USAA®

MUTUAL FUNDS

June 30, 2019

Semiannual Report

USAA 500 Index Fund

(formerly known as USAA S&P 500 Index Fund)

Member Shares	Reward Shares
USSPX	USPRX

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

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

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

TABLE OF CONTENTS

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.

IRA DISTRIBUTION WITHHOLDING DISCLOSURE

We generally must withhold federal income tax at a rate of 10% of the taxable portion of your distribution and, if you live in a state that requires state income tax withholding, at your state's tax rate. However, you may elect not to have withholding apply or to have income tax withheld at a higher rate. Any withholding election that you make will apply to any subsequent distribution unless and until you change or revoke the election. If you wish to make a withholding election or change or revoke a prior withholding election, call (800) 235-8396.

If you do not have a withholding election in place by the date of 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.

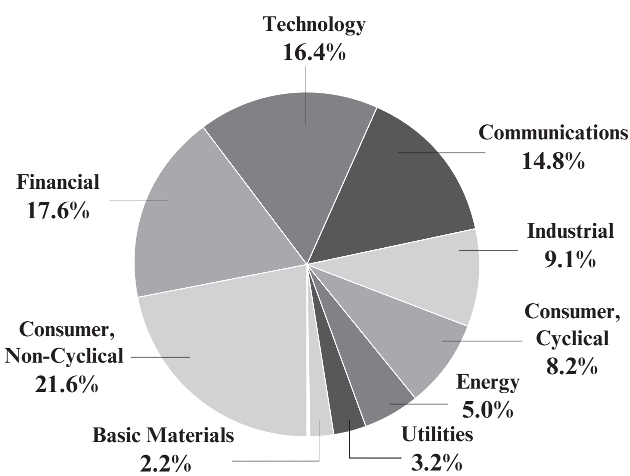
INVESTMENT OVERVIEW

TOP 10 EQUITY HOLDINGS – 6/30/19

(% of Net Assets)

Microsoft Corp.	4.1%
Apple, Inc.	3.5%
Amazon.com, Inc.	3.1%
Facebook, Inc. "A"	1.9%
Berkshire Hathaway, Inc. "B"	1.7%
Johnson & Johnson	1.5%
JPMorgan Chase & Co.	1.5%
Alphabet, Inc. "C"	1.3%
Alphabet, Inc. "A"	1.3%
Exxon Mobil Corp.	1.3%

SECTOR ALLOCATION* – 6/30/19



*Does not include futures or money market instruments.

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

Refer to the Portfolio of Investments for a complete list of securites.

The Portfolio of Investments uses the Bloomberg Industry Classification System (BICS), which may differ from the Fund's compliance classification.

SHAREHOLDER VOTING RESULTS

On April 18, 2019, a special meeting of shareholders was held to vote on two proposals relating to the series of the USAA Mutual Funds Trust (Trust). Shareholders of record on February 8, 2019, were entitled to vote on each proposal shown below. The proposals were approved by the shareholders.

The following proposals and voting results pertain to one or more series within the Trust. Votes shown for Proposal 1 are for the Fund, a series of the Trust. Votes shown for Proposal 2 are for all series of the Trust. The effective date of the Proposals was July 1, 2019.

PROPOSAL 1

To approve a new Investment Advisory Agreement between the Trust, on behalf of the Fund, and Victory Capital Management Inc. (Victory Capital), an independent investment adviser. The new Investment Advisory Agreement became effective upon the closing of the Transaction (as defined and discussed in Note 1 to the Financial Statements) whereby USAA Asset Management Company (AMCO) was acquired by Victory Capital Holdings Inc., the parent company of Victory Capital.

Number of shares voting		
For	**Against**	**Abstain**
89,525,465	13,706,277	7,567,789

PROPOSAL 2

Election of two new trustees to the Trust's Board of Trustees to serve upon the closing of the Transaction: (1) David C. Brown, to serve as an "interested trustee" as defined in the Investment Company Act of 1940, as amended (1940 Act); and (2) John C. Walters, to serve as a trustee who is not an "interested person" as is defined under the 1940 Act (Independent Trustee).

	Number of shares voting	
Trustees	**For**	**Votes Withheld**
David C. Brown	8,299,565,565	820,887,736
John C. Walters	8,317,935,885	802,517,416

PORTFOLIO OF INVESTMENTS

June 30, 2019 (unaudited)

Number of Shares	Security		Market Value (000)
	COMMON STOCKS (98.1%)		
	Basic Materials (2.2%)		
	Chemicals (1.9%)		
68,100	Air Products & Chemicals, Inc.	$	15,416
32,495	Albemarle Corp.		2,288
38,963	Celanese Corp.		4,200
68,635	CF Industries Holdings, Inc.		3,206
231,454	Dow, Inc.		11,413
231,454	DuPont de Nemours, Inc.		17,375
43,058	Eastman Chemical Co.		3,351
78,469	Ecolab, Inc.		15,493
40,792	FMC Corp.		3,384
31,273	International Flavors & Fragrances, Inc.		4,537
167,860	Linde plc		33,706
93,723	LyondellBasell Industries N.V. "A"		8,072
109,554	Mosaic Co.		2,742
73,092	PPG Industries, Inc.		8,531
25,125	Sherwin-Williams Co.		11,515
			145,229
	Forest Products & Paper (0.1%)		
123,223	International Paper Co.		5,338
	Iron/Steel (0.0%)		
94,058	Nucor Corp.		5,183
	Mining (0.2%)		
450,761	Freeport-McMoRan, Inc.		5,233
253,425	Newmont Mining Corp.		9,749
			14,982
	Total Basic Materials		170,732
	Communications (14.8%)		
	Advertising (0.1%)		
120,809	Interpublic Group of Companies, Inc.		2,729
68,139	Omnicom Group, Inc.		5,584
			8,313

Number of Shares	Security	Market Value (000)
	Internet (9.1%)	
92,598	Alphabet, Inc. "A"[a]	$ 100,265
94,774	Alphabet, Inc. "C"[a]	102,442
127,893	Amazon.com, Inc.[a]	242,182
13,388	Booking Holdings, Inc.[a]	25,099
253,351	eBay, Inc.	10,007
36,592	Expedia Group, Inc.	4,868
18,301	F5 Networks, Inc.[a]	2,665
742,984	Facebook, Inc. "A"[a]	143,396
135,207	Netflix, Inc.[a]	49,664
191,185	Symantec Corp.	4,160
32,553	TripAdvisor, Inc.[a]	1,507
225,816	Twitter, Inc.[a]	7,881
32,429	VeriSign, Inc.[a]	6,783
		700,919
	Media (2.4%)	
108,979	CBS Corp. "B"	5,438
53,203	Charter Communications, Inc. "A"[a]	21,025
1,400,797	Comcast Corp. "A"	59,226
48,375	Discovery Communications, Inc. "A"[a]	1,485
111,021	Discovery Communications, Inc. "C"[a]	3,158
70,740	DISH Network Corp. "A"[a]	2,717
50,004	Fox Corp. "A"	1,827
110,033	Fox Corp. "B"	4,032
118,610	News Corp. "A"	1,600
37,836	News Corp. "B"	528
108,926	Viacom, Inc. "B"	3,254
539,891	Walt Disney Co.	75,390
		179,680
	Telecommunications (3.2%)	
16,352	Arista Networks, Inc.[a]	4,245
2,256,965	AT&T, Inc.[b]	75,631
298,003	CenturyLink, Inc.	3,505
1,323,803	Cisco Systems, Inc.	72,452
242,303	Corning, Inc.	8,052
107,141	Juniper Networks, Inc.	2,853
50,959	Motorola Solutions, Inc.	8,496
1,278,967	Verizon Communications, Inc.[b]	73,067
		248,301
	Total Communications	1,137,213

Number of Shares	Security	Market Value (000)
	Consumer, Cyclical (8.2%)	
	Airlines (0.4%)	
38,056	Alaska Air Group, Inc.	$ 2,432
123,069	American Airlines Group, Inc.	4,013
184,172	Delta Air Lines, Inc.	10,452
151,105	Southwest Airlines Co.	7,673
68,327	United Continental Holdings, Inc.(a)	5,982
		30,552
	Apparel (0.7%)	
46,987	Capri Holdings Ltd.(a)	1,629
111,546	Hanesbrands, Inc.	1,921
388,666	NIKE, Inc. "B"	32,629
23,303	PVH Corp.	2,205
16,234	Ralph Lauren Corp.	1,844
89,273	Tapestry, Inc.	2,833
58,072	Under Armour, Inc. "A"(a)	1,472
59,560	Under Armour, Inc. "C"(a)	1,322
100,750	V.F. Corp.	8,801
		54,656
	Auto Manufacturers (0.5%)	
1,212,549	Ford Motor Co.	12,405
408,260	General Motors Co.	15,730
107,427	PACCAR, Inc.	7,698
		35,833
	Auto Parts & Equipment (0.1%)	
79,428	Aptiv plc	6,420
64,061	BorgWarner, Inc.	2,690
		9,110
	Distribution/Wholesale (0.2%)	
62,534	Copart, Inc.(a)	4,674
176,276	Fastenal Co.	5,745
96,937	LKQ Corp.(a)	2,579
13,890	W.W. Grainger, Inc.	3,726
		16,724
	Home Builders (0.1%)	
105,551	D.R. Horton, Inc.	4,553
88,076	Lennar Corp. "A"	4,268
78,537	PulteGroup, Inc.	2,483
		11,304

Number of Shares	Security	Market Value (000)
	Home Furnishings (0.1%)	
40,389	Leggett & Platt, Inc.	$ 1,550
19,598	Whirlpool Corp.	2,790
		4,340
	Housewares (0.0%)	
119,803	Newell Brands, Inc.	1,847
	Leisure Time (0.2%)	
123,325	Carnival Corp.	5,741
48,940	Harley-Davidson, Inc.	1,754
67,042	Norwegian Cruise Line Holdings Ltd.[a]	3,595
53,241	Royal Caribbean Cruises Ltd.	6,453
		17,543
	Lodging (0.4%)	
90,194	Hilton Worldwide Holdings, Inc.	8,816
85,488	Marriott International, Inc. "A"	11,993
157,102	MGM Resorts International	4,488
29,795	Wynn Resorts Ltd.	3,694
		28,991
	Retail (5.4%)	
22,070	Advance Auto Parts, Inc.	3,402
7,586	AutoZone, Inc.[a]	8,341
72,103	Best Buy Co., Inc.	5,028
51,418	CarMax, Inc.[a]	4,465
7,550	Chipotle Mexican Grill, Inc.[a]	5,533
136,012	Costco Wholesale Corp.	35,943
38,070	Darden Restaurants, Inc.	4,634
79,927	Dollar General Corp.	10,803
73,282	Dollar Tree, Inc.[a]	7,870
34,762	Foot Locker, Inc.	1,457
65,551	Gap, Inc.	1,178
45,361	Genuine Parts Co.	4,698
340,287	Home Depot, Inc.	70,769
49,660	Kohl's Corp.	2,361
70,511	L Brands, Inc.	1,840
242,146	Lowe's Companies, Inc.	24,435
94,858	Macy's, Inc.	2,036
236,138	McDonald's Corp.	49,036
33,013	Nordstrom, Inc.	1,052
24,266	O'Reilly Automotive, Inc.[a]	8,962
113,648	Ross Stores, Inc.	11,265
374,569	Starbucks Corp.	31,400

Number of Shares	Security	Market Value (000)
158,494	Target Corp.	$ 13,727
33,462	Tiffany & Co.	3,133
375,107	TJX Companies, Inc.	19,836
37,344	Tractor Supply Co.	4,063
17,176	Ulta Beauty, Inc.[(a)]	5,958
240,408	Walgreens Boots Alliance, Inc.	13,143
432,593	Walmart, Inc.[(b)]	47,797
94,377	Yum! Brands, Inc.	10,445
		414,610
	Textiles (0.0%)	
18,932	Mohawk Industries, Inc.[(a)]	2,792
	Toys/Games/Hobbies (0.1%)	
35,683	Hasbro, Inc.	3,771
	Total Consumer, Cyclical	632,073
	Consumer, Non-Cyclical (21.6%)	
	Agriculture (1.0%)	
578,674	Altria Group, Inc.	27,400
173,669	Archer-Daniels-Midland Co.	7,086
481,203	Philip Morris International, Inc.	37,789
		72,275
	Beverages (1.8%)	
51,303	Brown-Forman Corp. "B"	2,844
1,187,430	Coca-Cola Co.	60,464
51,720	Constellation Brands, Inc. "A"	10,186
57,790	Molson Coors Brewing Co. "B"	3,236
121,236	Monster Beverage Corp.[(a)]	7,738
433,536	PepsiCo, Inc.	56,850
		141,318
	Biotechnology (2.0%)	
69,317	Alexion Pharmaceuticals, Inc.[(a)]	9,079
188,599	Amgen, Inc.	34,755
59,955	Biogen, Inc.[(a)]	14,022
218,071	Celgene Corp.[(a)]	20,159
231,454	Corteva, Inc.[(a)]	6,844
393,537	Gilead Sciences, Inc.[(b)]	26,587
45,457	Illumina, Inc.[(a)]	16,735
55,306	Incyte Corp.[(a)]	4,699
24,311	Regeneron Pharmaceuticals, Inc.[(a)]	7,609
79,175	Vertex Pharmaceuticals, Inc.[(a)]	14,519
		155,008

Number of Shares	Security	Market Value (000)
	Commercial Services (2.0%)	
134,566	Automatic Data Processing, Inc.	$ 22,248
26,301	Cintas Corp.	6,241
37,170	Equifax, Inc.	5,027
26,649	FleetCor Technologies, Inc.[a]	7,484
27,942	Gartner, Inc.[a]	4,497
48,281	Global Payments, Inc.	7,731
63,034	H&R Block, Inc.	1,847
112,776	IHS Markit Ltd.[a]	7,186
50,920	Moody's Corp.	9,945
109,457	Nielsen Holdings plc	2,474
363,318	PayPal Holdings, Inc.[a]	41,585
43,614	Quanta Services, Inc.	1,666
36,676	Robert Half International, Inc.	2,091
45,425	Rollins, Inc.	1,630
76,106	S&P Global, Inc.	17,336
50,518	Total System Services, Inc.	6,480
24,514	United Rentals, Inc.[a]	3,251
50,739	Verisk Analytics, Inc.	7,431
		156,150
	Cosmetics/Personal Care (1.5%)	
265,410	Colgate-Palmolive Co.	19,022
92,543	Coty, Inc. "A"	1,240
67,805	Estee Lauder Companies, Inc. "A"	12,416
775,613	Procter & Gamble Co.[b]	85,046
		117,724
	Food (1.2%)	
59,530	Campbell Soup Co.	2,385
149,523	Conagra Brands, Inc.	3,965
185,344	General Mills, Inc.	9,734
43,160	Hershey Co.	5,785
84,161	Hormel Foods Corp.	3,412
35,022	J.M. Smucker Co.	4,034
77,281	Kellogg Co.	4,140
193,136	Kraft Heinz Co.	5,995
249,580	Kroger Co.	5,418
45,098	Lamb Weston Holdings, Inc.	2,858
37,746	McCormick & Co., Inc.	5,851
444,917	Mondelez International, Inc. "A"	23,981
146,290	Sysco Corp.	10,346
90,913	Tyson Foods, Inc. "A"	7,340
		95,244

Number of Shares	Security	Market Value (000)
	Healthcare-Products (4.0%)	
545,501	Abbott Laboratories	$ 45,877
13,886	Abiomed, Inc.[a]	3,617
22,588	Align Technology, Inc.[a]	6,182
146,792	Baxter International, Inc.	12,022
83,409	Becton, Dickinson & Co.	21,020
429,972	Boston Scientific Corp.[a]	18,480
15,349	Cooper Companies, Inc.	5,171
194,793	Danaher Corp.	27,840
72,055	Dentsply Sirona, Inc.	4,205
64,473	Edwards Lifesciences Corp.[a]	11,911
46,037	Henry Schein, Inc.[a]	3,218
82,381	Hologic, Inc.[a]	3,956
26,658	IDEXX Laboratories, Inc.[a]	7,340
35,701	Intuitive Surgical, Inc.[a]	18,727
414,585	Medtronic plc	40,376
44,551	ResMed, Inc.	5,437
95,751	Stryker Corp.	19,684
14,323	Teleflex, Inc.	4,743
123,669	Thermo Fisher Scientific, Inc.	36,319
28,030	Varian Medical Systems, Inc.[a]	3,816
63,382	Zimmer Biomet Holdings, Inc.	7,463
		307,404
	Healthcare-Services (2.0%)	
79,558	Anthem, Inc.	22,452
128,144	Centene Corp.[a]	6,720
38,791	DaVita, Inc.[a]	2,182
82,617	HCA Healthcare, Inc.	11,167
41,748	Humana, Inc.	11,076
48,734	Iqvia Holdings, Inc.[a]	7,841
30,362	Laboratory Corp. of America Holdings[a]	5,249
41,341	Quest Diagnostics, Inc.	4,209
293,925	UnitedHealth Group, Inc.	71,721
25,721	Universal Health Services, Inc. "B"	3,354
15,571	WellCare Health Plans, Inc.[a]	4,439
		150,410
	Household Products/Wares (0.4%)	
26,301	Avery Dennison Corp.	3,043
76,393	Church & Dwight Co., Inc.	5,581
39,476	Clorox Co.	6,044
106,447	Kimberly-Clark Corp.	14,187
		28,855

Number of Shares	Security	Market Value (000)
	Pharmaceuticals (5.7%)	
457,153	AbbVie, Inc.	$ 33,244
95,301	Allergan plc	15,956
48,206	AmerisourceBergen Corp.	4,110
505,895	Bristol-Myers Squibb Co.	22,942
91,777	Cardinal Health, Inc.	4,323
117,383	Cigna Corp.	18,494
401,847	CVS Health Corp.	21,897
267,200	Eli Lilly & Co.	29,603
821,079	Johnson & Johnson	114,360
58,699	McKesson Corp.	7,889
796,194	Merck & Co., Inc.	66,761
158,792	Mylan N.V.[a]	3,023
53,617	Nektar Therapeutics[a]	1,908
38,495	Perrigo Co. plc	1,833
1,716,894	Pfizer, Inc.[b]	74,376
148,026	Zoetis, Inc.	16,799
		437,518
	Total Consumer, Non-Cyclical	1,661,906
	Energy (5.0%)	
	Oil & Gas (4.1%)	
155,276	Anadarko Petroleum Corp.	10,956
115,527	Apache Corp.	3,347
130,383	Cabot Oil & Gas Corp.	2,994
589,070	Chevron Corp.	73,304
31,254	Cimarex Energy Co.	1,854
62,256	Concho Resources, Inc.	6,424
349,369	ConocoPhillips	21,312
127,881	Devon Energy Corp.	3,647
48,067	Diamondback Energy, Inc.	5,238
179,447	EOG Resources, Inc.	16,717
1,308,418	Exxon Mobil Corp.	100,264
33,697	Helmerich & Payne, Inc.	1,706
78,405	Hess Corp.	4,984
48,211	HollyFrontier Corp.	2,231
252,122	Marathon Oil Corp.	3,583
204,923	Marathon Petroleum Corp.	11,451
148,948	Noble Energy, Inc.	3,336
231,732	Occidental Petroleum Corp.	11,651
129,205	Phillips 66	12,086
52,191	Pioneer Natural Resources Co.	8,030
129,257	Valero Energy Corp.	11,066
		316,181

Number of Shares	Security	Market Value (000)
	Oil & Gas Services (0.5%)	
158,111	Baker Hughes, a GE Co.	$ 3,894
271,080	Halliburton Co.	6,164
120,515	National Oilwell Varco, Inc.	2,679
428,353	Schlumberger Ltd.	17,023
130,847	TechnipFMC plc	3,394
		33,154
	Pipelines (0.4%)	
601,992	Kinder Morgan, Inc.	12,570
127,614	ONEOK, Inc.	8,781
374,802	Williams Companies, Inc.	10,509
		31,860
	Total Energy	381,195
	Financial (17.6%)	
	Banks (6.2%)	
2,734,624	Bank of America Corp.[b]	79,304
272,454	Bank of New York Mellon Corp.	12,029
236,939	BB&T Corp.	11,641
715,170	Citigroup, Inc.	50,083
141,793	Citizens Financial Group, Inc.	5,014
47,800	Comerica, Inc.	3,472
225,048	Fifth Third Bancorp	6,279
50,744	First Republic Bank	4,955
105,215	Goldman Sachs Group, Inc.	21,527
322,372	Huntington Bancshares, Inc.	4,455
1,003,190	JPMorgan Chase & Co.[b]	112,157
310,681	KeyCorp	5,515
42,268	M&T Bank Corp.	7,189
395,416	Morgan Stanley	17,323
67,263	Northern Trust Corp.[c]	6,054
139,699	PNC Financial Services Group, Inc.	19,178
313,449	Regions Financial Corp.	4,683
115,456	State Street Corp.	6,472
137,317	SunTrust Banks, Inc.	8,630
16,194	SVB Financial Group[a]	3,637
463,360	U.S. Bancorp	24,280
1,250,957	Wells Fargo & Co.	59,195
56,216	Zions Bancorp	2,585
		475,657
	Diversified Financial Services (4.3%)	
16,050	Affiliated Managers Group, Inc.	1,479

Number of Shares	Security	Market Value (000)
14,036	Alliance Data Systems Corp.	$ 1,967
211,724	American Express Co.	26,135
41,394	Ameriprise Financial, Inc.	6,009
36,793	BlackRock, Inc.	17,267
145,232	Capital One Financial Corp.	13,178
34,550	CBOE Holdings, Inc.	3,580
367,422	Charles Schwab Corp.	14,767
110,686	CME Group, Inc.	21,485
100,117	Discover Financial Services	7,768
75,853	E*trade Financial Corp.	3,383
90,889	Franklin Resources, Inc.	3,163
174,327	Intercontinental Exchange, Inc.	14,982
124,733	Invesco Ltd.	2,552
78,622	Jefferies Financial Group, Inc.	1,512
277,956	Mastercard, Inc. "A"	73,528
35,657	NASDAQ, Inc.	3,429
39,093	Raymond James Financial, Inc.	3,305
196,139	Synchrony Financial	6,800
73,231	T. Rowe Price Group, Inc.	8,034
537,737	Visa, Inc. "A"	93,324
134,214	Western Union Co.	2,670
		330,317
	Insurance (4.1%)	
230,130	AFLAC, Inc.	12,613
103,016	Allstate Corp.	10,476
268,989	American International Group, Inc.	14,332
74,361	Aon plc	14,350
57,266	Arthur J. Gallagher & Co.	5,016
19,040	Assurant, Inc.	2,025
599,226	Berkshire Hathaway, Inc. "B"[a]	127,737
141,565	Chubb Ltd.	20,851
47,137	Cincinnati Financial Corp.	4,887
12,523	Everest Re Group Ltd.	3,095
111,831	Hartford Financial Services Group, Inc.	6,231
62,912	Lincoln National Corp.	4,055
82,964	Loews Corp.	4,536
158,117	Marsh & McLennan Companies, Inc.	15,772
293,767	MetLife, Inc.	14,591
79,707	Principal Financial Group, Inc.	4,617
180,569	Progressive Corp.	14,433
125,448	Prudential Financial, Inc.	12,670
31,350	Torchmark Corp.	2,805
81,123	Travelers Companies, Inc.	12,130

Number of Shares	Security	Market Value (000)
66,090	Unum Group	$ 2,217
40,053	Willis Towers Watson plc	7,672
		317,111
	Real Estate (0.1%)	
97,202	CBRE Group, Inc. “A”(a)	4,986
	REITS (2.9%)	
35,054	Alexandria Real Estate Equities, Inc.	4,946
136,688	American Tower Corp.	27,946
46,297	Apartment Investment & Management Co. “A”	2,320
43,143	AvalonBay Communities, Inc.	8,766
47,959	Boston Properties, Inc.	6,187
128,584	Crown Castle International Corp.	16,761
64,433	Digital Realty Trust, Inc.	7,590
110,630	Duke Realty Corp.	3,497
26,000	Equinix, Inc.	13,112
114,680	Equity Residential	8,707
20,392	Essex Property Trust, Inc.	5,953
39,201	Extra Space Storage, Inc.	4,159
23,287	Federal Realty Investment Trust	2,998
147,132	HCP, Inc.	4,705
227,894	Host Hotels & Resorts, Inc.	4,152
88,194	Iron Mountain, Inc.	2,760
129,779	Kimco Realty Corp.	2,398
32,545	Macerich Co.	1,090
35,071	Mid-America Apartment Communities, Inc.	4,130
195,087	ProLogis, Inc.	15,626
46,431	Public Storage	11,058
97,396	Realty Income Corp.	6,717
51,584	Regency Centers Corp.	3,443
35,037	SBA Communications Corp.(a)	7,878
95,605	Simon Property Group, Inc.	15,274
26,365	SL Green Realty Corp.	2,119
87,348	UDR, Inc.	3,921
114,295	Ventas, Inc.	7,812
53,412	Vornado Realty Trust	3,424
125,238	Welltower, Inc.	10,211
229,914	Weyerhaeuser Co.	6,056
		225,716
	Savings & Loans (0.0%)	
121,088	People’s United Financial, Inc.	2,032
	Total Financial	1,355,819

Number of Shares	Security	Market Value (000)
	Industrial (9.1%)	
	Aerospace/Defense (2.5%)	
124,183	Arconic, Inc.	$ 3,206
161,813	Boeing Co.	58,901
83,941	General Dynamics Corp.	15,262
36,582	Harris Corp.[a]	6,919
24,623	L3 Technologies, Inc.	6,037
75,996	Lockheed Martin Corp.	27,628
52,496	Northrop Grumman Corp.	16,962
86,111	Raytheon Co.	14,973
15,117	TransDigm Group, Inc.[a]	7,314
250,786	United Technologies Corp.	32,652
		189,854
	Building Materials (0.3%)	
43,128	Fortune Brands Home & Security, Inc.	2,464
246,133	Johnson Controls International plc	10,168
19,410	Martin Marietta Materials, Inc.	4,466
90,685	Masco Corp.	3,558
40,658	Vulcan Materials Co.	5,583
		26,239
	Electrical Components & Equipment (0.3%)	
70,539	AMETEK, Inc.	6,408
190,074	Emerson Electric Co.	12,682
		19,090
	Electronics (1.3%)	
97,823	Agilent Technologies, Inc.	7,304
29,082	Allegion plc	3,215
92,373	Amphenol Corp. "A"	8,862
41,715	FLIR Systems, Inc.	2,257
91,332	Fortive Corp.	7,445
37,353	Garmin Ltd.	2,981
224,951	Honeywell International, Inc.	39,274
58,401	Keysight Technologies, Inc.[a]	5,245
7,639	Mettler-Toledo International, Inc.[a]	6,417
34,567	PerkinElmer, Inc.	3,330
104,353	TE Connectivity Ltd.	9,995
21,486	Waters Corp.[a]	4,625
		100,950
	Engineering & Construction (0.0%)	
35,454	Jacobs Engineering Group, Inc.	2,992

Number of Shares	Security	Market Value (000)
	Environmental Control (0.3%)	
48,334	Pentair plc	$ 1,798
66,842	Republic Services, Inc.	5,791
120,739	Waste Management, Inc.	13,930
		21,519
	Hand/Machine Tools (0.1%)	
17,125	Snap-on, Inc.	2,837
46,960	Stanley Black & Decker, Inc.	6,791
		9,628
	Machinery-Construction & Mining (0.3%)	
176,825	Caterpillar, Inc.	24,100
	Machinery-Diversified (0.7%)	
44,882	Cummins, Inc.	7,690
98,084	Deere & Co.	16,253
45,144	Dover Corp.	4,523
40,342	Flowserve Corp.	2,126
36,481	Rockwell Automation, Inc.	5,977
32,076	Roper Technologies, Inc.	11,748
50,026	Wabtec Corp.	3,590
55,953	Xylem, Inc.	4,680
		56,587
	Miscellaneous Manufacturers (1.4%)	
178,252	3M Co.	30,898
43,889	A.O. Smith Corp.	2,070
131,090	Eaton Corp. plc	10,917
2,696,891	General Electric Co.	28,318
92,619	Illinois Tool Works, Inc.	13,968
74,582	Ingersoll-Rand plc	9,447
39,546	Parker-Hannifin Corp.	6,723
72,277	Textron, Inc.	3,834
		106,175
	Packaging & Containers (0.3%)	
499,846	Amcor plc[(a)]	5,743
103,684	Ball Corp.	7,257
29,124	Packaging Corp. of America	2,776
48,133	Sealed Air Corp.	2,059
80,010	WestRock Co.	2,918
		20,753
	Shipbuilding (0.0%)	
12,790	Huntington Ingalls Industries, Inc.	2,874

Number of Shares	Security	Market Value (000)
	Transportation (1.6%)	
42,076	C.H. Robinson Worldwide, Inc.	$ 3,549
237,591	CSX Corp.	18,383
53,443	Expeditors International of Washington, Inc.	4,054
74,267	FedEx Corp.	12,194
26,708	J.B. Hunt Transport Services, Inc.	2,441
31,177	Kansas City Southern	3,798
82,370	Norfolk Southern Corp.	16,419
218,841	Union Pacific Corp.	37,008
215,688	United Parcel Service, Inc. "B"	22,274
		120,120
	Total Industrial	700,881
	Technology (16.4%)	
	Computers (5.1%)	
197,241	Accenture plc "A"	36,444
1,351,752	Apple, Inc.[b]	267,539
176,077	Cognizant Technology Solutions Corp. "A"	11,162
82,620	DXC Technology Co.	4,556
44,667	Fortinet, Inc.[a]	3,432
414,397	Hewlett Packard Enterprise Co.	6,195
466,035	HP, Inc.	9,689
274,042	International Business Machines Corp.	37,790
76,061	NetApp, Inc.	4,693
77,859	Seagate Technology plc	3,669
90,882	Western Digital Corp.	4,321
		389,490
	Office/Business Equipment (0.0%)	
60,121	Xerox Corp.	2,129
	Semiconductors (3.7%)	
274,250	Advanced Micro Devices, Inc.[a]	8,329
114,298	Analog Devices, Inc.	12,901
289,461	Applied Materials, Inc.	13,000
122,408	Broadcom, Inc.	35,236
1,384,891	Intel Corp.	66,295
10,929	IPG Photonics Corp.[a]	1,686
49,967	KLA-Tencor Corp.	5,906
46,356	Lam Research Corp.	8,708
84,190	Maxim Integrated Products, Inc.	5,036
73,573	Microchip Technology, Inc.	6,379
342,254	Micron Technology, Inc.[a]	13,208
188,333	NVIDIA Corp.	30,930
36,859	Qorvo, Inc.[a]	2,455

Number of Shares	Security	Market Value (000)
375,949	QUALCOMM, Inc.	$ 28,598
53,605	Skyworks Solutions, Inc.	4,142
290,100	Texas Instruments, Inc.	33,292
78,497	Xilinx, Inc.	9,256
		285,357
	Software (7.6%)	
236,892	Activision Blizzard, Inc.	11,181
150,875	Adobe Systems, Inc.[a]	44,455
50,905	Akamai Technologies, Inc.[a]	4,080
26,049	ANSYS, Inc.[a]	5,335
67,897	Autodesk, Inc.[a]	11,060
35,951	Broadridge Financial Solutions, Inc.	4,590
87,029	Cadence Design Systems, Inc.[a]	6,163
100,656	Cerner Corp.	7,378
38,532	Citrix Systems, Inc.	3,782
91,718	Electronic Arts, Inc.[a]	9,287
100,138	Fidelity National Information Services, Inc.	12,285
121,359	Fiserv, Inc.[a]	11,063
80,159	Intuit, Inc.	20,948
23,766	Jack Henry & Associates, Inc.	3,183
2,369,683	Microsoft Corp.[b]	317,443
26,192	MSCI, Inc.	6,254
750,343	Oracle Corp.	42,747
98,997	Paychex, Inc.	8,146
54,957	Red Hat, Inc.[a]	10,319
240,121	salesforce.com, Inc.[a]	36,434
46,490	Synopsys, Inc.[a]	5,983
34,906	Take-Two Interactive Software, Inc.[a]	3,963
		586,079
	Total Technology	1,263,055
	Utilities (3.2%)	
	Electric (3.0%)	
203,963	AES Corp.	3,418
72,623	Alliant Energy Corp.	3,564
76,004	Ameren Corp.	5,709
152,544	American Electric Power Co., Inc.	13,425
156,043	CenterPoint Energy, Inc.	4,468
88,134	CMS Energy Corp.	5,104
101,139	Consolidated Edison, Inc.	8,868
248,091	Dominion Energy, Inc.	19,182
56,588	DTE Energy Co.	7,236
225,189	Duke Energy Corp.	19,871

Number of Shares	Security	Market Value (000)
101,168	Edison International	$ 6,820
58,882	Entergy Corp.	6,061
75,535	Evergy, Inc.	4,543
99,254	Eversource Energy	7,519
300,268	Exelon Corp.	14,395
156,265	FirstEnergy Corp.	6,690
148,078	NextEra Energy, Inc.	30,335
82,820	NRG Energy, Inc.	2,909
34,531	Pinnacle West Capital Corp.	3,249
223,634	PPL Corp.	6,935
156,489	Public Service Enterprise Group, Inc.	9,205
84,848	Sempra Energy	11,661
321,905	Southern Co.	17,795
97,742	WEC Energy Group, Inc.	8,149
159,198	Xcel Energy, Inc.	9,471
		236,582
	Gas (0.1%)	
35,996	Atmos Energy Corp.	3,800
114,726	NiSource, Inc.	3,304
		7,104
	Water (0.1%)	
55,658	American Water Works Co., Inc.	6,456
	Total Utilities	250,142
	Total Common Stocks (Cost: $3,245,643)	7,553,016
	MONEY MARKET INSTRUMENTS (2.1%)	
	GOVERNMENT & U.S. TREASURY MONEY MARKET FUNDS (1.9%)	
143,488,400	Northern Institutional Funds - U.S. Government Portfolio, 2.24%[d],[e]	143,489

Principal Amount (000)	Security	Coupon Rate	Maturity	Market Value (000)
	U.S. TREASURY SECURITIES (0.2%)			
	Bills			
$ 12,955	U.S. Treasury Bills(f),(g)	2.47%	7/18/19	$ 12,941
	Total Money Market Instruments (Cost: $156,430)			156,430
	Total Investments (Cost: $3,402,073)			**$7,709,446**

Number of Contracts		Expiration Date	Notional Amount (000)		Contract Value (000)	Unrealized Appreciation/ (Depreciation) (000)
	FUTURES (2.1%)					
	LONG FUTURES					
	Equity Contracts					
1,107	E-mini S&P 500 Index Futures	9/20/2019	160,135	USD	$162,961	$2,826
	Total Futures				$162,961	$2,826

$ in 000s)	VALUATION HIERARCHY			
Assets	**LEVEL 1**	**LEVEL 2**	**LEVEL 3**	**Total**
Equity Securities:				
Common stocks	$7,553,016	$ –	$–	$7,553,016
Money Market Instruments:				
Government & U.S. Treasury Money Market Funds	143,489	–	–	143,489
U.S. Treasury Securities	–	12,941	–	12,941
Futures(1)	2,826	–	–	2,826
Total	$7,699,331	$12,941	$–	$7,712,272

(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.

The Portfolio of Investments uses the Bloomberg Industry Classification System (BICS), which may differ from the Fund's compliance classification.

At June 30, 2019, the Fund did not have any transfers into/out of Level 3.

NOTES TO PORTFOLIO OF INVESTMENTS

June 30, 2019 (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.

PORTFOLIO ABBREVIATIONS AND DESCRIPTIONS

REITS Real estate investment trusts – 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.

SPECIFIC NOTES

(a) Non-income-producing security.

(b) Security, or a portion thereof, is segregated to cover the value of open futures contracts at June 30, 2019.

(c) Northern Trust Corp. is the parent to Northern Trust Investments, Inc. (NTI), which is the subadviser of the Fund.

(d) Rate represents the money market fund annualized seven-day yield at June 30, 2019.

(e) NTI is both the subadviser of the Fund and the adviser of the Northern Institutional Funds – U.S. Government Portfolio.

(f) Rate represents an annualized yield at time of purchase, not a coupon rate.

(g) Security with a value of $12,941,000 is segregated as collateral for initial margin requirements on open futures contracts.

See accompanying notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES
(IN THOUSANDS)

June 30, 2019 (unaudited)

ASSETS	
Investments in securities, at market value (cost of $3,402,073)	$7,709,446
Receivables:	
Capital shares sold	2,177
USAA Asset Management Company (Note 7)	167
Dividends and interest	6,499
Other	20
Variation margin on futures contracts	734
Total assets	7,719,043
LIABILITIES	
Payables:	
Capital shares redeemed	20,341
Accrued management fees	631
Accrued transfer agent's fees	97
Other accrued expenses and payables	122
Total liabilities	21,191
Net assets applicable to capital shares outstanding	$7,697,852
NET ASSETS CONSIST OF:	
Paid-in capital	$3,342,501
Distributable earnings	4,355,351
Net assets applicable to capital shares outstanding	$7,697,852
Net asset value, redemption price, and offering price per share:	
Member Shares (net assets of $3,435,112/83,077 capital shares outstanding, no par value)	$ 41.35
Reward Shares (net assets of $4,262,740/103,052 capital shares outstanding, no par value)	$ 41.37

See accompanying notes to financial statements.

STATEMENT OF OPERATIONS
(IN THOUSANDS)

Six-month period ended June 30, 2019 (unaudited)

INVESTMENT INCOME	
Dividends	$ 73,829
Interest	1,710
Other (Note 7)	3
Securities lending (net)	175
Total income	75,717
EXPENSES	
Management fees	3,637
Administration and servicing fees:	
Member Shares	981
Reward Shares	1,202
Transfer agent's fees:	
Member Shares	1,395
Reward Shares	168
Custody and accounting fees:	
Member Shares	22
Reward Shares	25
Postage:	
Member Shares	77
Reward Shares	13
Shareholder reporting fees:	
Member Shares	30
Reward Shares	6
Trustees' fees	18
Registration fees:	
Member Shares	50
Reward Shares	44
Professional fees	106
Other	74
Total expenses	7,848

Expenses reimbursed:	
Member Shares	$ (208)
Reward Shares	(577)
Net expenses	7,063
NET INVESTMENT INCOME	68,654
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS AND FUTURES CONTRACTS	
Net realized gain on:	
Investments	15,556
Futures transactions	16,121
Change in net unrealized appreciation/(depreciation) of:	
Investments	1,100,464
Futures contracts	8,027
Net realized and unrealized gain	1,140,168
Increase in net assets resulting from operations	$1,208,822

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN NET ASSETS
(IN THOUSANDS)

Six-month period ended June 30, 2019 (unaudited), and year ended December 31, 2018

	6/30/2019	12/31/2018
FROM OPERATIONS		
Net investment income	$ 68,654	$ 128,996
Net realized gain on investments	15,556	103,477
Net realized gain (loss) on futures transactions	16,121	(6,013)
Change in net unrealized appreciation/(depreciation) of:		
Investments	1,100,464	(535,048)
Futures contracts	8,027	(5,837)
Increase (decrease) in net assets resulting from operations	1,208,822	(314,425)
DISTRIBUTIONS TO SHAREHOLDERS FROM DISTRIBUTABLE EARNINGS:		
Member Shares	(28,869)	(88,990)
Reward Shares	(37,413)	(110,893)
Distributions to shareholders	(66,282)	(199,883)
NET INCREASE (DECREASE) IN NET ASSETS FROM CAPITAL SHARE TRANSACTIONS (NOTE 6)		
Member Shares	(37,784)	(106,262)
Reward Shares	28,356	263,209
Total net increase (decrease) in net assets from capital share transactions	(9,428)	156,947
Capital contribution from USAA Transfer Agency Company	–	15
Net increase (decrease) in net assets	1,133,112	(357,346)
NET ASSETS		
Beginning of period	6,564,740	6,922,086
End of period	$7,697,852	$6,564,740

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019 (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 47 separate funds. The USAA S&P 500 Index 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. The Fund seeks to match, before fees and expenses, the performance of the stocks composing the S&P 500 Index. The S&P 500 Index emphasizes stocks of large U.S. companies. Prior to July 1, 2019, USAA Asset Management Company (the Manager), an affiliate of the Fund, retained Northern Trust Investments, Inc. (NTI) to serve as subadviser for the Fund. NTI is responsible for investing the Fund's assets. Under normal market conditions, NTI attempts to achieve the Fund's objective by investing at least 80% of the Fund's assets in the common stocks of companies composing the S&P 500 Index.

The Fund consists of two classes of shares: Member Shares and Reward Shares. Each class of shares has equal rights to assets and earnings, except that each class bears certain class-related expenses specific to the particular class. These expenses include administration and servicing fees, transfer agency fees, postage, shareholder reporting fees, and certain registration and custodian fees. Expenses not attributable to a specific class, income, and realized gains or losses on investments are allocated to each class of shares based on each class' relative net assets. Each class has exclusive voting rights on matters related solely to that class and separate voting rights on matters that relate to both classes. The Reward Shares are currently offered for sale to qualified shareholders, USAA discretionary managed account program, and a USAA Fund participating in a fund-of-funds investment strategy (USAA fund-of-funds).

On November 6, 2018, United Services Automobile Association (USAA), the parent company of USAA Asset Management Company (AMCO or the Manager), the investment adviser to the Fund, and USAA Transfer Agency Company, d/b/a USAA Shareholder Account Services (SAS), the transfer agent to the Fund, announced that AMCO and SAS would be acquired by Victory Holdings, a global investment management firm headquartered in Cleveland, Ohio (the Transaction), on July 1, 2019.

A special shareholder meeting was held on April 18, 2019, at which shareholders of the Fund approved a new investment advisory agreement between the Trust, on behalf of the Fund, and Victory Capital, an independent investment management company. In addition, shareholders of the Fund also elected the following two new directors to the Board of the Trust to serve upon the closing of the Transaction: (1) David C. Brown, to serve as an Interested Trustee; and (2) John C. Walters, to serve as an Independent Trustee. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information.**

A. **Security valuation** – The Trust's Board of Trustees (the Board) has established the Valuation and Liquidity Committee (the Committee), and subject to Board oversight, the Committee administers and oversees the Fund's valuation policies and procedures, which are approved by the Board. The Fund utilizes 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 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. Investments in open-end investment companies, commingled, or other funds, other than ETFs, are valued at their net asset value (NAV) at the end of each business day and are categorized in Level 1 of the fair value hierarchy.

3. 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.

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. 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.

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 June 30, 2019, did not include master netting provisions.

Futures contracts – The Fund is subject to cash flow and tracking error risk in the normal course of pursuing its investment objectives. The Fund may use stock index futures contracts in an attempt to reduce any performance discrepancies between the Fund and the S&P 500 Index. 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 June 30, 2019*
(in thousands)

		Asset Derivatives			
Derivatives not accounted for as hedging instruments	**Statement of Assets and Liabilities Location**	**Interest Rate Contracts**	**Equity Contracts**	**Foreign Exchange Contracts**	**Total**
USAA S&P 500 Index Fund	Distributable earnings	$–	$2,826**	$–	$2,826**

*For open derivative instruments as of June 30, 2019, see the Portfolio of Investments.

**Includes cumulative appreciation/(depreciation) of futures as reported on the Notes to 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 June 30, 2019 (in thousands)

		Net Realized Gain (Loss)			
Derivatives not accounted for as hedging instruments	**Statement of Operations Location**	**Interest Rate Contracts**	**Equity Contracts**	**Foreign Exchange Contracts**	**Total**
USAA S&P 500 Fund	Net realized gain on Futures transactions	$–	$16,121	$–	$16,121

		Net Change in Unrealized Appreciation (Depreciation)			
Derivatives not accounted for as hedging instruments	**Statement of Operations Location**	**Interest Rate Contracts**	**Equity Contracts**	**Foreign Exchange Contracts**	**Total**
USAA S&P 500 Fund	Change in net unrealized appreciation/ (depreciation) of Futures contracts	$–	$8,027	$–	$8,027

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 June 30, 2019, 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. **Investments in securities** – Securities transactions are accounted for as of 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 on short-term securities are amortized on a straight-line basis over the life of the respective securities.

F. **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.

G. **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 14.0 basis points of the amount of the committed loan agreement. Prior to September 30, 2018, the maximum annual facility fee was 13.0 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 daily 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 15.0 basis points. For the six-month period ended June 30, 2019, the Fund paid CAPCO facility fees of $31,000, which represents 8.9% 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 June 30, 2019. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information.**

(3) DISTRIBUTIONS

The tax basis of distributions and accumulated undistributed net investment income will be determined as of the Fund's tax year-end of December 31, 2019, 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 taxes.

At December 31, 2018, the Fund had no capital loss carryforwards, for federal income tax purposes.

As of June 30, 2019, 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. The net unrealized appreciation/(depreciation) on investments are disclosed below:

Fund	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation/ (Depreciation)
USAA S&P 500 Index Fund	$4,459,755,000	$152,382,000	$4,307,373,000

(4) INVESTMENT TRANSACTIONS

Cost of purchases and proceeds from sales/maturities of securities, excluding short-term securities, for the six-month period ended June 30, 2019, were $87,327,000 and $88,301,000, respectively.

(5) SECURITIES LENDING

The Fund, through a securities lending agreement with Citibank, N.A. (Citibank), may lend its securities to qualified financial institutions, such as certain broker-dealers, to earn additional income, net of income retained by Citibank. 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 may be invested in high-quality short-term investments. Collateral requirements are determined daily based on the value of the Fund's securities on loan as of the end of the prior business day. Loans are terminable upon demand and the borrower must return the loaned securities within the lesser of one standard settlement period or five business days. Risks relating to securities-lending transactions include that the borrower may not provide additional collateral when required or return the securities when due, and that the value of the short-term investments will be less than the amount of cash collateral required to be returned to the borrower. The Fund's agreement with Citibank does not include master netting provisions. Non-cash collateral received by the Fund may not be sold or re-pledged except to satisfy borrower default. Cash collateral is listed in the Fund's Portfolio of

Investments and Financial Statements while non-cash collateral is not included. At June 30, 2019, the Fund had no securities on loan.

(6) CAPITAL SHARE TRANSACTIONS

At June 30, 2019, there were an unlimited number of shares of capital stock at no par value authorized for the Fund.

Capital share transactions were as follows, in thousands:

	Six-Month Period Ended June 30, 2019		Year Ended December 31, 2018	
	Shares	Amount	Shares	Amount
Member Shares:				
Shares sold	6,510	$ 255,931	14,167	$ 551,000
Shares issued from reinvested dividends	711	28,478	2,341	87,909
Shares redeemed	(8,119)	(322,193)	(19,008)	(745,171)
Net decrease from capital share transactions	(898)	$ (37,784)	(2,500)	$(106,262)
Reward Shares:				
Shares sold	5,295	$ 210,439	15,303	$ 600,865
Shares issued from reinvested dividends	892	35,754	2,831	106,388
Shares redeemed	(5,491)	(217,837)	(11,444)	(444,044)
Net increase from capital share transactions	696	$ 28,356	6,690	$ 263,209

(7) TRANSACTIONS WITH MANAGER

<u>**Management fees**</u> – The Manager provides investment management services to the Fund pursuant to a Management Agreement. Under this agreement, the Manager is responsible for managing the business and affairs of the Fund. The Manager also 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.

The Manager monitors each subadviser's performance through quantitative and qualitative analysis and periodically reports to the Board as to whether each subadviser's agreement should be renewed, terminated, or modified.

The Manager is also responsible for determining the asset allocation for the subadviser(s). The allocation for each subadviser could range from 0% to 100% of the Fund's assets, and the Manager could change the allocations without shareholder approval.

The Fund's management fees are accrued daily and paid monthly at an annualized rate of 0.10% of the Fund's average daily net assets. For the six-month period ended June 30, 2019, the Fund incurred management fees, paid or payable to the Manager, of $3,637,000. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information.**

Subadvisory arrangement(s) – The Manager has entered into an Investment Subadvisory Agreement with NTI, under which NTI directs the investment and reinvestment of the Fund's assets (as allocated from time to time by the Manager). This arrangement provides for monthly fees that are paid by the Manager.

The Manager (not the Fund) pays NTI a subadvisory fee in an annual amount of 0.02% of the Fund's average daily net assets on amounts up to $1.5 billion; 0.01% of the Fund's average daily net assets for the next $1.5 billion; and 0.005% of the Fund's average daily net assets that exceed $3 billion. For the six-month period ended June 30, 2019, the Manager incurred subadvisory fees with respect to the Fund, paid or payable to NTI, of $331,000.

NTI has agreed to remit to the Fund all subadvisory fees earned on Fund assets invested in any of NTI's affiliated money market funds. For the six-month period ended June 30, 2019, NTI remitted $3,000 to the Fund for the investments in the Northern Institutional Funds Money Market Portfolios.

NTI is a subsidiary of The Northern Trust Company, the Fund's custodian and accounting agent. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information.**

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 0.06% of the Fund's average daily net assets for the fiscal year. For the six-month period ended June 30, 2019, the Member Shares and Reward Shares incurred administration and servicing fees, paid or payable to the Manager, of $981,000 and $1,202,000, respectively.

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 June 30, 2019, the Fund reimbursed the Manager $29,000 for these compliance and legal services. These expenses are included in the professional fees on the Fund's Statement of Operations. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information.**

Expense limitation - The Manager agreed through April 30, 2020, to limit the total annual operating expenses of the Member Shares and the Reward Shares to 0.25% and 0.15%, respectively, of their average daily net assets, excluding extraordinary expenses and before reductions of any expenses paid indirectly, and to reimburse the Fund for all expenses in excess of those amounts. This expense limitation arrangement may not be changed or terminated through April 30, 2020, 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 June 30, 2019, the Fund incurred reimbursable expenses from the Manager for the Member Shares and the Reward Shares of $208,000 and $577,000, respectively, of which $167,000 was receivable from the Manager.

In addition, NTI has contractually agreed to reimburse the Fund for all license fees paid by the Fund to Standard & Poor's, in amounts not exceeding the annual rate of 0.001% of the average daily net assets of the Fund. For the six-month period ended June 30, 2019, the Fund incurred reimbursable expenses from NTI for the Member Shares and the Reward Shares of $19,000 and $23,000, respectively.

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 $20 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 June 30, 2019, the Fund incurred transfer agent's fees, paid or payable to SAS for the Member Shares and Reward Shares, of $1,395,000 and $168,000, respectively. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information.**

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. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information.**

Account maintenance fee – SAS assesses a $10 annual account maintenance fee to the Member Shares to allocate part of the fixed cost of maintaining shareholder accounts. This fee is charged directly to the shareholders' accounts and does not impact the Fund. The fee is waived on accounts with balances of $10,000 or more.

(8) TRANSACTIONS WITH AFFILIATES

The Fund's Reward Shares is one of 16 USAA mutual funds in which the affiliated USAA fund-of-funds invest. The USAA fund-of-funds do not invest in the underlying funds for the purpose of exercising management or control, and the affiliated fund-of-funds' annual or semiannual reports may be viewed at usaa.com. As of June 30, 2019, the USAA fund-of-funds owned the following percentages of the total outstanding shares of the Fund:

Affiliated USAA Fund	Ownership %
Target Retirement Income	0.0*
Target Retirement 2020	0.1
Target Retirement 2030	0.5
Target Retirement 2040	0.6
Target Retirement 2050	0.4
Target Retirement 2060	0.0*

*Represents less than 0.1%

The Manager is indirectly wholly owned by 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. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information.**

(9) UPCOMING REGULATORY MATTERS

In October 2016, the U.S. Securities and Exchange Commission (SEC) issued Final Rule Release No. 33-10233, *Investment Company Liquidity Risk Management Programs* (Liquidity Rule). The Liquidity Rule requires funds to establish a liquidity risk management program and enhances disclosures regarding funds' liquidity. The requirements to implement a liquidity risk management program and establish a 15% illiquid investment limit became effective December 1, 2018. However, in February 2018, the SEC issued Release No. IC-33010, *Investment Company Liquidity Risk Management Programs; Commission Guidance for In-Kind ETFs,* which delayed certain requirements related to liquidity classification, highly liquid investment minimums, and board approval of the liquidity risk management programs to June 1, 2019. The Manager has determined there is no significant impact on the Fund's financial statements and various filings.

(10) RECENT ACCOUNTING PRONOUNCEMENTS

In August 2018, the SEC adopted amendments to Regulation S-X for investment companies governing the form and content of financial statements. The amendments to Regulation S-X took effect on November 5, 2018, and the financial statements have been modified accordingly, for the current and prior periods.

ASU 2018-13, Fair Value Measurement

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-13, Fair Value Measurement (Topic 820). The amendments in the ASU impact disclosure requirements for fair value measurement. ASU 2018-13 is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted and can include the entire standard or certain provisions that exclude or amend disclosures. Management has elected to early adopt ASU 2018-13 effective with the current reporting period. The adoption of ASU 2018-13 guidance is limited to changes in the Fund's notes to financial statement disclosures regarding valuation method, fair value, and transfers between levels of the fair value hierarchy.

(11) SUBSEQUENT EVENT NOTE

As previously announced, and as discussed in Note 1 to the Financial Statements, effective July 1, 2019, AMCO, the prior investment adviser to the Fund, and SAS, the prior transfer agent to the Fund, were acquired by Victory Holdings. **Please see the supplement dated July 1, 2019 to the Fund's prospectus for additional important information.**

Effective July 1, 2019, Victory Capital's internal investment team, Victory Solutions, began managing the Fund's assets. NTI no longer serves as a sub-adviser to the Fund.

Effective July 1, 2019, the following changes were made to: (1) the Fund's name, (2) the Fund's investment objective, (3) the index tracked by the Fund, and (4) the Fund's principal investment strategy:

	Prior to July 1, 2019	Effective July 1, 2019
Fund Name	USAA S&P 500 Index Fund	USAA 500 Index Fund
Investment Objective	To match, before fees and expenses, the performance of the stocks composing the S&P 500 Index.	To match, before fees and expenses, the performance of the stocks composing the Victory US Large Cap 500 Index.
Underlying Index	S&P 500 Index	Victory US Large Cap 500 Index (custom index)
Principal Investment Strategy	The Fund's principal investment strategy is, under normal market conditions, to invest at least 80% of the Fund's assets in the common stocks of companies composing the S&P 500 Index. This strategy may be changed upon 60 days' written notice to shareholders.	The Fund's principal investment strategy is, under normal market conditions, to invest at least 80% of the Fund's assets in the common stocks of companies composing the Victory US Large Cap 500 Index. This strategy may be changed upon 60 days' written notice to shareholders.

Effective July 1, 2019, Victory Capital is the new investment adviser and administrator to the USAA Mutual Funds; SAS was renamed Victory Capital Transfer Agency, Inc.; Victory Capital Advisers, Inc. is the new distributor to the USAA Mutual Funds; Citi Fund Services of Ohio, Inc. serves as sub-administrator and sub-fund accountant for the USAA Mutual Funds; and FIS Investor Services LLC serve as sub-transfer agent and dividend disbursing agent for the USAA Mutual Funds. Effective August 5, 2019, Citibank, N.A. is the new custodian for the USAA Mutual Funds.

Effective July 1, 2019, the Trust will rely on an exemptive order granted to Victory Capital and its affiliated funds by the SEC in March 2019 permitting the use of a "manager-of-managers" structure for certain funds. Prior to that date, the Trust relied on a similar exemptive order granted by the SEC to the Trust and its affiliated persons. Under a manager of managers structure, the investment adviser may select (with approval of the Board and without shareholder approval) one or more subadvisers to manage the day-to-day investment of a fund's assets.

Effective July 1, 2019, Victory Capital added new portfolio managers from one or more investment teams employed by Victory Capital to serve as additional portfolio managers, or replace current portfolio managers, to manage all or a portion of the Fund according to each team's own investment process.

Effective July 1, 2019, under the investment advisory agreement with Victory Capital, which took effect on July 1, 2019, no performance adjustments will be made for periods beginning July 1, 2019, through June 30, 2020, and only performance beginning as of July 1, 2020, and thereafter will be utilized in calculating performance adjustments through June 30, 2020.

Effective July 1, 2019, the line of credit (as discussed in the Notes to the Financial Statements in this semiannual report) among the Trust, with respect to its Funds, and CAPCO terminated; the Trust, with respect to its Funds, along with series of Victory Portfolios, Victory Portfolios II and Victory Variable Insurance Funds, entered into a 364 day committed credit facility and a 364 day uncommitted, demand credit facility with Citibank, N.A. (Citibank). Each such credit facility may be renewed if so agreed by the parties. Under the agreement with Citibank, the Funds may borrow up to $600 million, of which $300 million is committed and $300 million is uncommitted. Of this amount, $40 million of the line of credit is reserved for use by the Victory Floating Rate Fund (a series of Victory Portfolios), with that Fund paying the related commitment fees for that amount. The purpose of the agreement is to meet temporary or emergency cash needs, including redemption requests. Citibank receives an annual commitment fee of 0.15%. Each Fund pays a pro-rata portion of this commitment fee plus any interest on amounts borrowed.

Effective July 1, 2019, the Trust will rely on an exemptive order granted to Victory Capital and its affiliated funds by the SEC in March 2017 (the IFL Order), permitting the establishment and operation of an Interfund Lending Facility (the Facility). The Facility allows each Fund to directly lend and borrow money to or from certain other affiliated Funds relying upon the IFL Order at rates beneficial to both the borrowing and lending funds. Advances under the Facility are allowed for temporary or emergency purposes, including the meeting of redemption requests that are subject to each Fund's borrowing restrictions. The interfund loan rate is determined, as specified in the IFL Order, by averaging the current repurchase agreement rate and the current bank loan rate.

Effective July 1, 2019, the Trust entered into an Agreement to Provide Compliance ("Compliance Agreement") with the Adviser, pursuant to which the Adviser furnishes its compliance personnel, including the services of the CCO, and other resources reasonably necessary to provide the Trust with compliance oversight services related to the design, administration, and oversight of a compliance program for the Trust in accordance with Rule 38a-1 under the 1940 Act. The Funds in the Victory Funds complex, in the aggregate, compensate the Adviser for these services. This agreement replaces an arrangement in place with AMCO previously.

FINANCIAL HIGHLIGHTS

MEMBER SHARES (unaudited)

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

	Six-Month Period Ended June 30,	Year Ended December 31,				
	2019	2018	2017	2016	2015	2014
Net asset value at beginning of period	$ 35.22	$ 38.00	$ 31.81	$ 29.18	$ 29.41	$ 26.39
Income (loss) from investment operations:						
Net investment income	.36	.68	.59	.58	.56	.49
Net realized and unrealized gain (loss)	6.12	(2.40)	6.21	2.80	(.24)	3.01
Total from investment operations	6.48	(1.72)	6.80	3.38	.32	3.50
Less distributions from:						
Net investment income	(.35)	(.66)	(.59)	(.61)	(.52)	(.48)
Realized capital gains	–	(.40)	(.02)	(.14)	(.03)	–
Total distributions	(.35)	(1.06)	(.61)	(.75)	(.55)	(.48)
Net asset value at end of period	$ 41.35	$ 35.22	$ 38.00	$ 31.81	$ 29.18	$ 29.41
Total return (%)*	18.42	(4.65)	21.53	11.70	1.13	13.38
Net assets at end of period (000)	$3,435,112	$2,957,995	$3,285,829	$2,962,450	$2,777,361	$2,761,616
Ratios to average daily net assets:**						
Expenses (%)(b)	.25(a)	.25	.25	.25	.25	.25
Expenses, excluding reimbursements (%)(b)	.26(a)	.26	.27	.28	.28	.28
Net investment income (%)	1.83(a)	1.75	1.71	1.95	1.88	1.76
Portfolio turnover (%)	1	4	3	4	4	3

* Assumes reinvestment of all net investment income and realized capital gain distributions, if any, during the period; does not reflect $10 annual account maintenance fee. 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 June 30, 2019, average daily net assets were $3,303,996,000.

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

(b) Does not include acquired fund fees, if any.

REWARD SHARES (unaudited)

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

	Six-Month Period Ended June 30, 2019	Year Ended December 31, 2018	2017	2016	2015	2014
Net asset value at beginning of period	$ 35.24	$ 38.01	$ 31.82	$ 29.19	$ 29.42	$ 26.39
Income (loss) from investment operations:						
Net investment income	.38	.71	.61	.60	.59	.51
Net realized and unrealized gain (loss)	6.11	(2.38)	6.22	2.81	(.24)	3.03
Total from investment operations	6.49	(1.67)	6.83	3.41	.35	3.54
Less distributions from:						
Net investment income	(.36)	(.70)	(.62)	(.64)	(.55)	(.51)
Realized capital gains	–	(.40)	(.02)	(.14)	(.03)	–
Total distributions	(.36)	(1.10)	(.64)	(.78)	(.58)	(.51)
Net asset value at end of period	$ 41.37	$ 35.24	$ 38.01	$ 31.82	$ 29.19	$ 29.42
Total return (%)*	18.46	(4.53)	21.64	11.79	1.23	13.53
Net assets at end of period (000)	$4,262,740	$3,606,745	$3,636,257	$3,010,831	$2,613,832	$2,306,656
Ratios to average daily net assets:**						
Expenses (%)(a)	.15(b)	.15	.15	.15	.15	.15
Expenses, excluding reimbursements (%)(a)	.18(b)	.18	.18	.18	.18	.18
Net investment income (%)	1.93(b)	1.85	1.81	2.04	1.99	1.86
Portfolio turnover (%)	1	4	3	4	4	3

* 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 June 30, 2019, average daily net assets were $4,054,744,000.

(a) Does not include acquired fund fess, if any.

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

EXPENSE EXAMPLE

June 30, 2019 (unaudited)

EXAMPLE

As a shareholder of the Fund, you incur two types of costs: direct costs, such as account maintenance fees, 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 January 1, 2019, through June 30, 2019.

ACTUAL EXPENSES

The line labeled “actual” under each share class 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 for your share class in the “actual” line under the heading “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

Actual expenses in the table on the next page do not reflect the effect of the annual $10.00 account maintenance fee that is assessed on Member Share accounts with balances of less than $10,000, at a rate of $2.50 per quarter. To include the effect of this fee on the expenses that you paid, add $5.00 ($2.50 for two quarters) to your calculated estimated expenses. If you are currently assessed this fee, your ending account value reflects the quarterly deduction from your account.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The line labeled "hypothetical" under each share class in the table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratios for each class 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 account maintenance fees, 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 January 1, 2019	Ending Account Value June 30, 2019	Expenses Paid During Period* January 1, 2019 – June 30, 2019
Member Shares			
Actual	$1,000.00	$1,184.20	$1.35
Hypothetical (5% return before expenses)	1,000.00	1,023.55	1.25
Reward Shares			
Actual	1,000.00	1,184.60	0.81
Hypothetical (5% return before expenses)	1,000.00	1,024.05	0.75

*Expenses are equal to the Fund's annualized expense ratio of 0.25% for Member Shares and 0.15% for Reward Shares, which are net of any reimbursements and expenses paid indirectly, multiplied by the average account value over the period, multiplied by 181 days/365 days (to reflect the one-half-year period). The Fund's actual ending account values are based on its actual total returns of 18.42% for Member Shares and 18.46% for Reward Shares for the six-month period of January 1, 2019, through June 30, 2019.

ADVISORY AGREEMENT(S)

(between the Trust and Victory Capital Management Inc.)

June 30, 2019 (unaudited)

The following disclosure relates to the approval of the (i) new investment advisory agreement between the Trust and Victory Capital and (ii) new investment subadvisory agreements between certain subadvisers and Victory Capital, which became effective on July 1, 2019. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information about a recent change of control of AMCO and other changes impacting the Fund.**

At an in-person meeting held on January 15, 2019, the USAA Mutual Funds Trust's ("Trust") Board of Trustees ("Board"), including those Trustees who are not parties to any investment advisory or management agreement between USAA Asset Management Company ("AMCO") and the Trust ("Existing Management Agreements") or the new Investment Advisory Agreement between the Trust and Victory Capital Management Inc. ("Victory Capital") (the "New Advisory Agreement") or "interested persons" (as that term is defined in the Investment Company Act of 1940 Act, as amended ("1940 Act")) of such parties or the Trust (the "Independent Trustees"), considered and unanimously approved the New Advisory Agreement between the Trust, on behalf of each of its series (each a "Fund" and together the "Funds"), and Victory Capital, and, as applicable, new Investment Subadvisory Agreements between Victory Capital and each investment subadviser ("New Subadvisory Agreements," and together with the New Advisory Agreement, the "New Agreements"), as listed below. The Board also determined to recommend that shareholders of each Fund approve the New Advisory Agreement. Shareholder approval is not required for the New Subadvisory Agreements. The Independent Trustees reviewed the proposed approval of the New Agreements in private sessions with their independent legal counsel at which no representatives of Victory Capital or AMCO were present.

BACKGROUND FOR THE BOARD APPROVALS

At a telephonic meeting of the Board held on November 5, 2018, representatives of USAA and AMCO informed the Board that USAA's subsidiary, USAA Investment Corporation, would enter into a stock purchase agreement with Victory Capital Holdings, Inc. ("Victory Holdings") pursuant to which Victory Holdings would acquire all of the outstanding stock of AMCO and USAA Transfer Agency Company d/b/a USAA Shareholder Account Services ("USAA Transfer Agent") (the "Transaction"). The Independent Trustees were advised that the Transaction, if completed, would constitute an "assignment" (as that term is defined in Section 2(a)(4) of the 1940 Act) and result in the automatic termination of the Existing Management Agreements ("Change of Control Event"). The Independent Trustees also were advised that it was proposed that Victory Capital, a subsidiary of Victory Holdings, would serve as the investment adviser to each Fund after the closing of the Transaction ("Post-Transaction") and that the Board would be asked to consider approval of the terms and conditions of the New Advisory Agreement with Victory Capital and thereafter to submit the New Advisory Agreement to each Fund's shareholders for approval. Because the Change of Control Event also would result in the termination of each existing subadvisory agreement between AMCO and the subadvisers to the Funds ("Existing Subadvisory Agreements"), the Independent Trustees were advised that the Board would also be asked to approve the New Subadvisory Agreements.

In anticipation of the Transaction, the Trustees met at a series of subsequent in-person meetings on November 27-28, 2018, January 7-8, 2019, and January 14-15, 2019, which included meetings of the full Board and separate meetings of the Independent Trustees for the purposes of considering, among other things: whether it would be in the best interests of each Fund and its respective shareholders to approve the New Agreements; and the anticipated impacts of the Transaction on the Funds and their shareholders (each, a "Meeting"). During each of these Meetings, the Board sought additional and clarifying information as it deemed necessary or appropriate. In this connection, the Independent Trustees worked with their independent legal counsel to prepare formal due diligence requests (the “Diligence Requests”) that were submitted to Victory Capital, Victory Capital Advisers, Inc. (“VCA”), and the subadvisers. The Diligence Requests sought information relevant to the Board’s consideration of the New Advisory Agreement, the New Subadvisory Agreements, distribution arrangements, and other anticipated impacts of the Transaction on the Funds and their shareholders. Victory Capital, VCA, and the subadvisers provided documents and information in response to the Diligence Requests (the “Response Materials”). Following their review of the Response Materials, the Independent Trustees submitted a supplemental due diligence request for additional and clarifying information (the “Supplemental Diligence Request”) to Victory Capital and VCA. Victory Capital and VCA provided further information in response to the Supplemental Diligence Request, which the Board reviewed. Senior management representatives of Victory Capital and/or AMCO participated in a portion of each Meeting and addressed various questions raised by the Board. Throughout the process, the Independent Trustees were assisted by their independent legal counsel and counsel to the Funds, who advised them on, among other things, their duties and obligations relating to their consideration of the New Agreements.

The Board’s evaluation of the New Agreements reflected the information provided specifically in connection with its review of the New Agreements, as well as, where relevant, information that was previously furnished to the Board in connection with the most recent renewal of the Existing Management Agreements and Existing Subadvisory Agreements at an in-person meeting of the Board on April 18, 2018 (the “2018 15(c) Meeting”) and at other subsequent Board meetings in 2018. The Board’s evaluation of the New Agreements also reflected the knowledge gained as Board members of the Funds with respect to services provided by AMCO, its affiliates, and each subadviser to the Funds.

The Board’s approvals and recommendations were based on its determination, within its business judgment, that it would be in the best interests of each Fund and its respective shareholders, for Victory Capital and, as applicable, the subadvisers, to provide investment advisory, investment subadvisory, and related services to the Funds, following the closing of the Transaction.

FACTORS CONSIDERED IN APPROVING THE NEW ADVISORY AGREEMENT

In connection with the Board's consideration of the New Advisory Agreement, Victory Capital and AMCO advised the Board about a variety of matters, including the following:

- The nature, extent, and quality of the services to be provided to the Funds by Victory Capital Post-Transaction are expected to be of at least the same level as the services currently provided to the Funds by AMCO.
- Victory Capital's stated commitment to maintaining and enhancing the USAA member/USAA Fund shareholder experience, including creating a dedicated USAA Fund sales and client service call center that will provide ongoing client service and advice to existing and new USAA members.
- Victory Capital proposes to: (1) replace the underlying indexes for the USAA Extended Market Index Fund and USAA S&P 500 Index Fund with indexes designed to provide shareholders with comparable exposure and investment outcomes; (2) change the USAA Extended Market Index Fund's and USAA S&P 500 Index Fund's investment objectives and strategies in light of the changes to their underlying indexes; and (3) change the name of the USAA S&P 500 Index Fund to the USAA 500 Index Fund.
- Victory Capital does not propose changes to the investment objective(s) of any other Funds. Although the investment processes used by Victory Capital's portfolio managers may differ from those used by AMCO's portfolio managers or, if applicable, any subadviser's portfolio managers, such differences are not currently expected to result in changes to the principal investment strategies or principal investment risks of the Funds.
- The New Advisory Agreement does not change any Fund's advisory fee rate or the computation method for calculating such fees (except that Victory Capital, subject to Board approval, may in the future use a single designated share class to calculate the performance adjustment).

For at least two years after the Transaction closes, Victory Capital has agreed to waive fees and/or reimburse expenses so that each Fund's annual expense ratio (excluding certain customary items) does not exceed the levels reflected in each Fund's most recent audited financial statements at the time the Transaction closes (or the levels of AMCO's then-current expense caps, if applicable), excluding the impact of any performance adjustment to the Fund's advisory fee.

- The portfolio managers at AMCO that manage the Fixed Income Funds[1] as well as the USAA's Global Multi-Asset team servicing the Cornerstone Funds[2], Target Retirement Funds[3], Global Managed Volatility Fund, Managed Allocation Fund, and Target Managed Allocation Fund, are expected to continue to do so Post-Transaction as employees of Victory Capital, if they choose to become employees of Victory Capital. Post-Transaction, the investment teams for the Funds, other than the Fixed Income Funds, will be replaced or augmented.
- With the exception of the USAA S&P 500 Index Fund, USAA Extended Market Index Fund, and USAA Nasdaq-100 Index Fund, which will be advised by Victory Capital through its Victory Solutions platform, Victory Capital proposes that the same subadvisers be retained Post-Transaction, although Victory Capital may change the allocation to a particular subadviser Post-Transaction. No changes are expected to the portfolio managers of the subadvisers who will serve as subadvisers Post-Transaction.

[1]The Fixed Income Funds include the following Funds: California Bond Fund, Government Securities Fund, High Income Fund, Income Fund, Intermediate-Term Bond Fund, Tax Exempt Intermediate-Term Fund, Tax Exempt Long-Term Fund, New York Bond Fund, Short-Term Bond Fund, Tax Exempt Short-Term Fund, Ultra Short-Term Bond Fund, Virginia Bond Fund, Money Market Fund, Tax Exempt Money Market Fund and Treasury Money Market Trust.

[2]The Cornerstone Funds include the following Funds: Cornerstone Aggressive Fund, Cornerstone Conservative Fund, Cornerstone Equity Fund, Cornerstone Moderate Fund, Cornerstone Moderately Aggressive Fund, and Cornerstone Moderately Conservative Fund.

[3]The Target Retirement Funds include the following Funds: Target Retirement 2020 Fund, Target Retirement 2030 Fund, Target Retirement 2040 Fund, Target Retirement 2050 Fund, Target Retirement 2060 Fund, and Target Retirement Income Fund.

- VCA's distribution capabilities, including its significant network of intermediary relationships, which may provide additional opportunities for the Funds to grow assets and lower fees and expenses through increased economies of scale.
- The experience of Victory Capital in acquiring and integrating investments in investment management companies and its plans to transition and integrate AMCO's and USAA Transfer Agent's businesses to Victory Capital. Victory Capital and USAA expect to enter into a transition services agreement under which USAA will continue to provide Victory Capital with certain services that are currently provided by USAA to AMCO and the USAA Transfer Agent for a specified period of time after the closing of the Transaction to assist Victory Capital in transitioning the USAA member distribution channel and member support services.
- Pursuant to a transitional trademark license agreement with USAA, Victory Capital and the Funds will have a non-exclusive license, subject to certain restrictions and limitations, to continue using certain licensed marks including "USAA," "United Services Automobile Association," and the USAA Logo in connection with their asset management and transfer agency businesses for a period of three years following the closing of the Transaction, which agreement may thereafter be extended for an additional year.
- The support expressed by the current senior management team at AMCO for the Transaction and AMCO's recommendation that the Board approve the New Agreements.
- The commitments of Victory Capital and AMCO to bear all of the direct expenses of the Transaction, including all legal costs and costs associated with the proxy solicitation, regardless of whether the Transaction is consummated.

In addition to the matters noted above, in their deliberations regarding approval of the New Advisory Agreement, the Board considered the factors discussed below, among others.

The nature, extent, and quality of services expected to be provided by Victory Capital – The Board considered information provided by Victory Capital regarding its investment philosophy, investment management capabilities, business and operating structure, scale of operations, leadership and reputation, distribution capabilities, and financial condition. The Board also considered the capabilities, resources, and personnel of Victory Capital, including senior and other personnel of AMCO who had been extended offers to join Victory Capital, in order to determine whether Victory Capital is capable of providing the same level of investment management services currently provided to each Fund, and also considered the transition and integration plans to move management of the Funds to Victory Capital. The Board recognized that the AMCO personnel who had been extended offers may not accept such offers and personnel changes may occur in the future in the ordinary course. The Board considered the resources and infrastructure that Victory Capital intends to devote to its compliance program to ensure compliance with applicable laws and regulations, as well as Victory Capital's commitment to those programs. The Board also considered the resources that Victory Capital has devoted to its risk management program and cybersecurity program. The Board also reviewed information provided by Victory Capital related to its business, legal, and regulatory affairs. This review considered the resources available to Victory Capital to provide the services specified under the New Advisory Agreement. The Board considered Victory Capital's financial condition, including the financing of the Transaction, and noted that Victory Capital is expected to be able to provide a high level of service to the Funds and continuously invest and re-invest in its business.

The Board considered that, while it was proposed that Victory Capital would become the investment adviser to the Funds, the same portfolio managers at AMCO that manage the Fixed Income Funds, as well as USAA's Global Multi-Asset team servicing the Cornerstone Funds, Target Retirement Funds (including Target Managed Allocation Fund), Global Managed Volatility Fund, and Managed Allocation Fund, are expected to continue to do so after the Transaction as employees of Victory Capital, if they choose to become employees of Victory Capital. The Board determined that it had considered the qualifications of the portfolio managers at AMCO and the subadvisers at its 2018 15(c) Meeting. The Board considered the professional experience, education, affiliations and/or other credentials or qualifications of the anticipated portfolio managers at Victory Capital that would manage the Equity Funds[4], Cornerstone Funds, and Target Retirement Funds. The Board noted that the Equity Funds or portions of Equity Funds currently managed by AMCO would be replaced with portfolio managers from Victory Capital.

The Board considered that certain Funds would continue to operate in a manager-of-managers structure Post-Transaction. The Board considered that Victory Capital's experience in allocating assets to, and overseeing the advisory services of, its investment franchises and the Victory Solutions platform, was similar to AMCO's role in allocating assets to and overseeing the advisory services provided by the subadvisers.

The Board considered that the terms and conditions of the New Advisory Agreement are substantially similar to the terms and conditions of the Existing Management Agreements. The Board also considered that the New Subadvisory Agreements are substantially similar to the terms and conditions of the Existing Subadvisory Agreements and that no changes were proposed to the allocation of responsibilities as between Victory Capital and any subadviser, except to the extent that under the New Subadvisory Agreements each subadviser would be responsible for voting proxies with respect to assets allocated to that subadviser, while AMCO currently votes all Fund proxies. The Board considered that Victory Capital also would provide certain administrative, fund accounting, and shareholder servicing services under a separate administration agreement with the Funds. In this connection, the Board considered information on Victory Capital's use of third-party service providers to provide certain sub-administration and sub-accounting services to the Funds.

After review of these and other considerations, the Board concluded that Victory Capital will be capable of providing investment advisory services of the same high quality as the investment advisory services provided to the Funds by AMCO, and that these services are appropriate in nature and extent in light of the Funds' operations and investor needs.

[4]The Equity Funds include the following Funds: Aggressive Growth Fund, Growth & Income Fund, Income Stock Fund, Global Equity Income Fund, and Precious Metals and Minerals Fund.

Performance of the Funds – With respect to the performance of the Funds, the Board considered its review at the 2018 15(c) Meeting of peer group and benchmark investment performance comparison data relating to each Fund and, if applicable, each subadviser's performance record for similar accounts. The Board considered that information reviewed at the 2018 15(c) Meeting may be more relevant for those Funds that would retain their current portfolio managers or subadvisers. With respect to the Funds whose portfolio managers would be replaced, the Board considered the performance of funds sponsored and managed by Victory Capital ("Victory Funds") with similar investment objectives and strategies managed by the portfolio managers who would manage the Funds. Based on information presented to the Board at the Meetings and its discussions with Victory Capital, the Board concluded that Victory Capital is capable of generating a level of long-term investment performance that is appropriate in light of each Fund's investment objectives, strategies and restrictions.

Fees to be paid to Victory Capital and expenses of the Funds – The Board considered that it had reviewed each Fund's existing advisory fee rate and computation method for calculating such fees at the 2018 15(c) Meeting. The Board considered that the New Advisory Agreement does not change any Fund's advisory fee rate or the computation method for calculating such fees, except that Victory Capital, subject to Board approval, may in the future use a single designated share class to calculate the performance adjustment and apply the resulting performance adjustment across each other class of shares of the Fund. The Board considered that the use of a single designated class to calculate the performance adjustment for each other class of shares of the Fund could mean that shareholders of a class other than the class used to measure the performance adjustment may pay a performance adjustment that is higher or lower than if the adjustment were calculated on a class by class basis, primarily due to the impact of differences in the fees and expenses between share classes on performance. The Board considered that the New Advisory Agreement stipulates that the period for measuring performance for calculating a Fund's performance adjustment begins on the date that Victory Capital begins managing the Fund; therefore, no performance adjustments will be made for the first twelve months of the New Advisory Agreement, consistent with applicable regulations. The Board also considered Victory Capital's contractual commitment under the expense limitation agreement ("ELA") to waive fees and/or reimburse expenses for at least two years after the closing of the Transaction, so that each Fund's annual expense ratio (excluding acquired fund fees and expenses, any performance adjustment to a Fund's advisory fee, interest, taxes, brokerage commissions, other expenditures which are capitalized in accordance with generally accepted accounting principles, and other extraordinary expenses not incurred in the ordinary course of such Fund's business) does not exceed the levels reflected in each Fund's most recent audited financial statements at the time the Transaction closes (or the levels of AMCO's then-current expense caps, if applicable), excluding the impact of any performance adjustment to a Fund's advisory fee. The Board considered that the ELA permits Victory Capital to recoup advisory fees waived and expenses reimbursed for up to three years after the fiscal year in which the waiver or reimbursement took place, subject to the lesser of any operating expense limitation in effect at the time of: (1) the original waiver or expense reimbursement; or (2) recoupment. The Board also considered that Victory Capital and AMCO had represented to the Board that they will use their best efforts to ensure that they and their respective affiliates do not take any action that imposes an "unfair burden" on the Funds as a result of the Transaction or as a result of any express or implied terms, conditions or understandings applicable to the Change of Control Event, for so long as the requirements of Section 15(f) of the 1940 Act apply. The Board also considered a comparison of the proposed advisory fees to be paid by each Fund to the advisory fees paid by funds and other accounts managed by Victory Capital deemed to be comparable to the Fund in terms of investment objectives and strategies. The Board considered that, with few exceptions, mostly involving weighted average fees for separate accounts, the advisory fees to be paid by the Funds were lower than the fees paid by these other funds and accounts. The Board concluded that the retention of Victory Capital was unlikely to impose an unfair burden on the Funds because, after the Transaction, none of AMCO, Victory Capital, VCA, or any of their respective affiliates, would be entitled to receive any compensation directly or indirectly (i) from any person in connection with the purchase or sale of securities or other property to, from, or on behalf of the Funds (other than ordinary fees for bona fide principal underwriting services), or (ii) from the Funds or their shareholders for other than bona fide investment advisory or other services. Based on its review, the Board determined, with respect to each Fund, that Victory Capital's advisory fee is fair and reasonable.

The extent to which Victory Capital may realize economies of scale as the Funds grow larger and whether fee levels reflect these economies of scale for the benefit of Fund shareholders – The Board considered potential or anticipated economies of scale in relation to the services Victory Capital would provide to each Fund. The Board considered that the New Advisory Agreement includes the same advisory fee breakpoints for the same Funds as the Existing Advisory Agreements. The Board also considered that Victory Capital has contractually agreed to cap the Funds' annual operating expense ratios, pursuant to the ELA, which will remain in effect for at least two years from the closing of the Transaction, and may be extended. The Board also considered Victory Capital's representation that the significant increase in its assets under management Post-Transaction may reasonably be expected to enable the new combined firm to reach greater economies of scale in a shorter time frame. The Board noted that it will have the opportunity to periodically re-examine whether a Fund or the Trust has achieved economies of scale, and the appropriateness of investment advisory and administrative fees payable to Victory Capital, in the future.

The profits to be realized by Victory Capital and its affiliates from their relationship with the Trust – The Board considered the benefits Victory Capital and its affiliates may derive from their relationship with the Funds, including compensation to be paid to Victory Capital for the provision of certain administrative, fund accounting and shareholder services to the Funds and compensation to be paid to USAA Transfer Agent for the provision of transfer agency services to the Funds. The Board considered the significant investments Victory Capital expected to make to support and grow the USAA member channel and the costs to integrate the USAA Fund business into Victory Capital. The Board also considered Victory Capital's profitability report presented to the board of trustees of the Victory Funds in connection with their most recent 15(c) process. The Board considered Victory Capital's representation that the fully integrated USAA Fund business, including investments to support ongoing growth, was expected to have an overall marginally positive impact on Victory Capital's overall financial profitability. The Board noted the difficulty of accurately projecting profitability under the current circumstance and noted that it would have the opportunity to give further consideration to Victory Capital's profitability with respect to the Funds at the end of the initial two-year term of the New Advisory Agreement.

Fall-Out and other benefits to Victory Capital and its affiliates – The Board considered the possible fall-out benefits and other types of benefits that may accrue to Victory Capital and its affiliates. The Board noted that the Transaction provides Victory Capital and its affiliates the opportunity to deliver investment products and services to USAA's direct member-based channel. The Board also considered that Victory Capital may derive reputational and other benefits from its ability to use "USAA" and related names in connection with operating and marketing the Funds. The Board considered that the Transaction, if completed, would significantly increase Victory Capital's assets under management and expand Victory Capital's investment capabilities. This increased size and diversification could facilitate Victory Capital's continued investment in its business and products, which Victory Capital would be able to leverage across a broader base of assets. Victory Capital also would be able to use trading commission credits from the Funds' transactions in securities to "purchase" third party research and execution services to support its investment process. Based on its review, the Board determined that any "fall-out" benefits and other types of benefits that may accrue to Victory Capital are fair and reasonable.

Conclusions – Based on the foregoing and other relevant considerations, at the Meeting of the Board held on January 15, 2019, the Board, including a majority of the Independent Trustees, acting within its business judgment, (1) concluded that the terms of the New Advisory Agreement are fair and reasonable and that approval of the New Advisory Agreement is in the best interests of each Fund and its respective shareholders, (2) voted to approve the New Advisory Agreement, and (3) voted to recommend approval of the New Advisory Agreement by shareholders of the Funds. The Board evaluated all information available to it on a Fund-by-Fund basis and its determinations were made separately in respect of each Fund. The Board noted some factors may have been more or less important with respect to any particular Fund and that no one factor was determinative of its decisions which, instead, were premised upon the totality of factors considered. In this connection, the Board also noted that different Board members likely placed emphasis on different factors in reaching their individual conclusions to vote in favor of the New Advisory Agreement and to recommend approval of the New Advisory Agreement by shareholders of the Funds.

ADVISORY AGREEMENT(S)

(between the Trust and the Manager)

June 30, 2019 (unaudited)

The following disclosure relates to the approval of the continuation of the (i) investment advisory agreement between the Trust and AMCO and (ii) investment subadvisory agreements between certain subadvisers and AMCO, which were effective until July 1, 2019. **Please refer to the Subsequent Event Note to the Financial Statements in this semiannual report for additional important information about a recent change of control of AMCO and other changes impacting the Fund.**

At an in-person meeting of the Board of Trustees (the Board) held on April 17, 2019, the Board, including the Trustees who are not "interested persons" (as that term is defined in the Investment Company Act of 1940, as amended) of the Trust (the Independent Trustees), approved for an annual period the continuance of the Management Agreement between the Trust and the Manager with respect to the Fund and the Subadvisory Agreement between the Manager and Northern Trust Investments, Inc. (the Subadviser) with respect to the Fund.[1]

In advance of the meeting, the Trustees received and considered a variety of information relating to the Management Agreement and Subadvisory Agreement and the Manager and the Subadviser, and were given the opportunity to ask questions and request additional information from management. The information provided to the Board included, among other

[1]At an in-person meeting held on January 15, 2019, the Board, including the Independent Trustees, approved a new investment advisory agreement between the Trust, on behalf of the Fund, and Victory Capital Management Inc. ("Victory Capital"). Effective July 1, 2019, upon the closing of the transaction whereby the Manager acquired by Victory Capital Holdings, Inc., the parent company of Victory Capital, the Advisory Agreement between the Trust and the Manager and the Sub-advisory Agreement with the Subadviser terminated and the new investment advisory agreement between the Trust and Victory Capital went into effect. The factors the Board considered in approving the new investment advisory agreement with Victory Capital are discussed above. Effective June 30, 2019, the Subadviser no longer manages any portion of the Fund.

things: (i) a separate report prepared by an independent third party, which provided a statistical analysis comparing the Fund's investment performance, expenses, and fees to comparable investment companies; (ii) information concerning the services rendered to the Fund, as well as information regarding the Manager's revenues and costs of providing services to the Fund and compensation paid to affiliates of the Manager; and (iii) information about the Manager's and Subadviser's operations and personnel. Prior to voting, the Independent Trustees reviewed the proposed continuance of the Management Agreement and the Subadvisory Agreement with management and with experienced counsel retained by the Independent Trustees (Independent Counsel) and received materials from such Independent Counsel discussing the legal standards for their consideration of the proposed continuation of the Management Agreement and the Subadvisory Agreement with respect to the Fund. The Independent Trustees also reviewed the proposed continuation of the Management Agreement and the Subadvisory Agreement with respect to the Fund in private sessions with Independent Counsel at which no representatives of management were present. The Board considered the Advisory Agreement and the Subadvisory Agreement separately in the course of its review. In doing so, the Board noted the respective roles of the Manager and the Subadviser in providing services to the Fund.

At each regularly scheduled meeting of the Board and its committees, the Board receives and reviews, among other things, information concerning the Fund's performance and related services provided by the Manager and by the Subadviser. At the meeting at which the renewal of the Management Agreement and Subadvisory Agreement is considered, particular focus is given to information concerning Fund performance, fees and total expenses as compared to comparable investment companies, and the Manager's profitability with respect to the Fund. However, the Board noted that the evaluation process with respect to the Manager and the Subadviser is an ongoing one. In this regard, the Board's and its committees' consideration of the Management Agreement and Subadvisory Agreement included certain information previously received at such meetings.

MANAGEMENT AGREEMENT

After full consideration of a variety of factors, the Board, including the Independent Trustees, voted to approve the Management Agreement. In approving the Management Agreement, the Trustees did not identify any single factor as controlling, and each Trustee may have attributed different weights to various factors. Throughout their deliberations, the Independent Trustees were represented and assisted by Independent Counsel.

Nature, Extent, and Quality of Services – In considering the nature, extent, and quality of the services provided by the Manager under the Management Agreement, the Board reviewed information provided by the Manager relating to its operations and personnel. The Board also took into account its knowledge of the Manager's management and the quality of the performance of the Manager's duties through Board meetings, discussions, and reports during the preceding year. The Board considered the fees paid to the Manager and the services provided to the Fund by the Manager under the Management Agreement, as well as other services provided by the Manager and its affiliates under other agreements, and the personnel who provide these services. In addition to the investment advisory services provided to the Fund, the Manager and its affiliates provide administrative services, shareholder services, oversight of Fund accounting, marketing services, assistance in meeting legal and regulatory requirements, and other services necessary for the operation of the Fund and the Trust. The Board also considered the significant risks assumed by the Manager in connection with the services provided to the Fund, including investment, operational, enterprise, litigation, regulatory and compliance risks.

The Board considered the Manager's management style and the performance of the Manager's duties under the Management Agreement. The Board considered the level and depth of knowledge of the Manager, including the professional experience and qualifications of senior personnel and investment personnel, as well as current staffing levels. The Board discussed the Manager's effectiveness in monitoring the performance of the Subadviser and its timeliness in responding to performance issues. The allocation of the Fund's brokerage, including the Manager's process for monitoring "best execution," also was considered. The Manager's role in coordinating the activities of the Fund's other service providers also was considered. The Board also considered the Manager's risk management processes. The Board considered the Manager's financial condition and that it had the financial wherewithal to continue to provide the same scope and high quality of services under the Management Agreement. In reviewing the Management Agreement, the Board focused on the experience, resources, and strengths of the Manager and its affiliates in managing the Fund, as well as the other funds in the Trust.

The Board also reviewed the compliance and administrative services provided to the Fund by the Manager and its affiliates, including the Manager's oversight of the Fund's day-to-day operations and oversight of Fund accounting. The Trustees, guided also by information obtained from their experiences as trustees of the Trust, also focused on the quality of the Manager's compliance and administrative staff.

Expenses and Performance – In connection with its consideration of the Management Agreement, the Board evaluated the advisory fees and total expense ratios of each of the Member Shares and Reward Shares classes of the Fund as compared to other open-end investment companies deemed to be comparable to each class of the Fund as determined by the independent third party in its report. The expenses of each class of the Fund were compared to (i) a group of investment companies chosen by the independent third party to be comparable to the class of the Fund based upon certain factors, including fund type, comparability of investment objective and classification, sales load type (in this case, retail investment companies with front-end loads and no sales loads), asset size, and expense components (the "expense group") and (ii) a larger group of investment companies that includes all front-end load and no-load retail open-end investment companies with the same investment classification/objective as the Fund regardless of asset size, excluding outliers (the "expense universe"). Among other data, the Board noted that the Fund's management fee rate – which includes advisory and administrative services as well as any fee waivers or reimbursements – was above the median of its expense group and below the median of its expense universe for the Member Shares and Reward Shares. The data indicated that the Fund's total expenses, after reimbursements, were below the median of its expense group and its expense universe for the Member Shares and for the Reward Shares. The Trustees also took into account the Manager's current undertakings to maintain expense limitations for the Fund. The Board took into account the various services provided to the Fund by the Manager and its affiliates, including the high quality of services received by the Fund from the Manager.

The Board also noted the high level of correlation between the S&P 500 Index and the Fund and the relatively low tracking error between the Fund and the S&P 500 Index, and noted that it reviews such information on a quarterly basis. The Board also noted the level and method of computing the management fee. The Trustees also took into account that the subadvisory fees under the Subadvisory Agreement are paid by the Manager. The Board also considered and discussed information about the Subadviser's fees, including the amount of management fees retained by the Manager after payment of the subadvisory fee.

In considering the Fund's performance, the Board noted that it reviews at its regularly scheduled meetings information about the Fund's performance results. The Trustees also reviewed various comparative data provided to them in connection with their consideration of the renewal of the Management Agreement, including, among other information, a comparison of the average annual total returns of each class of the Fund with its Lipper index and with that of other mutual funds deemed to be in its peer group by the independent third party in its report (the "performance universe"). The performance universe of each class of the Fund consisted of the Fund and all retail and institutional open-end investment companies with the same classification/objective as the Fund regardless of asset size or primary channel of distribution. This comparison indicated that, among other data, the performance of the Fund's Member Shares and Reward Shares was above the average of its performance universe and its Lipper index for the one-, three-, five- and ten-year periods ended December 31, 2018. The Board also noted that the percentile performance ranking of the Fund's Member Shares was in the top 50% of its performance universe for the one- and three-year periods ended December 31, 2018, and was in the top 40% of its performance universe for the five- and ten-year periods December 31, 2018. The Board also noted that the percentile performance ranking for the Fund's Reward Shares was in the top 30% of its performance universe for the one-year period ended December 31, 2018, was in the top 25% of its performance universe for the three-year period ended December 31, 2018, was in the top 20% of its performance universe for the five-year period ended December 31, 2018, and was in the top 15% of its performance universe for the ten-year period ended December 31, 2018, and was in the top 20% of its performance universe for the ten-year period ended December 31, 2018.

Compensation and Profitability – The Board took into consideration the level and method of computing the Fund's management fee. The information considered by the Board included operating profit margin information for the Manager's business as a whole. The Board also received and considered profitability information related to the level of management revenues from the Fund. This information included a review of the methodology used in the allocation of certain costs to the Fund. In considering the profitability data with respect to the Fund, the Trustees noted that the Manager reimbursed a portion of its management fees to the Fund and also pays the Fund's subadvisory fees. The Trustees reviewed the profitability of the Manager's relationship with the Fund before tax expenses. The Board was also provided with an Investment Management Profitability Analysis prepared by an independent information service. In reviewing the overall profitability of the management fee to the Manager, the Board also considered the fact that affiliates provide shareholder servicing and administrative services to the Fund for which they receive compensation. The Board also considered the possible direct and indirect benefits to the Manager from its relationship with the Trust, including that the Manager may derive reputational and other benefits from its association with the Fund. The Trustees recognized that the Manager should be able to earn a reasonable level of profits in exchange for the level of services it provides to the Fund and the entrepreneurial risk that it assumes as Manager.

Economies of Scale – The Board considered whether there should be changes in the management fee rate or structure in order to enable the Fund to participate in any economies of scale. The Board took into account management's discussion of the Fund's current advisory fee structure. The Board also considered the fee waivers and expense reimbursements arrangements by the Manager and noted the fact that the Manager pays the subadvisory fee. The Board also considered the effects of each class's growth and size on the class's performance and fees, noting that if the Fund's assets increase over time, the Fund may realize other economies of scale if assets increase proportionally more than some expenses. The Board determined that the current investment management fee structure was reasonable.

Conclusions – The Board reached the following conclusions regarding the Fund's Management Agreement with the Manager, among others: (i) the

Manager has demonstrated that it possesses the capability and resources to perform the duties required of it under the Management Agreement; (ii) the Manager maintains an appropriate compliance program; (iii) the performance of the Fund is reasonable in relation to the performance of funds with similar investment objectives and to relevant indices; (iv) the Fund's advisory expenses are reasonable in relation to those of similar funds and to the services to be provided by the Manager; and (v) the Manager's and its affiliates' level of profitability, if any, from its relationship with the Fund is reasonable in light of the nature and high quality of services provided by the Manager and the type of fund. Based on its conclusions, the Board determined that continuation of the Management Agreement would be in the best interests of the Fund and its shareholders.

SUBADVISORY AGREEMENT

In approving the Fund's Subadvisory Agreement, the Board considered various factors, among them: (i) the nature, extent, and quality of services provided to the Fund, including the personnel providing services; (ii) the Subadviser's compensation and any other benefits derived from the subadvisory relationship; (iii) comparisons, to the extent applicable, of subadvisory fees and performance to comparable investment companies; and (iii) the terms of the Subadvisory Agreement. The Board's analysis of these factors is set forth below. After full consideration of a variety of factors, the Board, including the Independent Trustees, voted to approve the Subadvisory Agreement. In approving the Subadvisory Agreement, the Trustees did not identify any single factor as controlling, and each Trustee may have attributed different weights to various factors. Throughout their deliberations, the Independent Trustees were represented and assisted by Independent Counsel.

Nature, Extent, and Quality of Services Provided; Investment Personnel – The Trustees considered information provided to them regarding the services provided by the Subadviser, including information presented periodically throughout the previous year. The Board noted that the Subadviser and its affiliates also provide accounting and custody services to the Fund at no additional charge. The Board considered the Subadviser's level of knowledge and investment style. The Board reviewed the experience and credentials of the investment personnel who are responsible for managing the investment of portfolio securities with respect to the Fund and the Subadviser's level of staffing. The Trustees considered, based on the materials provided to them, whether the method of compensating portfolio managers is reasonable and includes mechanisms to prevent a manager with underperformance from taking undue risks. The Trustees also noted the Subadviser's brokerage practices. The Board also considered the Subadviser's regulatory and compliance history. The Board also took into account the Subadviser's risk management processes. The Board noted that the Manager's monitoring processes of the Subadviser include, among others: (i) regular telephonic meetings to discuss, among other matters, investment strategies and to review portfolio performance; (ii) monthly portfolio compliance checklists and quarterly compliance certifications to the Board; and (iii) due diligence visits to the Subadviser.

Subadviser Compensation – The Board also took into consideration the financial condition of the Subadviser. In considering the cost of services to be provided by the Subadviser and the profitability to the Subadviser of its relationship with the Fund, the Trustees noted the undertakings of the Manager to maintain expense limitations for the Fund and also noted that the fees under the Subadvisory Agreement were paid by the Manager and that the Subadviser had agreed to reimburse the Fund for license fees paid to Standard & Poor's. The Trustees also relied on the ability of the Manager to negotiate the Subadvisory Agreement and the fees thereunder at arm's length. For the above reasons, the Board determined that the profitability of the Subadviser from its relationship with the Fund was not a material factor in its deliberations with respect to the consideration of the approval of the Subadvisory Agreement. For similar reasons, the Board concluded that the potential for economies of scale in the Subadviser's management of the Fund was not a material factor in considering the Subadvisory Agreement, although the Board noted that the Subadvisory Agreement contains breakpoints in its fee schedule.

Subadvisory Fees and Fund Performance – The Board compared the subadvisory fees for the Fund with the fees that the Subadviser charges to comparable clients, as applicable. The Board considered that the Fund pays a management fee to the Manager and that, in turn, the Manager pays a subadvisory fee to the Subadviser. As noted above, the Board considered, among other data, the Fund's performance with respect to each class during the one-, three-, five-, and ten-year periods ended December 31, 2018, as compared to the Fund's peer group and noted that the Board reviews at its regularly scheduled meetings information about the Fund's performance results. The Board noted the Manager's experience and resources in monitoring the performance, investment style, and risk-adjusted performance of the Subadviser. The Board also noted certain anticipated changes to the Fund's subadvisory arrangements.

Conclusions – The Board reached the following conclusions regarding the Subadvisory Agreement, among others: (i) the Subadviser is qualified to manage the Fund's assets in accordance with its investment objectives and policies; (ii) the Subadviser maintains an appropriate compliance program; (iii) the performance of the Fund is reasonable in relation to the performance of funds with similar investment objectives and to relevant indices; and (iv) the Fund's advisory expenses are reasonable in relation to those of similar funds and to the services to be provided by the Manager and the Subadviser. Based on its conclusions, the Board determined that approval of the Subadvisory Agreement with respect to the Fund would be in the best interests of the Fund and its shareholders.

Copies of the USAA AMCO'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) 235-8396; (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 monthly portfolio holdings with the SEC for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT (beginning with filings after March 31, 2019). Previously, the Fund made its complete schedule of portfolio holdings available after the first and third fiscal quarters in regulatory filings on Form N-Q. The Fund's Forms N-CSR, N-PORT, and N-Q are available at no charge (i) by calling (800) 235-8396; (ii) at **usaa.com;** and (iii) on the SEC's website at **http://www.sec.gov.**

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