets of the R6 Shares. Amounts incurred from July 1, 2019 through November 30, 2019 are \$210, \$310, \$3, and \$2 thousand for Fund Shares, Institutional Shares, Adviser Shares, and R6 Shares, respectively. These amounts are presented on the Statement of Operations as Administration fees.

Prior to the Transaction on July 1, 2019, AMCO provided certain administration and servicing functions for the Fund. For such services, AMCO received a fee accrued daily and paid monthly at an annualized rate of 0.15% of average daily net assets for both the Fund Shares and Adviser Shares, 0.10% of average daily net assets of the Institutional Shares, and 0.05% of average daily net assets of the R6 Shares. Amounts incurred from June 1, 2019 through June 30, 2019 are \$40, \$61, \$1, and less than \$1 thousand for Fund Shares, Institutional Shares, Adviser Shares, and R6 Shares, respectively. These amounts are presented on the Statement of Operations as Administration fees.

Effective with the Transaction on July 1, 2019, the Fund (as part of the Trust) has 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 November 30, 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 Fund pursuant to a Sub-Administration and

(Unaudited)

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 Fund, AMCO also provided certain compliance and legal services for the benefit of the Fund 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 Fund. VCTA, an affiliate of the Adviser, provides transfer agent services to the Fund Shares and Adviser Shares based on an annual charge of \$25.50 per shareholder account plus out-of-pocket expenses. VCTA pays a portion of these fees to certain intermediaries for the administration and servicing of accounts that are held with such intermediaries. Transfer agent’s fees for Institutional Shares and R6 Shares are paid monthly based on a fee accrued daily at an annualized rate of 0.10% of the Institutional Shares’ and 0.01% of the R6 Shares’ average daily net assets, plus out-of-pocket expenses. Amounts incurred and paid to VCTA from July 1, 2019 through November 30, 2019 was \$164, \$310, less than \$1, and less than \$1 thousand for the Fund Shares, Institutional Shares, Adviser Shares, and R6 Shares, respectively. Amounts incurred and paid to SAS from June 1, 2019 through June 30, 2019 was \$34, \$61, less than \$1, and less than \$1 thousand for the Fund Shares, Institutional Shares, Adviser Shares, and R6 Shares, respectively. These amounts are reflected on the Statement of Operations as Transfer Agent fees.

Effective with the Transaction on July 1, 2019, FIS Investor Services LLC serves as sub-transfer agent and dividend disbursing agent for the Fund 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.

Distribution and Service 12b-1 Fees:

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 Adviser Shares pursuant to a Distribution Agreement between the Distributor and the Trust. Pursuant to the Distribution and Service Plans adopted in accordance with Rule 12b-1 under the 1940 Act, the Distributor may receive a monthly distribution and service fee, at an annual rate of up to 0.25% of the average daily net assets of the Adviser Shares. Amounts incurred and paid to the Distributor from July 1, 2019 through November 30, 2019 are \$5 thousand and reflected on the Statement of Operations as 12b-1 Fees.

Adviser Shares are offered and sold without imposition of an initial sales charge or a contingent deferred sales charge.

Prior to the Transaction on July 1, 2019, the Fund adopted a plan pursuant to Rule 12b-1 under the 1940 Act with respect to the Adviser Shares. Under the plan, the Adviser Shares paid fees to USAA Investment Management Company (“IMCO”), the distributor, for distribution and shareholder services. IMCO paid all or a portion of such fees to intermediaries that made the Adviser Shares available for investment by their customers. The fee was accrued daily and paid monthly at an annual rate of 0.25% of the Adviser Shares’ average daily net assets. IMCO also provided exclusive underwriting and distribution of the Fund’s shares on a continuing best-efforts basis and received no fee or other compensation for these services, but may have received 12b-1 fees as described above, with respect to Adviser Shares. Amounts incurred and paid to IMCO from June 1, 2019 through June 30, 2019 were \$1 thousand and reflected on the Statement of Operations as 12b-1 Fees.

Other Fees:

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

Effective July 1, 2019, Citibank, N.A., serves as the Fund's 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 Fund 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 by certain classes of the Fund in any fiscal year exceed the expense limit for such classes of the 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 November 30, 2019, the expense limit (excluding voluntary waivers) is 0.48%, 0.39%, 0.75% and 0.35% for the Fund Shares, Institutional Shares, Adviser Shares, and R6 Shares, respectively.

Under this expense limitation agreement, the Fund has 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 November 30, 2019, the following amounts are available to be repaid to the Adviser (amounts in thousands). Amounts repaid to the Adviser during the six months ended November 30, 2019, if any, are reflected on the Statement of Operations as "Recoupment of prior expenses waived/reimbursed by Adviser".

Expires 05/31/2023

\$3

The Adviser, may voluntarily waive or reimburse additional fees to assist the Fund in maintaining competitive expense ratios. Voluntary waivers and reimbursements applicable to the Fund are not available to be recouped at a future time. There were no voluntary waivers or reimbursements for the six months ended November 30, 2019.

Prior to the Transaction on July 1, 2019, AMCO agreed, through September 30, 2019, to limit the total annual operating expenses of the Adviser Shares and R6 Shares to 0.75% and 0.35%, respectively, of their average daily net assets, excluding extraordinary expenses and before reductions of any expenses paid indirectly, and to reimburse the Adviser Shares and R6 Shares for all expenses in excess of those amounts. Effective with the Transaction on July 1, 2019, these expense limits are no longer in effect. This amount is reflected on the Statement 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.

6. Risks:

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

The Fund is subject to the risk that the value of its investments will fluctuate because of changes in interest rates, changes in supply of and demand for fixed-income securities, or other market factors. If interest rates increase, the yield of the Fund may increase and the market value of the Fund's securities may decline, adversely affecting the Fund's net asset value ("NAV") and total return. If interest rates decrease, the yield of the Fund may decrease.

In addition, the market value of the Fund's securities may increase, which may increase the Fund's NAV and total return. In addition, market developments and other factors, including a general rise in interest rates, have the potential to cause investors to move out of fixed-income securities on a large

(Unaudited)

scale, which may increase redemptions from mutual funds that hold large amounts of fixed-income securities. Such a move, coupled with a reduction in the ability or willingness of dealers and other institutional investors to buy or hold fixed-income securities, may result in decreased liquidity and increased volatility in the fixed-income markets. Heavy redemptions of fixed-income mutual funds and decreased liquidity of fixed-income securities could hurt the Fund's performance.

The Fund is subject to legislative risk, which is the risk that changes in government policies may affect the value of the investments held by the Fund in ways we cannot anticipate, and that such policies could have an adverse impact on the value of the Fund's investments and the Fund's NAV.

7. 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 Fund during the period is presented on the Statement 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 June 1, 2019 to June 30, 2019, the Fund paid CAPCO facility fees of \$2 thousand.

The Fund had no borrowings under either agreement with Citibank or CAPCO during the six months ended November 30, 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 Fund 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 Statement of Operations under Interest expense on Interfund lending. As a Lender, interest earned by the Fund during the period is presented on the Statement of Operations under Income on Interfund lending.

The Fund did not utilize or participate in the Facility during the period July 1, 2019 through November 30, 2019.

8. Federal Income Tax Information:

The Fund intends to declare daily and distribute any net investment income monthly. Distributable net realized gains, if any, are declared and paid at least annually.

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

(Unaudited)

(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 Fund may be reclassified as an offset to capital on the accompanying Statement of Assets and Liabilities.

The tax character of current year distributions paid and the tax basis of the current components of accumulated earnings (deficit) will be determined at the end of the current tax year ending May 31, 2020.

The tax character of distributions paid during the most recent tax year ended 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).

<u>Year Ended May 31, 2019</u>	
<u>Distributions paid from</u>	
<u>Ordinary Income</u>	<u>Total Distributions Paid</u>
\$23,165	\$23,165

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

<u>Undistributed Ordinary Income</u>	<u>Accumulated Capital and Other Losses</u>	<u>Unrealized Appreciation (Depreciation)**</u>	<u>Total Accumulated Earnings (Deficit)</u>
\$174	\$(2,278)	\$27,688	\$25,584

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

As of the most recent tax year ended May 31, 2019, the Fund had net capital loss carryforwards ("CLCFs") not limited as a result of changes in Fund ownership during the year and in prior years and with no expiration date as summarized in the table below (amounts in thousands).

<u>Short-Term Amount</u>	<u>Long-Term Amount</u>	<u>Total</u>
\$1,533	\$745	\$2,278

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 Fund 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 June 1, 2019 through November 30, 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 6/1/19	Actual Ending Account Value 11/30/19	Hypothetical Ending Account Value 11/30/19	Actual Expenses Paid During Period 6/1/19- 11/30/19*	Hypothetical Expenses Paid During Period 6/1/19- 11/30/19*	Annualized Expense Ratio During Period 6/1/19- 11/30/19
Fund Shares	\$1,000.00	\$1,020.50	\$1,022.80	\$2.22	\$2.23	0.44%
Institutional Shares	1,000.00	1,020.90	1,023.25	1.77	1.77	0.35%
Adviser Shares	1,000.00	1,017.90	1,021.25	3.78	3.79	0.75%
R6 Shares	1,000.00	1,019.90	1,023.25	1.77	1.77	0.35%

* Expenses are equal to the average account value multiplied by the Fund's annualized expense ratio multiplied by 183/366 (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 Fund uses 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 Fund's Statement of Additional Information, which is available on the SEC's website at www.sec.gov.

Information relating to how the Fund 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.

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