

A black and white photograph of several classical columns, likely from a government building or a museum. The columns are fluted and have papyrus capitals. They are arranged in a row, receding into the distance. The lighting is dramatic, with strong shadows and highlights, creating a sense of depth and grandeur.

SEMIANNUAL REPORT

**USAA CORNERSTONE MODERATE FUND (USBSX)
NOVEMBER 30, 2017**

TABLE OF CONTENTS

Fund Objective	1
Investment Overview	2
Financial Information	
Portfolio of Investments	4
Notes to Portfolio of Investments	31
Financial Statements	37
Notes to Financial Statements	40
Expense Example	56

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 USAA Asset Management Company. It may be used as sales literature only when preceded or accompanied by a current prospectus, which provides further details about the Fund.

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FUND OBJECTIVE

The USAA Cornerstone Moderate Fund (the Fund) seeks high total return.

Types of Investments

The Fund invests in equity securities, bonds, money market instruments, and other instruments including derivatives. The Fund has a target asset class allocation of approximately 50% equity securities and 50% fixed-income securities. The actual asset class allocation can deviate from time to time from these targets as market conditions warrant. The Fund's asset allocation is actively managed by adjusting the Fund's investments among asset classes that the Fund's manager(s) deems appropriate, using a combination of active security selection, quantitative investing strategies, and investments in active and passive exchange-traded funds (ETFs) and futures. The implementation of the asset allocation may involve the extensive use of equity and fixed-income ETFs. The Fund may invest in securities issued by domestic or foreign companies. The Fund also may invest in investment-grade and below-investment-grade ("junk" or high-yield) fixed-income securities.

The Fund's investments also include real estate investment trusts (REITs), investments that provide exposure to commodities (such as ETFs or national resources companies), and derivatives, including futures and options. Derivatives may be utilized by the Fund to reduce its volatility over time, to enhance returns, or to provide diversification.

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) 531-USAA (8722) or (210) 531-8722.

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 OVERVIEW

■ TOP 10 HOLDINGS* – 11/30/17 ■

(% of Net Assets)

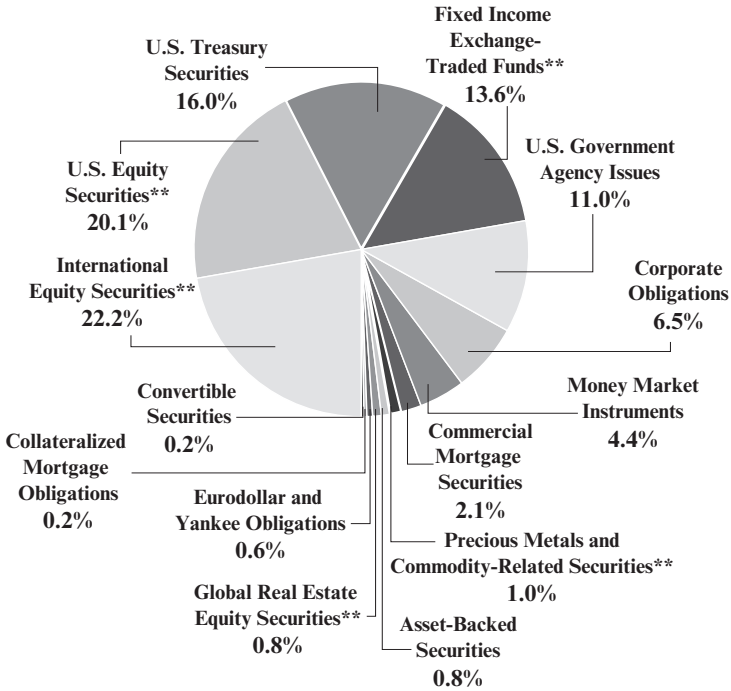
Vanguard Short-Term Corporate Bond ETF**	5.6%
U.S. Treasury Bond, 3.13%, 8/15/2044	4.0%
Schwab Fundamental International Large Co. Index ETF**	3.6%
U.S. Treasury Bond, 3.00%, 5/15/2045	3.4%
Vanguard FTSE Developed Markets ETF**	3.0%
Vanguard Total Bond Market ETF**	2.7%
iShares Core MSCI EAFE ETF**	2.4%
U.S. Treasury Note, 1.13%, 2/28/2021	2.4%
iShares Core MSCI Emerging Markets ETF**	2.2%
U.S. Treasury Note, 1.63%, 2/15/2026	2.0%

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

** The 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.

You will find a complete list of securities that the Fund owns on pages 4-30.

■ **ASSET ALLOCATION* – 11/30/17** ■



Percentages are of the net assets of the Fund and may not equal 100%.

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

** The 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.

You will find a complete list of securities that the Fund owns on pages 4-30.

PORTFOLIO OF INVESTMENTS

November 30, 2017 (unaudited)

Number of Shares	Security	Market Value (000)
U.S. EQUITY SECURITIES (20.1%)		
COMMON STOCKS (11.4%)		
<u>Consumer Discretionary (1.6%)</u>		
Apparel Retail (0.2%)		
9,230	American Eagle Outfitters, Inc.	\$ 148
11,280	Buckle, Inc. ^(a)	251
4,880	Caleres, Inc.	159
13,730	Foot Locker, Inc.	588
21,710	Gap, Inc.	702
4,790	TJX Companies, Inc.	362
		<u>2,210</u>
Auto Parts & Equipment (0.1%)		
8,810	American Axle & Manufacturing Holdings, Inc.*	158
1,650	Cooper-Standard Holdings, Inc.*	208
11,570	Gentex Corp.	237
1,760	LCI Industries	231
3,490	Lear Corp.	631
		<u>1,465</u>
Automobile Manufacturers (0.1%)		
910	Tesla, Inc.*	281
1,950	Thor Industries, Inc.	299
		<u>580</u>
Automotive Retail (0.0%)		
2,280	Asbury Automotive Group, Inc.*	150
1,900	Group 1 Automotive, Inc.	154
1,500	Lithia Motors, Inc. "A"	176
		<u>480</u>
Broadcasting (0.1%)		
5,225	CBS Corp. "B"	293
29,290	Discovery Communications, Inc. "A"*	557
3,436	Entercom Communications Corp. "A"	40
14,470	Gray Television, Inc.*	208
6,610	Sinclair Broadcast Group, Inc. "A" ^(a)	225
		<u>1,323</u>

Number of Shares	Security	Market Value (000)
Cable & Satellite (0.1%)		
26,840	Comcast Corp. "A"	\$ 1,008
Computer & Electronics Retail (0.0%)		
5,680	GameStop Corp. "A" ^(a)	107
Department Stores (0.1%)		
10,470	Kohl's Corp.	502
23,550	Macy's, Inc.	561
		<u>1,063</u>
Education Services (0.1%)		
3,580	Adtalem Global Education, Inc.	148
2,140	Capella Education Co.	183
400	Graham Holdings Co. "B"	233
		<u>564</u>
General Merchandise Stores (0.1%)		
2,860	Big Lots, Inc.	169
8,400	Target Corp.	503
		<u>672</u>
Home Improvement Retail (0.1%)		
4,970	Home Depot, Inc.	894
3,860	Lowe's Companies, Inc.	322
		<u>1,216</u>
Homebuilding (0.2%)		
410	NVR, Inc.*	1,425
6,630	Toll Brothers, Inc.	334
14,200	TRI Pointe Group, Inc.*	257
		<u>2,016</u>
Homefurnishing Retail (0.0%)		
22,320	Bed Bath & Beyond, Inc.	500
Hotels, Resorts & Cruise Lines (0.2%)		
12,100	Carnival Corp.	794
8,880	ILG, Inc.	250
4,680	Marriott International, Inc. "A"	594
1,760	Marriott Vacations Worldwide Corp.	236
5,200	Royal Caribbean Cruises Ltd.	644
		<u>2,518</u>
Movies & Entertainment (0.0%)		
14,630	Viacom, Inc. "B"	414
Publishing (0.0%)		
2,920	Meredith Corp.	199

Number of Shares	Security	Market Value (000)
	Restaurants (0.1%)	
3,880	Cheesecake Factory, Inc. ^(a)	\$ 190
4,320	DineEquity, Inc.	198
4,150	McDonald's Corp.	714
		<u>1,102</u>
	Specialty Stores (0.1%)	
16,840	Dick's Sporting Goods, Inc.	496
16,610	Hibbett Sports, Inc.*	331
24,730	Office Depot, Inc.	81
		<u>908</u>
	Tires & Rubber (0.0%)	
4,220	Cooper Tire & Rubber Co.	155
	Total Consumer Discretionary	<u>18,500</u>
	Consumer Staples (0.9%)	
	Agricultural Products (0.1%)	
11,250	Archer-Daniels-Midland Co.	448
3,890	Ingredion, Inc.	539
		<u>987</u>
	Brewers (0.0%)	
5,790	Molson Coors Brewing Co. "B"	<u>452</u>
	Distillers & Vintners (0.0%)	
6,980	Brown-Forman Corp. "B"	<u>417</u>
	Drug Retail (0.1%)	
6,340	CVS Health Corp.	<u>486</u>
	Food Distributors (0.0%)	
3,480	Spartannash Co.	<u>88</u>
	Food Retail (0.0%)	
17,000	Kroger Co.	<u>440</u>
	Household Products (0.1%)	
16,870	Procter & Gamble Co.	<u>1,518</u>
	Hypermarkets & Super Centers (0.1%)	
2,310	Costco Wholesale Corp.	426
5,530	Wal-Mart Stores, Inc.	538
		<u>964</u>
	Packaged Foods & Meat (0.2%)	
4,910	J.M. Smucker Co.	573
1,770	Lancaster Colony Corp.	236
2,100	Sanderson Farms, Inc.	356

Number of Shares	Security	Market Value (000)
7,280	Tyson Foods, Inc. "A"	\$ 599
		<u>1,764</u>
	Personal Products (0.0%)	
5,320	USANA Health Sciences, Inc.*	<u>382</u>
	Soft Drinks (0.2%)	
14,250	Coca-Cola Co.	652
3,430	Dr. Pepper Snapple Group, Inc.	310
7,220	PepsiCo, Inc.	<u>841</u>
		<u>1,803</u>
	Tobacco (0.1%)	
4,820	Philip Morris International, Inc.	<u>495</u>
	Total Consumer Staples	<u>9,796</u>
	Energy (0.7%)	
	Integrated Oil & Gas (0.1%)	
4,660	Chevron Corp.	<u>555</u>
	Oil & Gas Drilling (0.0%)	
18,020	Rowan Companies plc "A"*	<u>261</u>
	Oil & Gas Equipment & Services (0.0%)	
2,480	Dril-Quip, Inc.*	<u>119</u>
	Oil & Gas Exploration & Production (0.2%)	
21,800	California Resources Corp.^(a)	343
71,150	Denbury Resources, Inc.*	124
14,470	Devon Energy Corp.	558
12,970	Murphy Oil Corp.	362
14,150	Newfield Exploration Co.*	438
5,920	WPX Energy, Inc.*	<u>75</u>
		<u>1,900</u>
	Oil & Gas Refining & Marketing (0.3%)	
3,120	Andeavor	329
14,230	HollyFrontier Corp.	633
10,720	Marathon Petroleum Corp.	671
9,210	PBF Energy, Inc. "A"	298
4,840	Phillips 66	472
1,760	REX American Resources Corp.*	161
7,270	Valero Energy Corp.	<u>623</u>
		<u>3,187</u>
	Oil & Gas Storage & Transportation (0.1%)	
7,680	Cheniere Energy, Inc.*	371
21,110	Kinder Morgan, Inc.	364
6,040	ONEOK, Inc.	313

Number of Shares	Security	Market Value (000)
21,550	Plains Group Holdings, LP "A"	\$ 444
		<u>1,492</u>
	Total Energy	<u>7,514</u>
	Financials (1.9%)	
	Asset Management & Custody Banks (0.2%)	
2,050	Ameriprise Financial, Inc.	335
12,530	Franklin Resources, Inc.	543
6,340	SEI Investments Co.	446
4,450	T. Rowe Price Group, Inc.	458
13,450	Waddell & Reed Financial, Inc. "A"	273
		<u>2,055</u>
	Consumer Finance (0.2%)	
5,740	American Express Co.	561
5,130	Capital One Financial Corp.	472
10,450	Discover Financial Services	738
2,860	Encore Capital Group, Inc.*	131
16,120	Enova International, Inc.*	239
11,970	SLM Corp.*	139
12,322	Synchrony Financial	442
1,360	World Acceptance Corp.*	113
		<u>2,835</u>
	Diversified Banks (0.1%)	
16,333	Citigroup, Inc.	1,233
5,670	U.S. Bancorp	313
		<u>1,546</u>
	Financial Exchanges & Data (0.1%)	
3,380	Moody's Corp.	513
3,320	MSCI, Inc.	427
		<u>940</u>
	Insurance Brokers (0.1%)	
3,500	Aon plc	491
4,230	Marsh & McLennan Companies, Inc.	355
		<u>846</u>
	Investment Banking & Brokerage (0.1%)	
7,380	E*Trade Financial Corp.*	355
16,390	Greenhill & Co., Inc. ⁽⁶⁾	333
2,440	Raymond James Financial, Inc.	215
		<u>903</u>
	Life & Health Insurance (0.2%)	
6,200	AFLAC, Inc.	543

Number of Shares	Security	Market Value (000)
6,130	Athene Holding Ltd. "A"*	\$ 295
1,880	Primerica, Inc.	195
5,240	Principal Financial Group, Inc.	371
3,640	Prudential Financial, Inc.	422
		<u>1,826</u>
	Multi-Line Insurance (0.0%)	
3,800	American Financial Group, Inc.	399
	Multi-Sector Holdings (0.0%)	
1,060	Berkshire Hathaway, Inc. "B"*	205
	Property & Casualty Insurance (0.2%)	
3,260	Allstate Corp.	335
4,820	Employers Holdings, Inc.	236
6,320	First American Financial Corp.	351
14,460	Old Republic International Corp.	303
9,320	Progressive Corp.	496
4,790	W.R. Berkley Corp.	331
		<u>2,052</u>
	Regional Banks (0.4%)	
3,020	Bank of Hawaii Corp.	256
9,630	BB&T Corp.	476
3,350	Comerica, Inc.	279
10,790	East West Bancorp, Inc.	664
25,530	FifthThird Bancorp	779
7,860	First Financial Bancorp	223
26,000	KeyCorp	494
1,540	M&T Bank Corp.	260
2,000	PNC Financial Services Group, Inc.	281
31,370	Regions Financial Corp.	520
11,700	TCF Financial Corp.	238
		<u>4,470</u>
	Reinsurance (0.1%)	
1,240	Everest Re Group Ltd.	272
14,060	Maiden Holdings Ltd.	91
5,310	Reinsurance Group of America, Inc.	861
		<u>1,224</u>
	Thriffs & Mortgage Finance (0.2%)	
10,290	Boff Holding, Inc.* ^(a)	284
3,630	Farmer Mac "C"	270
7,160	Homestreet, Inc.*	218
2,480	Meta Financial Group, Inc.	233
13,140	Nationstar Mortgage Holdings, Inc.*	238
23,660	NMI Holdings, Inc. "A"*	403

Number of Shares	Security	Market Value (000)
9,340	Provident Financial Services, Inc.	\$ 255
17,850	Radian Group, Inc.	366
3,560	Walker & Dunlop, Inc.*	176
7,590	Washington Federal, Inc.	264
		<u>2,707</u>
	Total Financials	<u>22,008</u>
	<u>Health Care (1.5%)</u>	
	<u>Biotechnology (0.4%)</u>	
5,020	AbbVie, Inc.	486
6,280	Amgen, Inc.	1,103
2,570	Biogen, Inc.*	828
2,960	Eagle Pharmaceuticals, Inc.*	175
9,170	Gilead Sciences, Inc.	686
7,790	Myriad Genetics, Inc.*	270
4,370	United Therapeutics Corp.*	568
3,720	Vertex Pharmaceuticals, Inc.*	537
		<u>4,653</u>
	<u>Health Care Distributors (0.1%)</u>	
5,800	AmerisourceBergen Corp.	492
5,430	Cardinal Health, Inc.	322
2,310	McKesson Corp.	341
		<u>1,155</u>
	<u>Health Care Equipment (0.2%)</u>	
6,520	Baxter International, Inc.	427
1,460	C.R. Bard, Inc.	490
6,140	Globus Medical, Inc. "A"*	233
1,820	IDEXX Laboratories, Inc.*	285
1,710	Intuitive Surgical, Inc.*	684
2,680	Masimo Corp.*	238
		<u>2,357</u>
	<u>Health Care Facilities (0.1%)</u>	
5,130	HealthSouth Corp.	256
10,540	Select Medical Holdings Corp.*	186
3,430	Universal Health Services, Inc. "B"	372
		<u>814</u>
	<u>Health Care Services (0.2%)</u>	
3,180	AMN Healthcare Services, Inc.*	160
1,340	Chemed Corp.	330
4,980	DaVita, Inc.*	304
8,260	Express Scripts Holding Co.*	538
10,270	MEDNAX, Inc.*	511

Number of Shares	Security	Market Value (000)
3,880	Quest Diagnostics, Inc.	\$ 382
		<u>2,225</u>
	Health Care Supplies (0.1%)	
1,490	Align Technology, Inc.*	388
1,500	Cooper Companies, Inc.	362
		<u>750</u>
	Life Sciences Tools & Services (0.1%)	
3,840	Cambrex Corp.*	188
3,580	INC Research Holdings, Inc. "A"*	137
1,060	Mettler-Toledo International, Inc.*	667
2,080	Thermo Fisher Scientific, Inc.	401
2,830	Waters Corp.*	558
		<u>1,951</u>
	Managed Health Care (0.1%)	
2,150	Anthem, Inc.	505
3,260	Centene Corp.*	333
1,850	Cigna Corp.	392
		<u>1,230</u>
	Pharmaceuticals (0.2%)	
5,570	Bristol-Myers Squibb Co.	352
14,870	Corcept Therapeutics, Inc.*	267
13,440	Mallinckrodt plc*	293
12,360	Mylan N.V.*	452
24,360	Pfizer, Inc.	883
5,380	Phibro Animal Health Corp. "A"	187
18,460	Sucampo Pharmaceuticals, Inc. "A"*	234
3,580	Supernus Pharmaceuticals, Inc.*	135
		<u>2,803</u>
	Total Health Care	<u>17,938</u>
	Industrials (1.3%)	
	Aerospace & Defense (0.2%)	
2,610	Boeing Co.	722
1,070	General Dynamics Corp.	222
2,120	Huntington Ingalls Industries, Inc.	512
2,810	L3 Technologies, Inc.	558
2,320	Moog, Inc. "A"*	195
2,350	Rockwell Collins, Inc.	311
1,780	Teledyne Technologies, Inc.*	332
		<u>2,852</u>
	Airlines (0.1%)	
7,100	American Airlines Group, Inc.	359

Number of Shares	Security	Market Value (000)
8,180	Delta Air Lines, Inc.	\$ 433
7,940	JetBlue Airways Corp.*	170
3,730	SkyWest, Inc.	194
5,130	United Continental Holdings, Inc.*	325
		<u>1,481</u>
	Building Products (0.0%)	
14,850	NCI Building Systems, Inc.*	248
	Commercial Printing (0.0%)	
3,000	Deluxe Corp.	213
5,548	LSC Communications, Inc.	91
		<u>304</u>
	Construction & Engineering (0.1%)	
3,420	EMCOR Group, Inc.	276
6,640	Jacobs Engineering Group, Inc.	436
8,390	KBR, Inc.	157
		<u>869</u>
	Construction Machinery & Heavy Trucks (0.1%)	
2,510	Cummins, Inc.	420
2,470	Greenbrier Companies, Inc. ⁽⁴⁾	123
6,420	PACCAR, Inc.	452
6,600	Wabash National Corp.	133
		<u>1,128</u>
	Diversified Support Services (0.1%)	
8,940	Copart, Inc.*	386
4,380	Viad Corp.	252
		<u>638</u>
	Electrical Components & Equipment (0.1%)	
10,550	Atkore International Group, Inc.*	224
5,420	Eaton Corp. plc	422
2,070	EnerSys	143
2,440	Regal-Beloit Corp.	188
2,710	Rockwell Automation, Inc.	523
		<u>1,500</u>
	Environmental & Facilities Services (0.1%)	
10,370	Republic Services, Inc.	674
	Human Resource & Employment Services (0.1%)	
4,750	ManpowerGroup, Inc.	612
	Industrial Conglomerates (0.1%)	
1,150	3M Co.	280

Number of Shares	Security	Market Value (000)
1,150	Roper Technologies, Inc.	\$ 307
		<u>587</u>
	Industrial Machinery (0.2%)	
4,070	Barnes Group, Inc.	270
2,750	Crane Co.	235
3,960	Illinois Tool Works, Inc.	670
4,710	Ingersoll-Rand plc	413
1,470	Nordson Corp.	188
2,430	Snap-On, Inc.	412
2,500	Stanley Black & Decker, Inc.	424
		<u>2,612</u>
	Office Services & Supplies (0.0%)	
5,680	Herman Miller, Inc.	203
	Research & Consulting Services (0.0%)	
9,030	Navigant Consulting, Inc.*	173
	Trading Companies & Distributors (0.1%)	
2,820	GATX Corp.	178
3,340	United Rentals, Inc.*	533
2,350	W.W. Grainger, Inc.	520
		<u>1,231</u>
	Trucking (0.0%)	
2,270	Old Dominion Freight Line, Inc.	294
	Total Industrials	<u>15,406</u>
	Information Technology (2.6%)	
	Application Software (0.2%)	
14,210	Cadence Design Systems, Inc.*	624
8,190	Citrix Systems, Inc.*	717
2,950	Intuit, Inc.	464
		<u>1,805</u>
	Communications Equipment (0.2%)	
1,560	Arista Networks, Inc.*	364
23,196	Cisco Systems, Inc.	865
2,690	F5 Networks, Inc.*	361
2,770	Harris Corp.	400
1,880	InterDigital, Inc.	143
21,140	Juniper Networks, Inc.	587
3,180	Plantronics, Inc.	166
		<u>2,886</u>
	Data Processing & Outsourced Services (0.5%)	
3,390	Alliance Data Systems Corp.	811

Number of Shares	Security	Market Value (000)
7,910	Automatic Data Processing, Inc.	\$ 905
9,650	Convergys Corp.	238
4,850	CSG Systems International, Inc.	223
5,570	Fiserv, Inc.*	732
7,510	MasterCard, Inc. "A"	1,130
2,850	MAXIMUS, Inc.	197
6,200	PayPal Holdings, Inc.*	470
28,230	Sabre Corp.	562
4,470	Vantiv, Inc. "A"*	335
5,320	Visa, Inc. "A"	599
		<u>6,202</u>
	Electronic Components (0.1%)	
8,310	Amphenol Corp. "A"	753
	Electronic Equipment & Instruments (0.0%)	
5,100	Keysight Technologies, Inc.*	222
	Electronic Manufacturing Services (0.0%)	
6,870	Benchmark Electronics, Inc.*	209
6,690	Jabil, Inc.	193
3,730	Sanmina Corp.*	127
		<u>529</u>
	Home Entertainment Software (0.1%)	
6,630	Activision Blizzard, Inc.	414
3,440	Electronic Arts, Inc.*	366
		<u>780</u>
	Internet Software & Services (0.3%)	
10,310	Akamai Technologies, Inc.*	575
14,610	eBay, Inc.*	507
4,920	Facebook, Inc. "A"*	872
8,710	VeriSign, Inc.*	1,002
		<u>2,956</u>
	IT Consulting & Other Services (0.4%)	
7,850	Accenture plc "A"	1,162
1,420	CACI International, Inc. "A"*	187
12,640	Cognizant Technology Solutions Corp. "A"	914
4,060	DXC Technology Co.	390
13,190	Hackett Group, Inc.	215
7,470	International Business Machines Corp.	1,150
2,180	Science Applications International Corp.	162
8,260	Teradata Corp.*	314
		<u>4,494</u>

Number of Shares	Security	Market Value (000)
Semiconductor Equipment (0.2%)		
3,590	Advanced Energy Industries, Inc.*	\$ 269
6,950	Applied Materials, Inc.	367
3,090	Cabot Microelectronics Corp.	298
2,770	KLA-Tencor Corp.	283
3,250	Lam Research Corp.	625
7,050	Teradyne, Inc.	285
5,080	Xperi Corp.	98
		<u>2,225</u>
Semiconductors (0.2%)		
3,200	Cirrus Logic, Inc.*	177
13,750	Intel Corp.	616
4,100	Microchip Technology, Inc.	357
16,790	Micron Technology, Inc.*	712
1,350	NVIDIA Corp.	271
6,650	QUALCOMM, Inc.	441
3,410	Texas Instruments, Inc.	332
		<u>2,906</u>
Systems Software (0.1%)		
17,220	CA, Inc.	570
2,580	Microsoft Corp.	217
15,330	Oracle Corp.	752
		<u>1,539</u>
Technology Distributors (0.1%)		
2,920	Arrow Electronics, Inc.*	236
5,450	Avnet, Inc.	226
5,700	CDW Corp.	399
2,660	ePlus, Inc.*	216
3,220	Insight Enterprises, Inc.*	125
1,740	Tech Data Corp.*	168
		<u>1,370</u>
Technology Hardware, Storage, & Peripherals (0.2%)		
41,040	Hewlett Packard Enterprise Co.	573
8,690	Seagate Technology plc	335
6,230	Western Digital Corp.	491
18,670	Xerox Corp.	554
		<u>1,953</u>
	Total Information Technology	<u>30,620</u>
Materials (0.4%)		
Commodity Chemicals (0.1%)		
4,500	LyondellBasell Industries N.V. "A"	471

Number of Shares	Security	Market Value (000)
3,650	Trinseo S.A.	\$ 269
		<u>740</u>
	Diversified Chemicals (0.0%)	
3,810	DowDuPont, Inc.	274
	Diversified Metals & Mining (0.0%)	
24,200	Freeport-McMoRan, Inc.*	337
	Metal & Glass Containers (0.0%)	
8,210	Crown Holdings, Inc.*	490
	Paper Packaging (0.1%)	
3,370	Avery Dennison Corp.	385
5,570	Sonoco Products Co.	298
		<u>683</u>
	Paper Products (0.1%)	
3,280	Neenah Paper, Inc.	293
4,740	Schweitzer-Mauduit International, Inc.	215
		<u>508</u>
	Specialty Chemicals (0.1%)	
3,730	Celanese Corp. "A"	400
2,690	Innospec, Inc.	192
4,500	Kraton Corp.*	212
1,810	Minerals Technologies, Inc.	131
5,620	Rayonier Advanced Materials, Inc.	106
960	Sherwin-Williams Co.	383
2,190	Stepan Co.	182
		<u>1,606</u>
	Steel (0.0%)	
19,360	SunCoke Energy, Inc.*	221
2,920	Worthington Industries, Inc.	121
		<u>342</u>
	Total Materials	<u>4,980</u>
	Telecommunication Services (0.2%)	
	Alternative Carriers (0.1%)	
21,915	CenturyLink, Inc.	320
10,530	Zayo Group Holdings, Inc.*	372
		<u>692</u>
	Integrated Telecommunication Services (0.1%)	
19,660	AT&T, Inc.	715
10,270	Verizon Communications, Inc.	523
		<u>1,238</u>

Number of Shares	Security	Market Value (000)
Wireless Telecommunication Services (0.0%)		
10,660	T-Mobile US, Inc.*	\$ 651
	Total Telecommunication Services	<u>2,581</u>
Utilities (0.3%)		
Electric Utilities (0.1%)		
9,400	Hawaiian Electric Industries, Inc.	361
21,550	Spark Energy, Inc. "A" ^(a)	<u>269</u>
		<u>630</u>
Gas Utilities (0.0%)		
8,960	UGI Corp.	<u>439</u>
Multi-Utilities (0.2%)		
27,990	Ameren Corp.	1,790
33,310	CenterPoint Energy, Inc.	<u>1,000</u>
		<u>2,790</u>
	Total Utilities	<u>3,859</u>
	Total Common Stocks (cost: \$119,580)	<u>133,202</u>
PREFERRED STOCKS (1.4%)		
Consumer Staples (0.7%)		
Agricultural Products (0.7%)		
161,682	CHS, Inc., Series B, 7.88%, cumulative redeemable, perpetual ^(b)	4,693
28,000	Dairy Farmers of America, Inc., 7.88%, cumulative redeemable, perpetual ^{(b),(c)}	<u>2,906</u>
		<u>7,599</u>
	Total Consumer Staples	<u>7,599</u>
Energy (0.2%)		
Oil & Gas Exploration & Production (0.2%)		
4,900	Chesapeake Energy Corp., 5.75%, perpetual ^{(b),(c)}	<u>2,833</u>
Financials (0.3%)		
Life & Health Insurance (0.3%)		
167,198	Delphi Financial Group, Inc., 4.61%, cumulative redeemable, 3 mo. USD LIBOR + 3.19% ^(b)	<u>3,404</u>
Reinsurance (0.0%)		
1,500	American Overseas Group Ltd., 5.12%, non-cumulative, 3 mo. USD LIBOR + 3.56% ^{(d),(e),(b),(f)}	<u>375</u>
	Total Financials	<u>3,779</u>

Number of Shares	Security	Market Value (000)
Telecommunication Services (0.2%)		
Integrated Telecommunication Services (0.2%)		
112,000	Qwest Corp., 6.50% ^(b)	\$ 2,628
	Total Preferred Stocks (cost: \$18,548)	<u>16,839</u>
EXCHANGE-TRADED FUNDS (7.3%)		
121,700	Consumer Discretionary Select Sector SPDR Fund	11,762
198,400	Consumer Staples Select Sector SPDR	11,120
134,900	Health Care Select Sector SPDR Fund	11,260
160,400	Industrial Select Sector SPDR Fund	11,952
36,600	iShares Core S&P 500 ETF	9,768
83,760	Vanguard S&P 500 ETF	20,383
71,680	Vanguard Total Stock Market ETF	<u>9,773</u>
	Total Exchange-Traded Funds (cost: \$76,080)	<u>86,018</u>
	Total U.S. Equity Securities (cost: \$214,208)	<u>236,059</u>
INTERNATIONAL EQUITY SECURITIES (22.2%)		
COMMON STOCKS (0.1%)		
Consumer Discretionary (0.1%)		
Auto Parts & Equipment (0.1%)		
4,610	Delphi Automotive plc	<u>482</u>
Energy (0.0%)		
Oil & Gas Equipment & Services (0.0%)		
11,970	TechnipFMC plc	<u>343</u>
	Total Common Stocks (cost: \$797)	<u>825</u>
EXCHANGE-TRADED FUNDS (22.1%)		
424,860	iShares Core MSCI EAFE ETF	27,968
469,500	iShares Core MSCI Emerging Markets ETF	26,222
167,400	iShares Edge MSCI Min Volatility Emerging Markets ETF	9,910
274,500	iShares Edge MSCI Minimum Volatility EAFE ETF	19,973
224,400	PowerShares FTSE RAFI Developed Markets ex-U.S. Portfolio	10,098
597,600	PowerShares FTSE RAFI Emerging Markets Portfolio	12,813
599,200	Schwab Fundamental Emerging Markets Large Co. Index ETF	17,509
1,389,900	Schwab Fundamental International Large Co. Index ETF	42,475
231,700	Schwab Fundamental International Small Co. Index ETF	8,295
34,497	SPDR S&P Emerging Markets Small Cap ETF	1,763
128,620	Vanguard FTSE All-World ex-US ETF	6,956
788,000	Vanguard FTSE Developed Markets ETF	35,113
229,780	Vanguard FTSE Emerging Markets ETF	10,221
231,430	Vanguard FTSE Europe ETF	13,555

Number of Shares	Security	Market Value (000)
59,797	WisdomTree Emerging Markets SmallCap Dividend Fund	\$ 2,957
223,351	WisdomTree India Earnings Fund	5,972
134,370	WisdomTree Japan Hedged Equity Fund	7,875
	Total Exchange-Traded Funds (cost: \$223,463)	<u>259,675</u>
	Total International Equity Securities (cost: \$224,260)	<u>260,500</u>
PRECIOUS METALS AND COMMODITY-RELATED SECURITIES (1.0%)		
GOLD (0.0%)		
North American Gold Companies (0.0%)		
110,164	Hycroft Mining Corp. ^{*(d),(e),(s)} (cost: \$3,919)	<u>33</u>
EXCHANGE-TRADED FUNDS (1.0%)		
65,300	First Trust Global Tactical Commodity Strategy Fund*	1,340
114,500	PowerShares DB Commodity Index Tracking Fund ^{*(a)}	1,851
114,300	United States Commodity Index Fund*	4,685
81,400	VanEck Vectors Gold Miners ETF	1,829
47,200	VanEck Vectors Junior Gold Miners ETF	1,494
	Total Exchange-Traded Funds (cost: \$12,267)	<u>11,199</u>
	Total Precious Metals and Commodity-Related Securities (cost: \$16,186)	<u>11,232</u>
GLOBAL REAL ESTATE EQUITY SECURITIES (0.8%)		
COMMON STOCKS (0.3%)		
Real Estate Services (0.1%)		
14,440	CBRE Group, Inc. "A"*	626
11,470	HFF, Inc. "A"	518
		<u>1,144</u>
REITs - Health Care (0.0%)		
13,320	Sabra Health Care REIT, Inc.	<u>256</u>
REITs - Hotel & Resort (0.0%)		
16,350	RLJ Lodging Trust	<u>354</u>
REITs - Retail (0.1%)		
35,420	Brixmor Property Group, Inc.	<u>640</u>
REITs - Specialized (0.1%)		
5,540	American Tower Corp.	798
2,900	SBA Communications Corp.*	492
		<u>1,290</u>
	Total Common Stocks (cost: \$3,493)	<u>3,684</u>

Number of Shares	Security	Market Value (000)
PREFERRED STOCKS (0.1%)		
REITs - Mortgage (0.1%)		
24,000	Arbor Realty Trust, Inc., 7.38% ^{(a)(b)} (cost: \$600)	\$ 614
EXCHANGE-TRADED FUNDS (0.4%)		
69,100	Vanguard REIT ETF (cost: \$5,671)	5,831
	Total Global Real Estate Equity Securities (cost: \$9,764)	10,129

Principal Amount (000)		Coupon Rate	Maturity	
BONDS (51.0%)				
CORPORATE OBLIGATIONS (6.5%)				
Consumer Discretionary (0.5%)				
Department Stores (0.1%)				
\$ 1,588	Neiman Marcus Group Ltd., LLC, LIBOR + 3.25% ^(d)	4.49%	10/25/2020	1,301
Specialty Stores (0.4%)				
2,887	Academy Ltd., LIBOR + 4% ^(d)	5.31	7/01/2022	2,332
2,050	Guitar Center, Inc. ^{(a),(c)}	6.50	4/15/2019	1,935
				4,267
	Total Consumer Discretionary			5,568
Consumer Staples (0.1%)				
Food Retail (0.1%)				
1,200	BI-LO, LLC & BI-LO Finance Corp. ^{(a),(c)}	9.25	2/15/2019	1,155
Energy (1.0%)				
Oil & Gas Drilling (0.0%)				
1,407	Schahin II Finance Co. SPV Ltd. ^{(c),(g)}	5.88	9/25/2023	211
Oil & Gas Storage & Transportation (1.0%)				
2,950	Enbridge Energy Partners, LP ^(b)	7.38	10/15/2045	3,865
1,900	Energy Transfer Partners, LP, 3 mo. USD LIBOR + 3.0175% ^(a)	4.39 ^(b)	11/01/2066	1,709
2,500	Enterprise TE Partners, 3 mo. USD LIBOR + 2.7775% ^(b)	4.09 ^(b)	6/01/2067	2,450
800	Martin Midstream Partners, LP & Martin Midstream Finance Corp. ^(b)	7.25	2/15/2021	818
1,000	Southern Union Co., 3 mo. USD LIBOR + 3.0175% ^(b)	4.39 ^(b)	11/01/2066	861

Principal Amount (000)	Security	Coupon Rate	Maturity	Market Value (000)
\$ 1,400	Tallgrass Energy Partners, LP & Tallgrass Energy Finance Corp. ^{(b),(c)}	5.50%	9/15/2024	\$ 1,459
				<u>11,162</u>
	Total Energy			<u>11,373</u>
	Financials (4.3%)			
	Asset Management & Custody Banks (0.6%)			
1,600	Ares Capital Corp. ^(b)	3.63	1/19/2022	<u>1,611</u>
6,000	Prospect Capital Corp. ^(b)	5.00	7/15/2019	<u>6,152</u>
				<u>7,763</u>
	Life & Health Insurance (0.4%)			
2,800	Prudential Financial, Inc., 3 mo. USD LIBOR + 3.92% ^(b)	5.63 ^(b)	6/15/2043	3,038
1,885	StanCorp Financial Group, Inc., 3 mo. USD LIBOR + 2.51% ^(b)	3.83 ^(b)	6/01/2067	<u>1,885</u>
				<u>4,923</u>
	Multi-Line Insurance (0.5%)			
5,670	Nationwide Mutual Insurance Co., 3 mo. USD LIBOR + 2.29% ^{(b),(c)}	3.61 ^(b)	12/15/2024	<u>5,670</u>
	Multi-Sector Holdings (0.3%)			
3,000	BNSF Funding Trust I, 3 mo. USD LIBOR + 2.35% ^(b)	6.61 ^(b)	12/15/2055	<u>3,443</u>
	Property & Casualty Insurance (0.9%)			
3,200	Allstate Corp., 3 mo. USD LIBOR + 2.938% ^(b)	5.75 ^(b)	8/15/2053	3,496
3,179	AmTrust Financial Services, Inc. ^(a)	6.13	8/15/2023	3,103
2,621	AmTrust Financial Services, Inc. ^(b)	2.75	12/15/2044	1,899
2,575	HSB Group, Inc., 3 mo. USD LIBOR + 0.91% ^(b)	2.27 ^(b)	7/15/2027	<u>2,298</u>
				<u>10,796</u>
	Regional Banks (1.6%)			
1,000	Allfirst Preferred Capital Trust, 3 mo. USD LIBOR + 1.5% ^(b)	2.86 ^(b)	7/15/2029	956
2,000	Compass Bank ^(b)	3.88	4/10/2025	2,004
4,000	Cullen/Frost Capital Trust II, 3 mo. USD LIBOR + 1.55% ^(b)	2.87 ^(b)	3/01/2034	3,571
2,850	First Maryland Capital Trust I, 3 mo. USD LIBOR + 1% ^(b)	2.36 ^(b)	1/15/2027	2,690
2,000	Huntington Capital Trust II "B", 3 mo. USD LIBOR + 0.625% ^(b)	1.95 ^(b)	6/15/2028	1,792
2,000	Manufacturers & Traders Trust Co., 3 mo. USD LIBOR + 0.64% ^(b)	1.96 ^(b)	12/01/2021	1,990
6,000	Sun Trust Capital I, 3 mo. USD LIBOR + 0.67% ^(b)	2.09 ^(b)	5/15/2027	<u>5,537</u>
				<u>18,540</u>
	Total Financials			<u>51,135</u>

Principal Amount (000)	Security	Coupon Rate	Maturity	Market Value (000)
	Health Care (0.1%)			
	Health Care Facilities (0.1%)			
\$ 3,000	Community Health Systems, Inc. ^(a)	6.88%	2/01/2022	\$ 1,822
	Industrials (0.1%)			
	Airlines (0.0%)			
322	America West Airlines, Inc. Pass-Through Trust (INS) ^(b)	7.93	7/02/2020	330
	Electrical Components & Equipment (0.1%)			
500	Artesyn Embedded Technologies, Inc. ^{(b),(c)}	9.75	10/15/2020	493
	Total Industrials			823
	Real Estate (0.1%)			
	Real Estate Development (0.0%)			
599	Crescent Communities, LLC & Crescent Ventures, Inc. ^{(b),(c)}	8.88	10/15/2021	640
	REITs - Health Care (0.1%)			
1,000	Sabra Health Care, LP ^(b)	5.13	8/15/2026	1,018
	Total Real Estate			1,658
	Utilities (0.3%)			
	Electric Utilities (0.2%)			
2,150	NextEra Energy Capital Holdings, Inc., 3 mo. USD LIBOR + 3.348% ^(b)	4.66 ^(b)	9/01/2067	2,150
	Multi-Utilities (0.1%)			
1,300	WEC Energy Group, Inc., 3 mo. USD LIBOR + 2.1125% ^(b)	3.53 ^(b)	5/15/2067	1,255
	Total Utilities			3,405
	Total Corporate Obligations (cost: \$73,199)			76,939
	CONVERTIBLE SECURITIES (0.2%)			
	Materials (0.2%)			
	Gold (0.2%)			
317	Hycroft Mining Corp. ^{(d),(e),(f),(s)}	15.00 ^(b)	10/22/2020	441
2,500	Pretium Resources, Inc. ^(c)	2.25	3/15/2022	2,564
				3,005
	Total Materials			3,005
	Total Convertible Securities (cost: \$2,727)			3,005

Principal Amount (000)	Security	Coupon Rate	Maturity	Market Value (000)
EURODOLLAR AND YANKEE OBLIGATIONS (0.6%)				
Energy (0.1%)				
Oil & Gas Storage & Transportation (0.1%)				
\$ 600	TransCanada Trust, 3 mo. USD LIBOR + 3.528% ^(b)	5.63% ^(b)	5/20/2075	\$ 636
Financials (0.3%)				
Property & Casualty Insurance (0.3%)				
3,430	QBE Capital Funding III Ltd., USD Swap Semi-Annual 30/360 10YR + 4.05% ^{(b),(c)}	7.25 ^(b)	5/24/2041	3,820
Materials (0.2%)				
Gold (0.2%)				
2,285	Newcrest Finance Property Ltd. ^{(b),(c)}	4.45	11/15/2021	2,407
Total Eurodollar and Yankee Obligations (cost: \$6,166)				<u>6,863</u>
ASSET-BACKED SECURITIES (0.8%)				
Financials (0.8%)				
Asset-Backed Financing (0.8%)				
1,700	Avis Budget Rental Car Funding AESOP, LLC ^(c)	2.96	7/20/2020	1,704
933	Avis Budget Rental Car Funding AESOP, LLC ^(c)	3.75	7/20/2020	935
480	Napier Park Rail Lease, LLC	3.37	10/21/2047	480
950	Navient Student Loan Trust, 1 mo. USD LIBOR + 1.5%	2.83 ^(b)	8/25/2050	947
1,499	SCF Equipment Trust, LLC ^(c)	3.41	12/20/2023	1,499
2,000	SLC Student Loan Trust, 3 mo. USD LIBOR + 0.45%	1.81 ^(b)	7/15/2036	1,907
446	SLM Student Loan Trust, 3 mo. USD LIBOR + 0.55%	1.92 ^(b)	10/25/2065	427
1,461	Synchrony Credit Card Master Note Trust	2.95	5/15/2024	1,465
				<u>9,364</u>
Total Financials				<u>9,364</u>
Total Asset-Backed Securities (cost: \$8,819)				<u>9,364</u>
COLLATERALIZED MORTGAGE OBLIGATIONS (0.2%)				
Financials (0.2%)				
264	Sequoia Mortgage Trust, 1 mo. USD LIBOR + 0.9%	2.18 ^(b)	9/20/2033	257
2,440	Structured Asset Mortgage Investments, Inc., 1 mo. USD LIBOR + 0.5%	1.78 ^(b)	7/19/2035	2,265
279	Wells Fargo Mortgage Backed Securities Trust	3.00 ^(c)	4/25/2035	264
Total Financials				<u>2,786</u>
Total Collateralized Mortgage Obligations (cost: \$2,899)				<u>2,786</u>

Principal Amount (000)	Security	Coupon Rate	Maturity	Market Value (000)
COMMERCIAL MORTGAGE SECURITIES (2.1%)				
Financials (2.1%)				
Commercial Mortgage-Backed Securities (1.9%)				
\$ 1,673	Banc of America Commercial Mortgage, Inc.	5.00%	7/10/2044	\$ 1,202
4,000	Banc of America Commercial Mortgage, Inc.	6.47 ^(c)	2/10/2051	4,011
3,593	Bear Stearns Commercial Mortgage Securities, Inc. ^(c)	5.66 ^(c)	9/11/2041	3,624
400	Citigroup Commercial Mortgage Trust	6.42 ^(c)	12/10/2049	258
424	Commercial Mortgage Trust	5.38	12/10/2046	427
4,768	Credit Suisse Commercial Mortgage Pass-Through Trust, 1 mo. USD LIBOR + 0.19%	1.46 ^(b)	2/15/2040	4,489
4,200	FREMF Mortgage Trust ^(c)	3.68 ^(c)	8/25/2045	4,262
275	GE Capital Commercial Mortgage Corp.	5.61 ^(c)	12/10/2049	278
190	GMAC Commercial Mortgage Securities, Inc.	4.97	12/10/2041	192
500	GMAC Commercial Mortgage Securities, Inc.	4.98 ^(c)	12/10/2041	507
45	GMAC Commercial Mortgage Securities, Inc.	4.81	5/10/2043	46
1,483	J.P. Morgan Chase Commercial Mortgage Securities Corp.	5.37	5/15/2047	1,493
587	ML-CFC Commercial Mortgage Trust	5.98 ^(c)	8/12/2049	590
205	Morgan Stanley Capital I Trust	5.57 ^(c)	3/12/2044	204
				21,583
Interest-Only Commercial Mortgage-Backed Securities (0.2%)				
15,310	CSAIL Commercial Mortgage Trust ^(d)	1.97 ^(c)	1/15/2049	1,619
12,975	UBS Commercial Mortgage Trust ^{(c),(d)}	2.27 ^(c)	5/10/2045	954
				2,573
	Total Financials			24,156
	Total Commercial Mortgage Securities (cost: \$24,559)			24,156
U.S. GOVERNMENT AGENCY ISSUES (11.0%)⁽ⁱ⁾				
Mortgage-Backed Pass-Through Securities (11.0%)				
2,250	Fannie Mae ⁽⁺⁾	2.15	1/25/2023	2,218
3,450	Fannie Mae ⁽⁺⁾	4.00	11/01/2045	3,607
8,300	Freddie Mac ⁽⁺⁾	3.00	12/25/2025	8,439
8,253	Freddie Mac ⁽⁺⁾	3.00	4/01/2046	8,248
11,617	Freddie Mac ^{(+)(b)}	3.00	6/01/2046	11,610
9,098	Freddie Mac ^{(+)(b)}	3.00	8/01/2046	9,093
16,236	Freddie Mac ^{(+)(b)}	3.00	1/01/2047	16,225
17,274	Freddie Mac ^{(+)(b)}	3.00	3/01/2047	17,254
22,254	Freddie Mac ^{(+)(b)}	3.00	4/01/2047	22,231
9,825	Freddie Mac ^{(+)(b)}	3.00	8/01/2047	9,815
5,200	Freddie Mac ⁽⁺⁾	3.33	5/25/2025	5,421

Principal Amount (000)	Security	Coupon Rate	Maturity	Market Value (000)
\$ 9,296	Freddie Mac ⁽⁺⁾	3.50%	4/01/2046	\$ 9,539
5,000	Freddie Mac ⁽⁺⁾	3.51	4/25/2030	<u>5,182</u>
				<u>128,882</u>
	Total U.S. Government Agency Issues (cost: \$129,404)			<u>128,882</u>
U.S. TREASURY SECURITIES (16.0%)				
Bonds (8.2%)^(a)				
250	3.18%, 8/15/2044 (STRIPS Principal) ^(b)			116
44,100	3.13%, 8/15/2044			46,657
6,000	3.00%, 11/15/2044			6,204
38,200	3.00%, 5/15/2045			39,472
4,000	3.00%, 5/15/2047			<u>4,133</u>
				<u>96,582</u>
Inflation-Indexed Notes (1.0%)				
11,453	0.13%, 4/15/2021			<u>11,381</u>
Notes (6.8%)^(a)				
28,500	1.13%, 2/28/2021 ^(b)			27,751
17,000	1.63%, 4/30/2023			16,510
2,000	2.25%, 11/15/2024			1,992
5,000	2.25%, 11/15/2025			4,957
25,000	1.63%, 2/15/2026			23,596
5,000	2.25%, 2/15/2027			<u>4,930</u>
				<u>79,736</u>
	Total U.S. Treasury Securities (cost: \$184,901)			<u>187,699</u>

Number of Shares

EXCHANGE-TRADED FUNDS (13.6%)		
62,400	iShares 1-3 Year Credit Bond ETF	6,540
156,930	iShares Core U.S. Aggregate Bond ETF	17,118
44,400	PowerShares Fundamental High Yield Corporate Bond Portfolio	843
297,800	Vanguard Mortgage-Backed Securities ETF	15,647
273,400	Vanguard Short-Term Bond ETF	21,697
831,800	Vanguard Short-Term Corporate Bond ETF	66,236
382,800	Vanguard Total Bond Market ETF	<u>31,202</u>
	Total Exchange-Traded Funds (cost: \$159,669)	<u>159,283</u>
	Total Bonds (cost: \$592,343)	<u>598,977</u>

Principal Amount (000)	Security	Coupon Rate	Maturity	Market Value (000)
MONEY MARKET INSTRUMENTS (4.4%)				
COMMERCIAL PAPER (4.2%)				
Consumer Discretionary (0.7%)				
Automobile Manufacturers (0.4%)				
\$ 4,400	Hyundai Capital America ^{(c),(m)}	1.37%	12/04/2017	\$ 4,399
Automotive Retail (0.3%)				
4,000	Autozone Inc. ^{(c),(m)}	1.43	1/04/2018	3,995
	Total Consumer Discretionary			8,394
Consumer Staples (0.4%)				
Brewers (0.4%)				
4,400	Molson Coors Brewing Co. ^{(c),(m)}	1.55	12/07/2017	4,399
Energy (1.3%)				
Oil & Gas Drilling (0.4%)				
4,500	Nabors Industries, Inc. ^{(c),(m)}	2.00	1/08/2018	4,488
Oil & Gas Exploration & Production (0.3%)				
3,510	Canadian Natural Resources ^{(c),(m)}	1.61	12/21/2017	3,507
Oil & Gas Storage & Transportation (0.6%)				
2,500	Energy Transfer Partners, LP ^{(c),(m)}	2.05	12/20/2017	2,498
4,000	Spectra Energy Partners ^{(c),(m)}	1.40	12/06/2017	3,999
				6,497
	Total Energy			14,492
Materials (0.7%)				
Commodity Chemicals (0.1%)				
1,646	Cabot Corp. ^{(c),(m)}	1.36	12/05/2017	1,646
Diversified Chemicals (0.3%)				
3,834	Ei Dupont De Nemours ^{(c),(m)}	1.38	12/19/2017	3,831
Paper Packaging (0.3%)				
2,930	Westrock Co. ^{(c),(m)}	1.36	12/12/2017	2,929
	Total Materials			8,406
Utilities (1.1%)				
Electric Utilities (0.0%)				
571	Southern California Edison Co. ^{(c),(m)}	1.24	12/04/2017	571
Gas Utilities (0.9%)				
4,000	Spire, Inc. ^{(c),(m)}	1.43	12/14/2017	3,998
4,034	Southern Co. Gas Capital ^{(c),(m)}	1.38	12/18/2017	4,031

Principal Amount (000)	Security	Coupon Rate	Maturity	Market Value (000)
\$ 2,500	Southern Co. Gas Capital ^{(c),(m)}	1.40%	12/14/2017	\$ 2,499
				<u>10,528</u>
	Multi-Utilities (0.2%)			
2,210	Public Service Co. of North Carolina	1.70	12/22/2017	<u>2,208</u>
	Total Utilities			<u>13,307</u>
	Total Commercial Paper (cost: \$48,998)			<u>48,998</u>

Number of Shares

GOVERNMENT & U.S. TREASURY MONEY MARKET FUNDS (0.2%)			
2,529,363	State Street Institutional Treasury Money Market Fund Premier Class, 1.02% ^{(b),(m)} (cost: \$2,529)		<u>2,529</u>
	Total Money Market Instruments (cost: \$51,527)		<u>51,527</u>

SHORT-TERM INVESTMENTS PURCHASED WITH CASH

COLLATERAL FROM SECURITIES LOANED (0.5%)

GOVERNMENT & U.S. TREASURY MONEY MARKET FUNDS (0.5%)			
977,889	Federated Government Obligations Fund Institutional Class, 0.94% ⁽ⁿ⁾		978
607,171	Fidelity Government Portfolio Class I, 0.97% ⁽ⁿ⁾		607
824,616	Goldman Sachs Financial Square Government Fund Institutional Class, 0.96% ⁽ⁿ⁾		825
2,076,719	Invesco Government & Agency Portfolio Institutional Class, 0.98% ⁽ⁿ⁾		2,077
113,576	Morgan Stanley Institutional Liquidity Funds Government Portfolio Institutional Class, 0.97% ⁽ⁿ⁾		113
1,713,947	Western Asset Institutional Government Reserves Institutional Class, 1.00% ⁽ⁿ⁾		<u>1,714</u>
	Total Short-Term Investments Purchased with Cash Collateral from Securities Loaned (cost: \$6,314)		<u>6,314</u>
	Total Investments (cost: \$1,114,602)		<u>\$1,174,738</u>

Number of Contracts	Security	Expiration Date	Notional Amount (000)	Contract Value (000)	Unrealized Appreciation/ (Depreciation) (000)
FUTURES^(o)					
LONG FUTURES					
Equity Contracts					
472	E-mini S&P 500	12/15/2017	58,081 USD	\$ 62,490	\$4,409
781	Euro Stoxx 50	12/15/2017	27,308 EURO	33,214	711
161	TOPIX Index	12/07/2017	2,656,085 JPY	25,707	2,107
Total Long Futures				<u>\$121,411</u>	<u>\$7,227</u>
SHORT FUTURES					
Interest Rate Contracts					
(219)	U.S. Treasury Bond	3/20/2018	(33,601) USD	<u>(33,226)</u>	<u>375</u>
Equity Contracts					
(66)	E-mini S&P Midcap 400	12/15/2017	(11,714) USD	<u>(12,540)</u>	<u>(826)</u>
Total Short Futures				<u>\$(45,766)</u>	<u>\$(451)</u>
Total Futures				<u>\$ 75,645</u>	<u>\$6,776</u>

(\$ in 000s)	VALUATION HIERARCHY			
Assets	LEVEL 1	LEVEL 2	LEVEL 3	Total
U.S. Equity Securities:				
Common Stocks	\$133,202	\$ –	\$ –	\$ 133,202
Preferred Stocks	–	16,464	375	16,839
Exchange-Traded Funds	86,018	–	–	86,018
International Equity Securities:				
Common Stocks	825	–	–	825
Exchange-Traded Funds	259,675	–	–	259,675
Precious Metals and Commodity-Related Securities:				
Common Stocks	–	–	33	33
Exchange-Traded Funds	11,199	–	–	11,199
Global Real Estate Equity Securities:				
Common Stocks	3,684	–	–	3,684
Preferred Stocks	–	614	–	614
Exchange-Traded Funds	5,831	–	–	5,831
Bonds:				
Corporate Obligations	–	76,939	–	76,939
Convertible Securities	–	2,564	441	3,005
Eurodollar and Yankee Obligations	–	6,863	–	6,863
Asset-Backed Securities	–	9,364	–	9,364
Collateralized Mortgage Obligations	–	2,786	–	2,786
Commercial Mortgage Securities	–	24,156	–	24,156
U.S. Government Agency Issues	–	128,882	–	128,882
U.S. Treasury Securities	187,583	116	–	187,699
Exchange-Traded Funds	159,283	–	–	159,283
Money Market Instruments:				
Commercial Paper	–	48,998	–	48,998
Government & U.S. Treasury Money Market Funds	2,529	–	–	2,529
Short-Term Investments Purchased with Cash Collateral from Securities Loaned:				
Government & U.S. Treasury Money Market Funds	6,314	–	–	6,314
Futures ⁽¹⁾	7,602	–	–	7,602
Total	\$863,745	\$317,746	\$849	\$1,182,340
Liabilities				
Futures ⁽¹⁾	\$ (826)	\$ –	\$ –	\$ (826)
Total	\$ (826)	\$ –	\$ –	\$ (826)

⁽¹⁾ Futures are valued at the unrealized appreciation/depreciation on the investment.

Refer to the Portfolio of Investments for additional industry, country, or geographic region classifications.

RECONCILIATION OF LEVEL 3 INVESTMENTS

(\$ in 000s)	Common Stocks	Preferred Stocks	Convertible Securities
Balance as of May 31, 2017	\$ 143	\$300	\$ 574
Purchases	–	–	23
Sales	–	–	–
Transfers into Level 3	–	–	–
Transfers out of Level 3	–	–	–
Net realized gain (loss) on investments	–	–	–
Change in net unrealized appreciation/ (depreciation) of investments	(110)	75	(156)
Balance as of November 30, 2017	\$ 33	\$375	\$ 441

For the period of June 1, 2017, through November 30, 2017, there were no transfers of securities between levels. The Fund's policy is to recognize any transfers in and transfers out as of the beginning of the reporting period in which the event or circumstance that caused the transfer occurred.

QUANTITATIVE INFORMATION ABOUT LEVEL 3 FAIR VALUE MEASUREMENTS**

Assets	Fair Value at November 30, 2017 (\$ in 000's)	Valuation Technique(s)	Significant Unobservable Input(s)	Range/ Value
Bonds:				
Convertible Securities	\$441	Market Comparables	Average Value Per Recoverable Ounce ^(a)	\$58.24
			Comparable Discount Adjustment ^(b)	40%

^(a) Represents amounts used when the reporting entity has determined that market participants would use such multiples when pricing the security.

^(b) Represents amounts used when the reporting entity has determined that market participants would take into account these discounts when pricing the security.

**Quantitative Information table includes certain Level 3 securities using valuation models.

Increases in the earnings before interest, taxes, depreciation, and amortization (EBITDA), revenue multiples, transaction prices, average value per recoverable ounce, or earnings per share will increase the value of the security while an increase in the discount adjustment or a discount for the lack of marketability will decrease the value of the security.

NOTES TO PORTFOLIO OF INVESTMENTS

November 30, 2017 (unaudited)

■ GENERAL NOTES

Market values of securities are determined by procedures and practices discussed in Note 1A to the financial statements.

The Portfolio of Investments category percentages shown represent the percentages of the investments to net assets, and, in total, may not equal 100%. A category percentage of 0.0% represents less than 0.1% of net assets. Investments in foreign securities were 23.7% of net assets at November 30, 2017.

The 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.

■ CATEGORIES AND DEFINITIONS

Eurodollar and Yankee obligations – Eurodollar obligations are U.S. dollar-denominated instruments that are issued outside the U.S. capital markets by foreign corporations and financial institutions and by foreign branches of U.S. corporations and financial institutions. Yankee obligations are dollar-denominated instruments that are issued by foreign issuers in the U.S. capital markets.

Asset-backed and commercial mortgage-backed securities – Asset-backed securities represent a participation in, or are secured by and payable from, a stream of payments generated by particular assets. Commercial

mortgage-backed securities reflect an interest in, and are secured by, mortgage loans on commercial real property. These securities represent ownership in a pool of loans and are divided into pieces (tranches) with varying maturities. The stated final maturity of such securities represents the date the final principal payment will be made for the last outstanding loans in the pool. The weighted average life is the average time for principal to be repaid, which is calculated by assuming prepayment rates of the underlying loans. The weighted average life is likely to be substantially shorter than the stated final maturity as a result of scheduled principal payments and unscheduled principal prepayments. Stated interest rates on commercial mortgage-backed securities may change slightly over time as underlying mortgages pay down.

Collateralized mortgage obligations (CMOs) – Collateralized mortgage obligations are debt obligations of a legal entity that are fully collateralized by a portfolio of mortgages or mortgage-related securities. CMOs are issued in multiple classes (tranches), with specific adjustable or fixed interest rates, varying maturities, and must be fully retired no later than its final distribution date. The cash flow from the underlying mortgages is used to pay off each tranche separately. CMOs are designed to provide investors with more predictable cash flows than regular mortgage securities, but such cash flows can be difficult to predict because of the effect of prepayments.

Interest-only commercial mortgage-backed securities (CMBS IOs) – Represent the right to receive only the interest payments on an underlying pool of commercial mortgage loans. The purchase yield reflects an anticipated yield based upon interest rates at the time of purchase and the estimated timing and amount of future cash flows. Coupon rates after purchase vary from period to period. The principal amount represents the notional amount of the underlying pool on which current interest is calculated. CMBS IOs are backed by loans that have various forms of prepayment protection, which include lock-out provisions, yield maintenance provisions, and prepayment penalties. This serves to moderate their prepayment risk. CMBS IOs are subject to default-related prepayments that may have a negative impact on yield.

U.S. Treasury inflation-indexed notes – Designed to provide a real rate of return after being adjusted over time to reflect the impact of inflation. Their principal value periodically adjusts to the rate of inflation. They trade at the prevailing real, or after-inflation, interest rates. The U.S. Treasury guarantees repayment of these securities of at least their face value in the event of sustained deflation or a drop in prices. Inflation adjustments to the face value of these securities are included in interest income.

■ PORTFOLIO ABBREVIATIONS AND DESCRIPTIONS

LIBOR London Interbank Offered Rate

REIT Real estate investment trust – Dividend distributions from REITs may be recorded as income and later characterized by the REIT at the end of the fiscal year as capital gains or a return of capital. Thus, the fund will estimate the components of distributions from these securities and revise when actual distributions are known.

STRIPS Separate trading of registered interest and principal of securities

USD U.S. Dollar

Credit enhancements – Adds the financial strength of the provider of the enhancement to support the issuer’s ability to repay the principal and interest payments when due. The enhancement may be provided by a high-quality bank, insurance company or other corporation, or a collateral trust. The enhancements do not guarantee the market values of the securities.

(INS) Principal and interest payments are insured by AMBAC Assurance Corp. Although bond insurance reduces the risk of loss due to default by an issuer, such bonds remain subject to the risk that value may fluctuate for other reasons, and there is no assurance that the insurance company will meet its obligations.

■ SPECIFIC NOTES

- (a) The security, or a portion thereof, was out on loan as of November 30, 2017.
- (b) The security, or a portion thereof, is segregated to cover the value of open futures contracts at November 30, 2017.
- (c) Restricted security that is not registered under the Securities Act of 1933. A resale of this security in the United States may occur in an exempt transaction to a qualified institutional buyer as defined by Rule 144A, and as such has been deemed liquid by USAA Asset Management Company (the Manager) under liquidity guidelines approved by USAA Mutual Funds Trust's Board of Trustees (the Board), unless otherwise noted as illiquid.
- (d) Security deemed illiquid by the Manager, under liquidity guidelines approved by the Board. The aggregate market value of these securities at November 30, 2017, was \$3,422,000, which represented 0.3% of the Fund's net assets.
- (e) Security was fair valued at November 30, 2017, by the Manager in accordance with valuation procedures approved by the Board. The total value of all such securities was \$849,000, which represented 0.1% of the Fund's net assets.
- (f) Senior loan (loan) – is not registered under the Securities Act of 1933. The loan contains certain restrictions on resale and cannot be sold publicly. The stated interest rate represents the weighted average interest rate of all contracts within the loan facility. The interest rate is adjusted periodically, and the rate disclosed represents the current rate at November 30, 2017. The weighted average life of the loan is likely to be shorter than the stated final maturity date due to mandatory or optional prepayments. The loan is deemed liquid by the Manager, under liquidity guidelines approved by the Board, unless otherwise noted as illiquid.
- (g) At November 30, 2017, the issuer was in default with respect to interest and/or principal payments.

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- (h) Variable-rate security – interest rate is adjusted periodically. The interest rate disclosed represents the rate at November 30, 2017.
 - (i) Pay-in-kind (PIK) – security in which the issuer has or will have the option to make all or a portion of the interest or dividend payments in additional securities in lieu of cash.
 - (j) U.S. government agency issues – Mortgage-backed securities issued by certain U.S. Government Sponsored Enterprises (GSEs) such as the Government National Mortgage Association (GNMA or Ginnie Mae) and certain other U.S. government guaranteed securities are supported by the full faith and credit of the U.S. government. Securities issued by other GSEs, such as Freddie Mac (Federal Home Loan Mortgage Corporation or FHLMC) and Fannie Mae (Federal National Mortgage Association or FNMA), indicated with a “+”, are supported only by the right of the GSE to borrow from the U.S. Treasury, the discretionary authority of the U.S. government to purchase the GSEs’ obligations, or only by the credit of the issuing agency, instrumentality, or corporation, and are neither issued nor guaranteed by the U.S. Treasury. In September of 2008, the U.S. Treasury placed Fannie Mae and Freddie Mac under conservatorship and appointed the Federal Housing Finance Agency (FHFA) to act as conservator and oversee their daily operations. In addition, the U.S. Treasury entered into purchase agreements with Fannie Mae and Freddie Mac to provide them with capital in exchange for senior preferred stock. While these arrangements are intended to ensure that Fannie Mae and Freddie Mac can continue to meet their obligations, it is possible that actions by the U.S. Treasury, FHFA, or others could adversely impact the value of the Fund’s investments in securities issued by Fannie Mae and Freddie Mac.
 - (k) Securities with a value of \$1,947,000 are segregated as collateral for initial margin requirements on open futures contracts.
 - (l) Zero-coupon security. Rate represents the effective yield at the date of purchase.
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- (m) Commercial paper issued in reliance on the “private placement” exemption from registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (Section 4(a)(2) Commercial Paper). Unless this commercial paper is subsequently registered, a resale of this commercial paper in the United States must be effected in a transaction exempt from registration under the Securities Act of 1933. Section 4(a)(2) Commercial Paper is normally resold to other investors through or with the assistance of the issuer or an investment dealer who makes a market in this security, and as such has been deemed liquid by the Manager under liquidity guidelines approved by the Board, unless otherwise noted as illiquid.
 - (n) Rate represents the money market fund annualized seven-day yield at November 30, 2017.
 - (o) The contract value of futures purchased and/or sold as a percentage of net assets is 6.4%.
 - (p) All of the coupon is PIK.
 - (q) Rates for U.S. Treasury notes and bonds represent the stated coupon payment rate at time of issuance.
 - (r) Stated interest rates may change slightly over time as underlying mortgages pay down.
 - (s) Security was fair valued at Level 3.

* Non-income-producing security.

See accompanying notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

(IN THOUSANDS)

November 30, 2017 (unaudited)

ASSETS

Investments in securities, at market value (including securities on loan of \$6,073) (cost of \$1,114,602)	\$1,174,738
Cash denominated in foreign currencies (identified cost of \$2,694)	2,898
Receivables:	
Capital shares sold	529
USAA Asset Management Company (Note 6C)	35
Dividends and interest	2,421
Securities sold	485
Other	9
Variation margin on futures contracts	6,787
Total assets	<u>1,187,902</u>

LIABILITIES

Payables:	
Upon return of securities loaned	6,314
Securities purchased	365
Capital shares redeemed	360
Bank overdraft	5,237
Accrued management fees	567
Accrued transfer agent's fees	62
Other accrued expenses and payables	218
Total liabilities	<u>13,123</u>
Net assets applicable to capital shares outstanding	<u>\$1,174,779</u>

NET ASSETS CONSIST OF:

Paid-in capital	\$1,048,620
Accumulated undistributed net investment income	1,872
Accumulated net realized gain on investments and futures transactions	57,171
Net unrealized appreciation of investments and futures contracts	66,912
Net unrealized appreciation of foreign currency translations	204
Net assets applicable to capital shares outstanding	<u>\$1,174,779</u>
Capital shares outstanding, no par value	<u>74,916</u>
Net asset value, redemption price, and offering price per share	<u>\$ 15.68</u>

See accompanying notes to financial statements.

STATEMENT OF OPERATIONS

(IN THOUSANDS)

Six-month period ended November 30, 2017 (unaudited)

INVESTMENT INCOME

Dividends	\$ 7,430
Interest	7,809
Securities lending (net)	62
Total income	<u>15,301</u>

EXPENSES

Management fees	3,388
Administration and servicing fees	862
Transfer agent's fees	1,338
Custody and accounting fees	131
Postage	76
Shareholder reporting fees	38
Trustees' fees	18
Registration fees	20
Professional fees	64
Other	14
Total expenses	<u>5,949</u>
Expenses reimbursed	<u>(206)</u>
Net expenses	<u>5,743</u>

NET INVESTMENT INCOME

9,558

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS, FOREIGN CURRENCY, AND FUTURES CONTRACTS

Net realized gain on:	
Unaffiliated transactions	37,085
Affiliated transactions (Note 8)	2
Foreign currency transactions	21
Futures transactions	5,088
Change in net unrealized appreciation/(depreciation) of:	
Investments	1,468
Foreign currency translations	158
Futures contracts	<u>2,918</u>
Net realized and unrealized gain	<u>46,740</u>
Increase in net assets resulting from operations	<u>\$56,298</u>

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN NET ASSETS (IN THOUSANDS)

Six-month period ended November 30, 2017 (unaudited), and year ended May 31, 2017

	11/30/2017	5/31/2017
FROM OPERATIONS		
Net investment income	\$ 9,558	\$ 23,126
Net realized gain on investments	37,087	22,733
Net realized gain on long-term capital gain distributions from other investment companies	—	83
Net realized gain (loss) on foreign currency transactions	21	(3)
Net realized loss on options	—	(292)
Net realized gain on futures transactions	5,088	6,560
Change in net unrealized appreciation/(depreciation) of:		
Investments	1,468	46,605
Foreign currency translations	158	48
Futures contracts	2,918	3,745
Increase in net assets resulting from operations	56,298	102,605
DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net investment income	(9,426)	(24,373)
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	70,216	134,055
Reinvested dividends	9,372	24,223
Cost of shares redeemed	(71,175)	(174,676)
Increase (decrease) in net assets from capital share transactions	8,413	(16,398)
Capital contribution from USAA Transfer Agency Company	—	1
Net increase in net assets	55,285	61,835
NET ASSETS		
Beginning of period	1,119,494	1,057,659
End of period	\$1,174,779	\$1,119,494
Accumulated undistributed net investment income:		
End of period	\$ 1,872	\$ 1,740
CHANGE IN SHARES OUTSTANDING		
Shares sold	4,583	9,288
Shares issued for dividends reinvested	616	1,705
Shares redeemed	(4,644)	(12,117)
Increase (decrease) in shares outstanding	555	(1,124)

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

November 30, 2017 (unaudited)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

USAA MUTUAL FUNDS TRUST (the Trust), registered under the Investment Company Act of 1940, as amended (the 1940 Act), is an open-end management investment company organized as a Delaware statutory trust consisting of 51 separate funds. Additionally, USAA Cornerstone Moderate Fund (the Fund) qualifies as a registered investment company under Accounting Standards Codification Topic 946. The information presented in this semiannual report pertains only to the Fund, which is classified as diversified under the 1940 Act and is authorized to issue an unlimited number of shares. The Fund's investment objective is to seek a high total return.

- A. **Security valuation** – The Trust's Board of Trustees (the Board) has established the Valuation 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. Among other things, these policies and procedures allow the Fund to utilize independent pricing services, quotations from securities dealers, and a wide variety of sources and information to establish and adjust the fair value of securities as events occur and circumstances warrant.

The Committee reports to the Board on a quarterly basis and makes recommendations to the Board as to pricing methodologies and services used by the Fund and presents additional information to the Board regarding application of the pricing and fair valuation policies and procedures during the preceding quarter.

The Committee meets as often as necessary to make pricing and fair value determinations. In addition, the Committee holds regular monthly meetings to review prior actions taken by the Committee and USAA Asset Management Company (the Manager), an affiliate of the Fund.

Among other things, these monthly meetings include a review and analysis of backtesting reports, pricing service quotation comparisons, illiquid securities and fair value determinations, pricing movements, and daily stale price monitoring.

The value of each security is determined (as of the close of trading on the New York Stock Exchange (NYSE) on each business day the NYSE is open) as set forth below:

1. Equity securities, including exchange-traded funds (ETFs), except as otherwise noted, traded primarily on a domestic securities exchange or the over-the-counter markets, are valued at the last sales price or official closing price on the exchange or primary market on which they trade. Securities traded primarily on foreign securities exchanges or markets are valued at the last quoted sale price, or the most recently determined official closing price calculated according to local market convention, available at the time the Fund is valued. If no last sale or official closing price is reported or available, the average of the bid and ask prices generally is used. Actively traded equity securities listed on a domestic exchange generally are categorized in Level 1 of the fair value hierarchy. Certain preferred and equity securities traded in inactive markets generally are categorized in Level 2 of the fair value hierarchy.
2. Equity securities trading in various foreign markets may take place on days when the NYSE is closed. Further, when the NYSE is open, the foreign markets may be closed. Therefore, the calculation of the Fund's net asset value (NAV) may not take place at the same time the prices of certain foreign securities held by the Fund are determined. In many cases, events affecting the values of foreign securities that occur between the time of their last quoted sale or official closing price and the close of normal trading on the NYSE on a day the Fund's NAV is calculated will not need to be reflected in the value of the Fund's foreign securities. However, the Manager will monitor for events that would materially affect the value of the Fund's foreign securities and the Committee will consider such available information that it deems relevant and will determine a fair value for the affected foreign securities in accordance with valuation

procedures. In addition, information from an external vendor or other sources may be used to adjust the foreign market closing prices of foreign equity securities to reflect what the Committee believes to be the fair value of the securities as of the close of the NYSE. Fair valuation of affected foreign equity securities may occur frequently based on an assessment that events which occur on a fairly regular basis (such as U.S. market movements) are significant. Such securities are categorized in Level 2 of the fair value hierarchy.

3. Investments in open-end investment companies, commingled, or other funds, other than ETFs, are valued at their NAV at the end of each business day and are categorized in Level 1 of the fair value hierarchy.
4. Short-term debt securities with original or remaining maturities of 60 days or less may be valued at amortized cost, provided that amortized cost represents the fair value of such securities.
5. Debt securities with maturities greater than 60 days are valued each business day by a pricing service (the Service) approved by the Board. The Service uses an evaluated mean between quoted bid and ask prices or the last sales price to value a security when, in the Service's judgment, these prices are readily available and are representative of the security's market value. For many securities, such prices are not readily available. The Service generally prices those securities based on methods which include consideration of yields or prices of securities of comparable quality, coupon, maturity, and type; indications as to values from dealers in securities; and general market conditions. Generally, debt securities are categorized in Level 2 of the fair value hierarchy; however, to the extent the valuations include significant unobservable inputs, the securities would be categorized in Level 3.
6. Repurchase agreements are valued at cost.
7. Futures are valued at the settlement price at the close of market on the principal exchange on which they are traded or, in the absence of any transactions that day, the settlement price on the prior trading date if it is within the spread between the closing bid and ask price closest to the last reported sale price.

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8. Options are valued by a pricing service at the National Best Bid/Offer (NBBO) composite price, which is derived from the best available bid and ask price in all participating options exchanges determined to most closely reflect market value of the options at the time of computation of the Fund's NAV.
 9. 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.

Fair value methods used by the Manager include, but are not limited to, obtaining market quotations from secondary pricing services, broker-dealers, other pricing services, or widely used quotation systems. General factors considered in determining the fair value of securities include fundamental analytical data, the nature and duration of any restrictions on disposition of the securities, evaluation of credit quality, and an evaluation of the forces that influenced the market in which the securities are purchased and sold.

- B. **Fair value measurements** – 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 three-level valuation hierarchy disclosed in the Portfolio of Investments is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical securities.

Level 2 – inputs to the valuation methodology are other significant observable inputs, including quoted prices for similar securities, inputs that are observable for the securities, either directly or indirectly, and market-corroborated inputs such as market indexes.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement, including the Manager’s own assumptions in determining the fair value.

The inputs or methodologies used for valuing securities are not necessarily an indication of the risks associated with investing in those securities.

The valuation of securities falling in the Level 3 category are primarily supported by a prior tender offer and last quoted price. However, these securities are included in the Level 3 category due to limited market transparency and/or a lack of corroboration to support the quoted prices.

The methods used may include valuation models that rely on significant assumptions and/or unobservable inputs to determine the fair value measurement for the securities. A market-based approach may be employed using related or comparable securities, recent transactions, market multiples, book values and other relevant information or an income-based approach may be employed whereby estimated future cash flows are discounted to determine the fair value. In some cases discounts may be applied due to market liquidity limitations.

Refer to the Portfolio of Investments for a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining value.

- C. **Derivative instruments and hedging activities** – The Fund may buy, sell, and enter into certain types of derivatives, including, but not limited to, futures contracts, options, and options on futures contracts, under circumstances in which such instruments are expected by the portfolio manager to aid in achieving the Fund’s investment objective. The Fund

also may use derivatives in circumstances where the portfolio manager believes they offer an economical means of gaining exposure to a particular asset class or securities market or to keep cash on hand to meet shareholder redemptions or other needs while maintaining exposure to the market. With exchange-listed futures contracts and options, counterparty credit risk to the Fund is limited to the exchange's clearinghouse which, as counterparty to all exchange-traded futures contracts and options, guarantees the transactions against default from the actual counterparty to the transaction. The Fund's derivative agreements held at November 30, 2017, did not include master netting provisions.

Futures contracts – The Fund is subject to equity price risk, interest rate risk, and foreign currency exchange rate risk in the normal course of pursuing its investment objectives. The Fund may use futures contracts to gain exposure to, or hedge against, changes in the value of equities, interest rates, or foreign currencies. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date. Upon entering into such contracts, the Fund is required to deposit with the broker in either cash or securities an initial margin in an amount equal to a certain percentage of the contract amount. Subsequent payments (variation margin) are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, and are recorded for financial statement purposes as unrealized gains or losses. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. Upon entering into such contracts, the Fund bears the risk of interest or exchange rates or securities prices moving unexpectedly in an unfavorable direction, in which case, the Fund may not achieve the anticipated benefits of the futures contracts.

Fair Values of Derivative Instruments as of November 30, 2017*
(in thousands)

Derivatives not accounted for as hedging instruments	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities	Fair Value	Statement of Assets and Liabilities	Fair Value
	Location		Location	
Equity contracts	Net unrealized appreciation of investments and futures contracts	\$7,227**	Net unrealized depreciation of investments and futures contracts	\$826**
Interest rate contracts	Net unrealized appreciation of investments and futures contracts	375**		–
Total		\$7,602		\$826

* For open derivative instruments as of November 30, 2017, see the Portfolio of Investments, which also is indicative of activity for the six-month period ended November 30, 2017.

** Includes cumulative appreciation/(depreciation) of futures as reported on the Portfolio of Investments. Only the variation margin from the last business day of the reporting period is reported within the Statement of Assets and Liabilities.

The Effect of Derivative Instruments on the Statement of Operations for the six-month period ended November 30, 2017 (in thousands)

Derivatives not accounted for as hedging instruments	Statement of Operations Location	Realized gain (loss) on derivatives	Change in unrealized appreciation/(depreciation) on derivatives
Equity contracts	Net realized gain on Futures transactions/ Change in net unrealized appreciation/(depreciation) of Futures contracts	\$5,789	\$2,356
Interest rate contracts	Net realized gain on Futures transactions/ Change in net unrealized appreciation/(depreciation) of Futures contracts	(701)	562
Total		\$5,088	\$2,918

- D. **Federal taxes** – The Fund’s policy is to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of its taxable income and net capital gains, if any, to its shareholders. Therefore, no federal income tax provision is required.

For the six-month period ended November 30, 2017, the Fund did not incur any income tax, interest, or penalties, and has recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions. On an ongoing basis, the Manager will monitor the Fund's tax basis to determine if adjustments to this conclusion are necessary. The statute of limitations on the Fund's tax return filings generally remain open for the three preceding fiscal reporting year ends and remain subject to examination by the Internal Revenue Service and state taxing authorities.

- E. **Foreign taxation** – Foreign income and capital gains on some foreign securities may be subject to foreign taxes, which are reflected as a reduction to such income and realized gains. The Fund records a liability based on unrealized gains to provide for potential foreign taxes payable upon the sale of these securities. Foreign taxes have been provided for in accordance with the Fund's understanding of the applicable countries' prevailing tax rules and rates.
- F. **Investments in securities** – Securities transactions are accounted for on the date the securities are purchased or sold (trade date). Gains or losses from sales of investment securities are computed on the identified cost basis. Dividend income, less foreign taxes, if any, is recorded on the ex-dividend date. If the ex-dividend date has passed, certain dividends from foreign securities are recorded upon notification. Interest income is recorded daily on the accrual basis. Premiums and discounts are amortized over the life of the respective securities, using the effective yield method for long-term securities and the straight-line method for short-term securities.
- G. **Foreign currency translations** – The Fund's assets may be invested in the securities of foreign issuers and may be traded in foreign currency. Since the Fund's accounting records are maintained in U.S. dollars, foreign currency amounts are translated into U.S. dollars on the following bases:
 - 1. Purchases and sales of securities, income, and expenses at the exchange rate obtained from an independent pricing service on the respective dates of such transactions.

-
2. Market value of securities, other assets, and liabilities at the exchange rate obtained from an independent pricing service on a daily basis.

The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Separately, net realized foreign currency gains/losses may arise from sales of foreign currency, currency gains/losses realized between the trade and settlement dates on security transactions, and from the difference between amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts received. At the end of the Fund's fiscal year, net realized foreign currency gains/losses are reclassified from accumulated net realized gains/losses to accumulated undistributed net investment income on the Statement of Assets and Liabilities, as such amounts are treated as ordinary income/loss for federal income tax purposes. Net unrealized foreign currency exchange gains/losses arise from changes in the value of assets and liabilities, other than investments in securities, resulting from changes in the exchange rate.

- H. **Securities purchased 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. During the period prior to settlement, these securities do not earn interest, are subject to market fluctuation, and may increase or decrease in value prior to their delivery. The Fund receives a commitment fee for delayed draws on loans. The Fund maintains segregated assets with a market value equal to or greater than the amount of its purchase commitments. The purchase of securities on a delayed-delivery or when-issued basis and delayed-draw loan commitments may increase the volatility of the Fund's NAV to the extent that the Fund makes such purchases and commitments while remaining substantially fully invested.

- I. **Expenses paid indirectly** – Through arrangements with the Fund’s custodian and other banks utilized by the Fund for cash management purposes, realized credits, if any, generated from cash balances in the Fund’s bank accounts may be used to directly reduce the Fund’s expenses. For the six-month period ended November 30, 2017, there were no custodian and other bank credits.
- J. **Indemnifications** – 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 Trust. In addition, in the normal course of business, the Trust enters into contracts that contain a variety of representations and warranties that provide general indemnifications. The Trust’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Trust that have not yet occurred. However, the Trust expects the risk of loss to be remote.
- K. **Use of estimates** – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that may affect the reported amounts in the financial statements.

(2) LINE OF CREDIT

The Fund participates, along with other funds of the Trust and USAA ETF Trust (together, the Trusts), in a joint, short-term, revolving, committed loan agreement of \$500 million with USAA Capital Corporation (CAPCO), an affiliate of the Manager. The purpose of the agreement is to provide temporary or emergency cash needs, including redemption requests that might otherwise require the untimely disposition of securities. Subject to availability (including usage of the facility by other funds of the Trusts), the Fund may borrow from CAPCO an amount up to 5% of the Fund’s total assets at an interest rate based on the London Interbank Offered Rate (LIBOR), plus 100.0 basis points.

The Trusts are also assessed facility fees by CAPCO in the amount of 13.0 basis points of the amount of the committed loan agreement. Prior to September 30, 2017, the maximum annual facility fee was 12.0 basis points

of the amount of the committed loan agreement. The facility fees are allocated among the funds of the Trusts based on their respective average net assets for the period.

The Trusts may request an optional increase of the committed loan agreement from \$500 million up to \$750 million. If the Trusts increase the committed loan agreement, the assessed facility fee on the amount of the additional commitment will be 14.0 basis points.

For the six-month period ended November 30, 2017, the Fund paid CAPCO facility fees of \$4,000, which represents 1.5% of the total fees paid to CAPCO by the funds of the Trusts. The Fund had no borrowings under this agreement during the six-month period ended November 30, 2017.

(3) DISTRIBUTIONS

The tax basis of distributions and any accumulated undistributed net investment income will be determined as of the Fund's tax year-end of May 31, 2018, in accordance with applicable federal tax law.

Distributions of net investment income are made quarterly. Distributions of realized gains from security transactions not offset by capital losses are made annually in the succeeding fiscal year or as otherwise required to avoid the payment of federal income tax.

At May 31, 2017, the Fund had no capital loss carryforwards, for federal income tax purposes.

(4) INVESTMENT TRANSACTIONS

Cost of purchases and proceeds from sales/maturities of securities, excluding short-term securities, for the six-month period ended November 30, 2017, were \$279,866,000 and \$297,228,000, respectively.

As of November 30, 2017, the cost of securities, including short-term securities, for federal income tax purposes, was approximately the same as the cost reported in the financial statements.

Gross unrealized appreciation and depreciation of investments as of November 30, 2017, were \$78,480,000 and \$18,344,000, respectively, resulting in net unrealized appreciation of \$60,136,000.

(5) SECURITIES LENDING

The Fund, through its 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. The borrowers are required to secure their loans continuously with collateral in an amount at least equal to 102% of the fair value of domestic securities and foreign government securities loaned and 105% of the fair value of foreign securities and all other securities loaned. Collateral may be cash, U.S. government securities, or other securities as permitted by SEC guidelines. Cash collateral is invested in high-quality short-term investments. Collateral requirements are determined daily based on the prior business day's ending value of securities loaned. Risks to the Fund in securities-lending transactions are 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, 2017, the Fund's value of outstanding securities on loan and the value of collateral are as follows:

Value of Securities on Loan	Non-Cash Collateral	Cash Collateral
\$6,073,000	\$-	\$6,314,000

(6) TRANSACTIONS WITH MANAGER

- A. **Management fees** – The Manager provides investment management services to the Fund pursuant to an Advisory Agreement. Under this agreement, the Manager is responsible for managing the business and affairs of the Fund, and for directly managing the day-to-day investment of the Fund's assets, subject to the authority of and supervision by the Board. The Manager is authorized to select (with approval of the Board and without shareholder approval) one or more subadvisers to manage

the day-to-day investment of all or a portion of the Fund's assets. For the six-month period ended November 30, 2017, the Fund had no subadviser(s).

The Fund's investment management fee is accrued daily and paid monthly at an annualized rate of 0.59% of the Fund's average net assets. For the six-month period ended November 30, 2017, the Fund incurred management fees, paid or payable to the Manager, of \$3,388,000.

- B. **Administration and servicing fees** – The Manager provides certain administration and servicing functions for the Fund. For such services, the Manager receives a fee accrued daily and paid monthly at an annualized rate of 0.15% of the Fund's average net assets. For the six-month period ended November 30, 2017, the Fund incurred administration and servicing fees, paid or payable to the Manager, of \$862,000.

In addition to the services provided under its Administration and Servicing Agreement with the Fund, the Manager also provides certain compliance and legal services for the benefit of the Fund. The Board has approved the reimbursement of a portion of these expenses incurred by the Manager. For the six-month period ended November 30, 2017, the Fund reimbursed the Manager \$14,000 for these compliance and legal services. These expenses are included in the professional fees on the Fund's Statement of Operations.

- C. **Expense limitation** – The Manager agreed, through September 30, 2018, to limit the total annual operating expenses of the Fund to 1.00% of its average net assets, excluding extraordinary expenses and before reductions of any expenses paid indirectly, and to reimburse the Fund for all expenses in excess of that amount. This expense limitation arrangement may not be changed or terminated through September 30, 2018, without approval of the Board, and may be changed or terminated by the Manager at any time after that date. For the six-month period ended November 30, 2017, the Fund incurred reimbursable expenses of \$206,000, of which \$35,000 was receivable from the Manager.
- D. **Transfer agent's fees** – USAA Transfer Agency Company, d/b/a USAA Shareholder Account Services (SAS), an affiliate of the Manager,

provides transfer agent services to the Fund based on an annual charge of \$23 per shareholder account plus out-of-pocket expenses. SAS pays a portion of these fees to certain intermediaries for the administration and servicing of accounts that are held with such intermediaries. For the six-month period ended November 30, 2017, the Fund incurred transfer agent's fees, paid or payable to SAS, of \$1,338,000.

- E. **Underwriting services** – USAA Investment Management Company provides exclusive underwriting and distribution of the Fund's shares on a continuing best-efforts basis and receives no fee or other compensation for these services.

(7) TRANSACTIONS WITH AFFILIATES

The Manager is indirectly wholly owned by United Services Automobile Association (USAA), a large, diversified financial services institution.

Certain trustees and officers of the Fund are also directors, officers, and/or employees of the Manager. None of the affiliated trustees or Fund officers received any compensation from the Fund.

(8) SECURITY TRANSACTIONS WITH AFFILIATED FUNDS

During the six-month period ended November 30, 2017, in accordance with affiliated transaction procedures approved by the Board, purchases and sales of security transactions were executed between the Fund and the following affiliated USAA Funds at the then-current market price with no brokerage commissions incurred.

Seller	Purchaser	Cost to Purchaser	Net Realized Gain (Loss) to Seller
Cornerstone Moderate	Cornerstone Moderately Aggressive	\$180,000	\$2,000
Cornerstone Moderately Aggressive	Cornerstone Moderate	87,000	(-)*
Cornerstone Aggressive	Cornerstone Moderate	219,000	4,000

* Represents less than \$500.

(9) UPCOMING REGULATORY MATTERS

In October 2016, the U.S. Securities and Exchange Commission (SEC) issued Final Rule Release No. 33-10231, *Investment Company Reporting Modernization*. In part, the rules require the filing of new forms N-PORT and N-CEN, and amend Regulation S-X to require standardized, enhanced disclosure about derivatives in investment company financial statements, as well as other amendments.

In October 2016, the SEC issued Final Rule Release No. 33-10233, *Investment Company Liquidity Risk Management Programs*. This rule requires funds to establish a liquidity risk management program and enhances disclosures regarding funds' liquidity.

In October 2016, the SEC issued Final Rule Release No. 33-10234, *Investment Company Swing Pricing*. This rule permits certain funds to use swing pricing during periods of heavy redemptions and requires certain disclosures regarding the use of swing pricing in forms filed with the SEC.

The Manager continues to evaluate the impact these rules and amendments will have on the financial statements and other disclosures. The compliance date for new forms N-PORT and N-CEN is June 1, 2018 (with filing of Form N-PORT beginning April 30, 2019), with other staggered compliance dates extending through April 30, 2019. The Fund is expected to comply with the June 1, 2018 compliance date for new forms N-PORT and N-CEN.

(10) FINANCIAL HIGHLIGHTS

Per share operating performance for a share outstanding throughout each period is as follows:

	Six-Month Period Ended November 30,		Year Ended May 31,			
	2017	2017	2016	2015	2014	2013
Net asset value at beginning of period	\$ 15.05	\$ 14.01	\$ 15.43	\$ 15.46	\$ 14.49	\$ 13.07
Income (loss) from investment operations:						
Net investment income	.13	.31	.39	.37	.38	.40
Net realized and unrealized gain (loss)	.63	1.06	(1.15)	.10	.98	1.42
Total from investment operations	.76	1.37	(.76)	.47	1.36	1.82
Less distributions from:						
Net investment income	(.13)	(.33)	(.38)	(.38)	(.39)	(.40)
Realized capital gains	—	—	(.28)	(.12)	—	—
Total distributions	(.13)	(.33)	(.66)	(.50)	(.39)	(.40)
Net asset value at end of period	\$ 15.68	\$ 15.05	\$ 14.01	\$ 15.43	\$ 15.46	\$ 14.49
Total return (%)*	5.05	9.91	(4.89)	3.10	9.60	14.17
Net assets at end of period (000)	\$1,174,779	\$1,119,494	\$1,057,659	\$1,150,798	\$1,093,783	\$944,828
Ratios to average net assets:**						
Expenses (%) ^(a)	1.00 ^(b)	1.00	1.00	1.00	1.00	1.00
Expenses, excluding reimbursements (%) ^(a)	1.04 ^(b)	1.10	1.16	1.19	1.22	1.30
Net investment income (%)	1.66 ^(b)	2.14	2.72	2.46	2.60	2.87
Portfolio turnover (%)	26	66	70 ^(c)	44	46	66

* 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. Total returns for periods of less than one year are not annualized.

** For the six-month period ended November 30, 2017, average net assets were \$1,146,062,000.

(a) Reflects total annual operating expenses of the Fund before reductions of any expenses paid indirectly. The Fund's expenses paid indirectly decreased the expense ratios as follows:

— — — — (.00%)[†] (.00%)[†]

† Represents less than 0.01% of average net assets.

(b) Annualized. The ratio is not necessarily indicative of 12 months of operations.

(c) Reflects increased trading activity due to changes in asset allocation strategies.

EXPENSE EXAMPLE

November 30, 2017 (unaudited)

EXAMPLE

As a shareholder of the Fund, you incur two types of costs: direct costs, such as wire fees, redemption fees, and low balance fees; and indirect costs, including management fees, transfer agency fees, and other Fund operating expenses. This example is intended to help you understand your indirect costs, also referred to as “ongoing costs” (in dollars), of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire six-month period of June 1, 2017, through November 30, 2017.

ACTUAL EXPENSES

The line labeled “actual” in the table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested at the beginning of the period, 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 “actual” line under the heading “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The line labeled “hypothetical” in the table provides 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 the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any direct costs, such as wire fees, redemption fees, or low balance fees. Therefore, the line labeled “hypothetical” is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these direct costs were included, your costs would have been higher.

	Beginning Account Value June 1, 2017	Ending Account Value November 30, 2017	Expenses Paid During Period* June 1, 2017 – November 30, 2017
Actual	\$1,000.00	\$1,050.50	\$5.14
Hypothetical (5% return before expenses)	1,000.00	1,020.05	5.06

*Expenses are equal to the Fund’s annualized expense ratio of 1.00%, which is net of any reimbursements and expenses paid indirectly, multiplied by the average account value over the period, multiplied by 183 days/365 days (to reflect the one-half-year period). The Fund’s actual ending account value is based on its actual total return of 5.05% for the six-month period of June 1, 2017, through November 30, 2017.

Trustees	Daniel S. McNamara Robert L. Mason, Ph.D. Jefferson C. Boyce Dawn M. Hawley Paul L. McNamara Richard Y. Newton III Barbara B. Ostdiek, Ph.D. Michael F. Reimherr
Administrator and Investment Adviser	USAA Asset Management Company P.O. Box 659453 San Antonio, Texas 78265-9825
Underwriter and Distributor	USAA Investment Management Company P.O. Box 659453 San Antonio, Texas 78265-9825
Transfer Agent	USAA Shareholder Account Services 9800 Fredericksburg Road San Antonio, Texas 78288
Custodian and Accounting Agent	State Street Bank and Trust Company P.O. Box 1713 Boston, Massachusetts 02105
Independent Registered Public Accounting Firm	Ernst & Young LLP 100 West Houston St., Suite 1700 San Antonio, Texas 78205
Mutual Fund Self-Service 24/7 at usaa.com Or call (800) 531-USAA (8722) (210) 531-8722	Under “My Accounts” on usaa.com select your mutual fund account and either click the link or select ‘I want to...’ and select the desired action.

Copies of the Manager’s proxy voting policies and procedures, approved by the Trust’s Board of Trustees for use in voting proxies on behalf of the Fund, are available without charge (i) by calling (800) 531-USAA (8722) or (210) 531-8722; (ii) at usaa.com; and (iii) in summary within the Statement of Additional Information on the SEC’s website at <http://www.sec.gov>. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge (i) at usaa.com; and (ii) on the SEC’s website at <http://www.sec.gov>.

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. These Forms N-Q are available at no charge (i) by calling (800) 531-USAA (8722) or (210) 531-8722; (ii) at usaa.com; and (iii) on the SEC’s website at <http://www.sec.gov>. These Forms N-Q also may be reviewed and copied at the SEC’s Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling (800) 732-0330.