



BNY Mellon Municipal Fixed Income

WHY MUNICIPALS ARE MORE THAN JUST TAX BENEFITS



Not FDIC-Insured. Not Bank-Guaranteed. May Lose Value.

 BNY MELLON | INVESTMENT MANAGEMENT

Taxable and Non-Taxable Investors Alike May Benefit From Municipal Bonds



HERE'S WHY:

Investors have historically looked to municipal bonds for tax-exempt income and for relative safety given their lower volatility profile when compared to other fixed-income asset classes. More recently, taxable and non-taxable investors alike are finding that municipal bonds have the potential to offer a greater benefit to their overall portfolio, such as a differentiated source of total return and greater diversification given the sector's relatively low correlations to other fixed-income sectors and to equities.

Income



Municipal bonds have the potential to offer attractive tax-equivalent yields relative to other fixed-income sectors.

Total Return



US municipal bonds have provided attractive absolute and relative performance over the past several years.

Diversification*



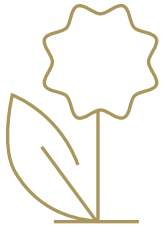
US municipal bonds have the potential to offset volatility from other higher-risk areas* of a portfolio given their lower correlations.

BNY Mellon Investment Management, through its investment firm Insight, provides investors with access to an institutional pedigree in seeking best risk-adjusted return opportunities for municipal investing.

Our strategies draw on more than 80 years of municipal investing history in seeking to deliver attractive after-tax returns to our investors.

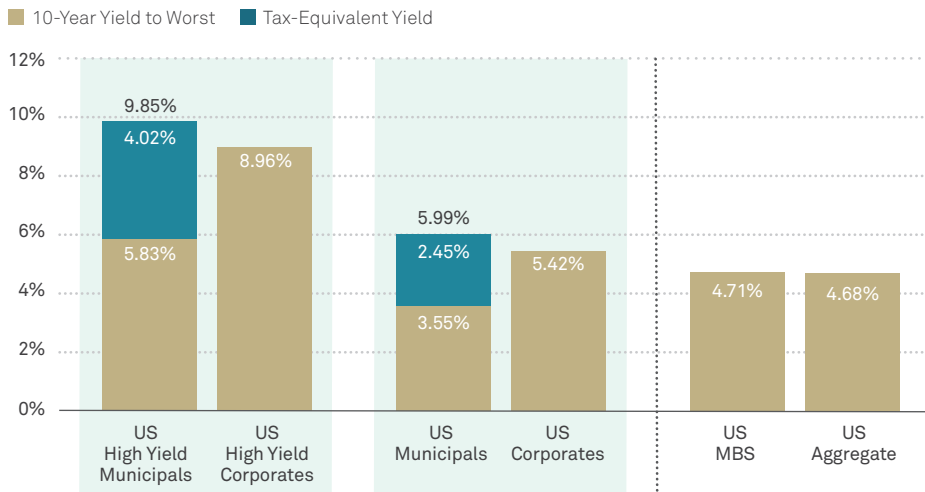
* All investments involve risk, including the possible loss of principal. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. Asset allocation and diversification cannot assure a profit or protect against loss.

Income



Municipal bonds have the potential to offer attractive tax-equivalent yields relative to other fixed-income sectors.

Tax-Equivalent Yields for Municipal Bonds Look Relatively Attractive to Investors Seeking Income



Sources: BNY Mellon Investment Management and Morningstar, as of 12/31/22. The **yield to worst** (YTW) is the lowest potential **yield** that can be received on a bond without the issuer actually defaulting. This metric is used to evaluate the **worst-case** scenario for **yield** to help investors manage risks and that specific income requirements will still be met even in the **worst** scenarios.

An attractive feature is that investors may not have to take on higher levels of default risk to potentially participate in these higher levels of take-home income. For over 40 years, municipal bonds have historically had a materially lower default rate relative to corporate bonds. **Past performance is not indicative of future results.**

US Municipals and Corporate Issuer Default History*

	Municipals ¹	Global Corporates ²
Aaa	0.00%	0.35%
Aa	0.02%	0.76%
A	0.10%	1.96%
Baa	1.06%	3.45%
Investment Grade	0.09%	2.17%
Speculative Grade	6.94%	28.92%

Source: Moody's Investors Service as of December 2021, Average Corporate Debt Recovery Rates for senior unsecured bonds 1970–2021.

¹ The category shows the average performance of muni cohorts over a 10-year period.

² Global Corporates refers to all non-financial and financial corporates globally as tracked by Moody's.

The consistency of yield is almost as important as the size of yield when building financial plans and setting investment goals.

Over the past ten years, US municipals, including the high yield subsector, have historically offered attractive yields relative to both their US corporate and high yield corporate peers.

* This study evaluates the performance of Moody's municipal ratings and their consistency with global corporate ratings. It covers public underlying ratings for all public finance issuers, including US state and local governments, municipal utilities, not-for-profit hospitals, housing agencies, colleges and universities, as well as other municipal issuers with long-term debt ratings. It also includes certain infrastructure and project finance credits that are tracked in parallel in our infrastructure default study. Insured, enhanced, and letter of credit-backed ratings are excluded.

Moody's definition of default includes the following events: A missed or delayed disbursement of a contractually obligated interest or principal payment (excluding missed payments cured within a contractually allowed grace period), as defined in credit agreements and indentures. A bankruptcy filing or legal receivership by the debt issuer or obligation that will likely cause a miss or delay in future contractually obligated debt service payments. A distressed exchange whereby: (i) the issuer offers creditors a new or restructured debt, or a new package of securities, cash or assets, that amount to a diminished financial obligation relative to the original obligation; and (ii) the exchange has the effect of allowing the issuer to avoid a bankruptcy or payment default. A change in the payment terms of a credit agreement or indenture imposed by the sovereign that results in a diminished financial obligation, such as a forced currency re-denomination (imposed by the debtor, himself, or his sovereign) or a forced change in some other aspect of the original promise.

Average cumulative default rates (CDRs) show the historically observed incidence of default for a credit that would have otherwise remained outstanding over a fixed time horizon. CDRs are calculated by grouping credits by their rating on a particular date into cohorts and then tracking their performance over time. Cohorts are formed at monthly frequencies and then averaged over a year. For example, if a credit is rated Aaa on January 1, 2014, it would be grouped into a cohort of other credits rated Aaa on that date, regardless of its original rating.

Total Return



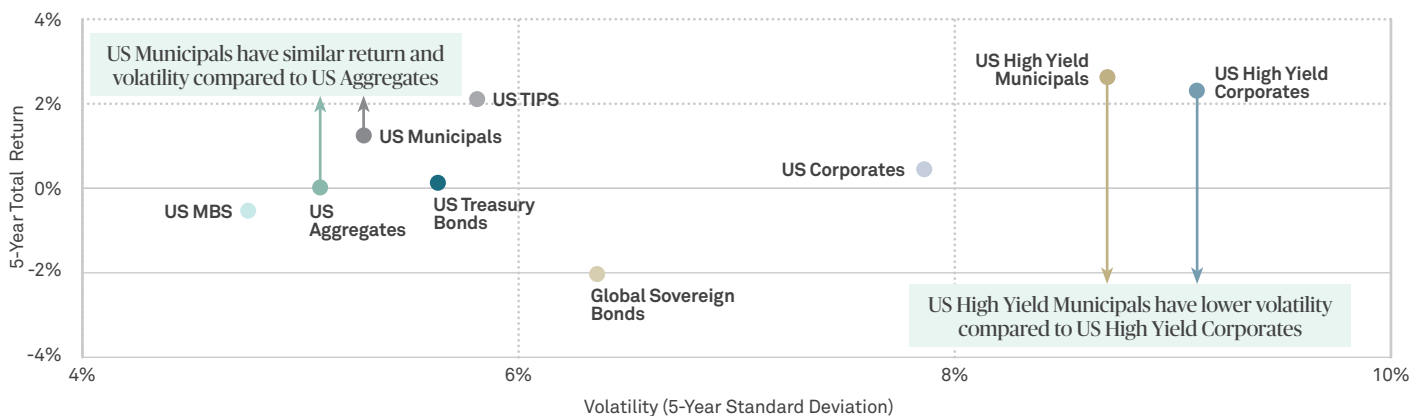
US municipal bonds have provided attractive absolute and relative performance over the past several years.

US Municipal Bonds and High Yield Municipal Bonds Have Historically Performed Relatively Well Within the Fixed-Income Sector.

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
US High Yield Municipals 18.1%	US High Yield Corporates 7.4%	US High Yield Municipals 13.8%	US Municipals 3.3%	US High Yield Corporates 17.1%	US High Yield Municipals 9.7%	US High Yield Municipals 4.8%	US Corporates 14.5%	US TIPS 11.0%	US High Yield Municipals 7.8%	US Municipals -8.5%
US High Yield Corporates 15.8%	US MBS -1.4%	US Municipals 9.1%	US Treasury 1.8%	US Corporates 6.1%	US High Yield Corporates 7.5%	US Municipals 1.3%	US High Yield Corporates 14.3%	US Corporates 9.9%	US TIPS 6.0%	US High Yield Corporates -11.2%
US Corporates 9.8%	US Corporates -1.5%	US Corporates 7.7%	US High Yield Municipals 1.8%	US TIPS 4.7%	Global Sovereign Bonds 7.2%	US Treasury 1.2%	US High Yield Municipals 10.7%	US Treasury 9.1%	US High Yield Corporates 5.3%	US TIPS -11.8%
US TIPS 7.0%	US Aggregates -2.0%	US Treasury 6.4%	US MBS 1.5%	US High Yield Municipals 3.0%	US Corporates 6.4%	US MBS 1.0%	US Aggregates 8.7%	Global Sovereign Bonds 9.1%	US Municipals 1.5%	US MBS -11.8%
US Municipals 6.8%	US Municipals -2.6%	US MBS 6.1%	US Aggregates 0.5%	US Aggregates 2.6%	US Municipals 5.4%	US Aggregates 0.0%	US TIPS 8.4%	US Aggregates 7.5%	US MBS -1.0%	US Treasury -12.6%
US Aggregates 4.2%	Global Sovereign Bonds -4.6%	US Aggregates 6.0%	US Corporates -0.7%	Global Sovereign Bonds 1.7%	US Aggregates 3.5%	Global Sovereign Bonds -0.4%	US Municipals 7.5%	US High Yield Corporates 7.1%	US Corporates -1.0%	US Aggregates -13.0%
US Treasury 3.6%	US Treasury -4.7%	US TIPS 3.6%	US TIPS -1.4%	US MBS 1.7%	US TIPS 3.0%	US TIPS -1.3%	US Treasury 7.5%	US Municipals 5.2%	US Aggregates -1.5%	US High Yield Municipals -13.1%
US MBS 2.6%	US High Yield Municipals -5.5%	US High Yield Corporates 2.5%	Global Sovereign Bonds -2.7%	US Treasury 1.1%	US MBS 2.5%	US High Yield Corporates -2.1%	US MBS 6.4%	US High Yield Municipals 4.9%	US Treasury -3.0%	US Corporates -15.8%
Global Sovereign Bonds 2.6%	US TIPS -8.6%	Global Sovereign Bonds 0.5%	US High Yield Corporates -4.5%	US Municipals 0.2%	US Treasury 2.2%	US Corporates -2.5%	Global Sovereign Bonds 5.9%	US MBS 3.9%	Global Sovereign Bonds -6.0%	Global Sovereign Bonds -16.6%

Source: Morningstar, as of 12/31/22.

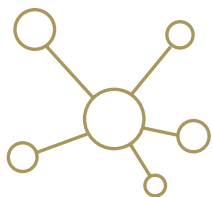
Over the past five years, US municipal bonds have offered a similar return to US aggregate bonds, while the risk profile of high yield municipals compared with high yield corporates has been attractive. **Past performance is not indicative of future results.**



Sources: BNY Mellon Investment Management and Morningstar, as of 12/31/22. **High yield bonds** involve increased credit and liquidity risk than higher-rated bonds and are considered speculative in terms of the issuer's ability to pay interest and repay principal on a timely basis.

Please see important definitions at back.

Diversification



US municipal bonds have the potential to offset volatility from other higher-risk areas of a portfolio, such as high yield corporate bonds and equities, given their lower correlations to those fixed-income sectors and asset classes.

Beyond sector and asset class correlations, US municipals also have a lower correlation to the federal funds rate, which should provide some peace of mind in an uncertain policy-rate environment.

Five-Year Correlations Among Asset Classes

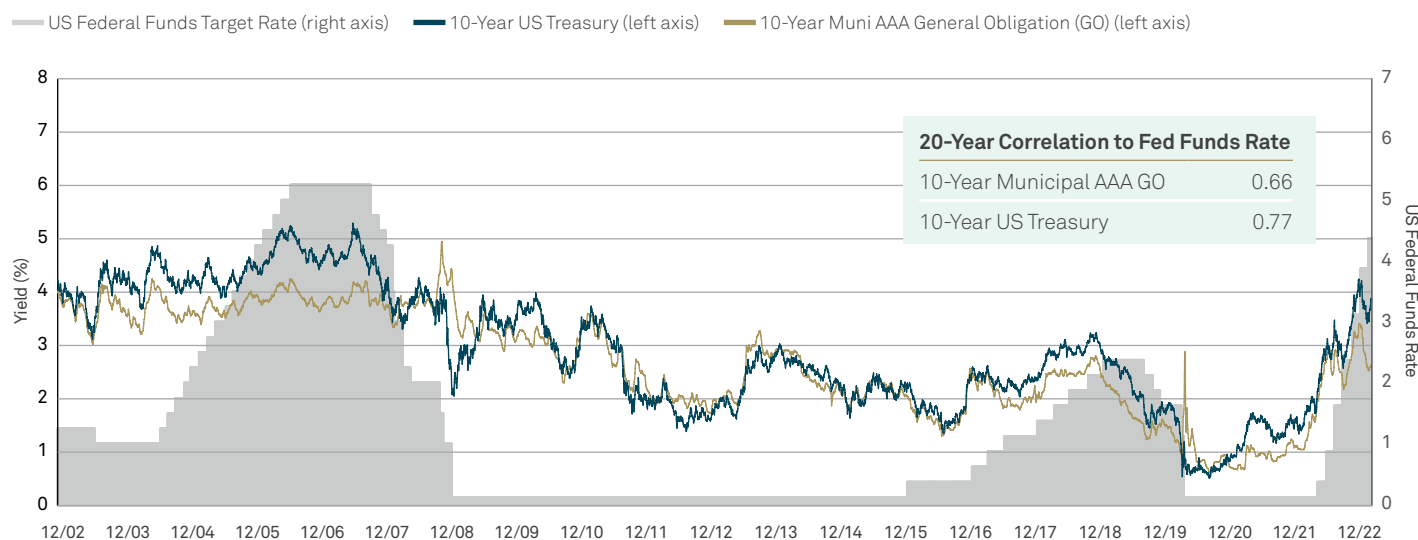
	US Municipals	US HY Municipals	U.S. Treasury Bonds	US TIPS	US Agg	US Corporates	US HY Corporates	US MBS	Global Sovereign Bonds	US Equities
US Municipals	1.00									
US High Yield Municipals	0.91	1.00								
US Treasury Bonds	0.69	0.45	1.00							
US TIPS	0.73	0.66	0.71	1.00						
US Aggregates	0.84	0.68	0.91	0.83	1.00					
US Corporates	0.81	0.77	0.62	0.79	0.88	1.00				
US High Yield Corporates	0.60	0.69	0.13	0.63	0.47	0.76	1.00			
US MBS	0.78	0.59	0.87	0.76	0.92	0.71	0.36	1.00		
Global Sovereign Bonds	0.75	0.61	0.79	0.77	0.89	0.80	0.48	0.82	1.00	
US Equities	0.38	0.42	0.06	0.55	0.35	0.60	0.83	0.31	0.38	1.00

Historically, the correlation of US Municipals to US Equities has been closer to 0.

Sources: BNY Mellon Investment Management and Morningstar, as of 12/31/22.

Regardless of interest-rate direction, municipal yields have historically exhibited a lower correlation to Federal Reserve policy than their sovereign (US Treasury) counterparts.

10-Year US Treasury and Municipal Yields During 20 Years of Federal Reserve Policy



Sources: BNY Mellon Investment Management and Morningstar, as of 12/31/22.



The senior members of Insight's municipal investment team have over 25 years experience, on average, and have worked together for close to two decades. Insight believes the best way to preserve capital and earn consistent after-tax returns is to make meaningful commitments to best risk-adjusted return opportunities.

BNY Mellon Investment Management, through its investment firm Insight, provides investors with an institutional pedigree across all asset classes and investment vehicles.

The company is large enough to have a respected presence in the market yet nimble enough to take advantage of market opportunities as they arise, especially in the relatively smaller municipal bond market.

Insight Investment Overview

Leader in global fixed income, risk management solutions and absolute return investing.



\$786.2B*

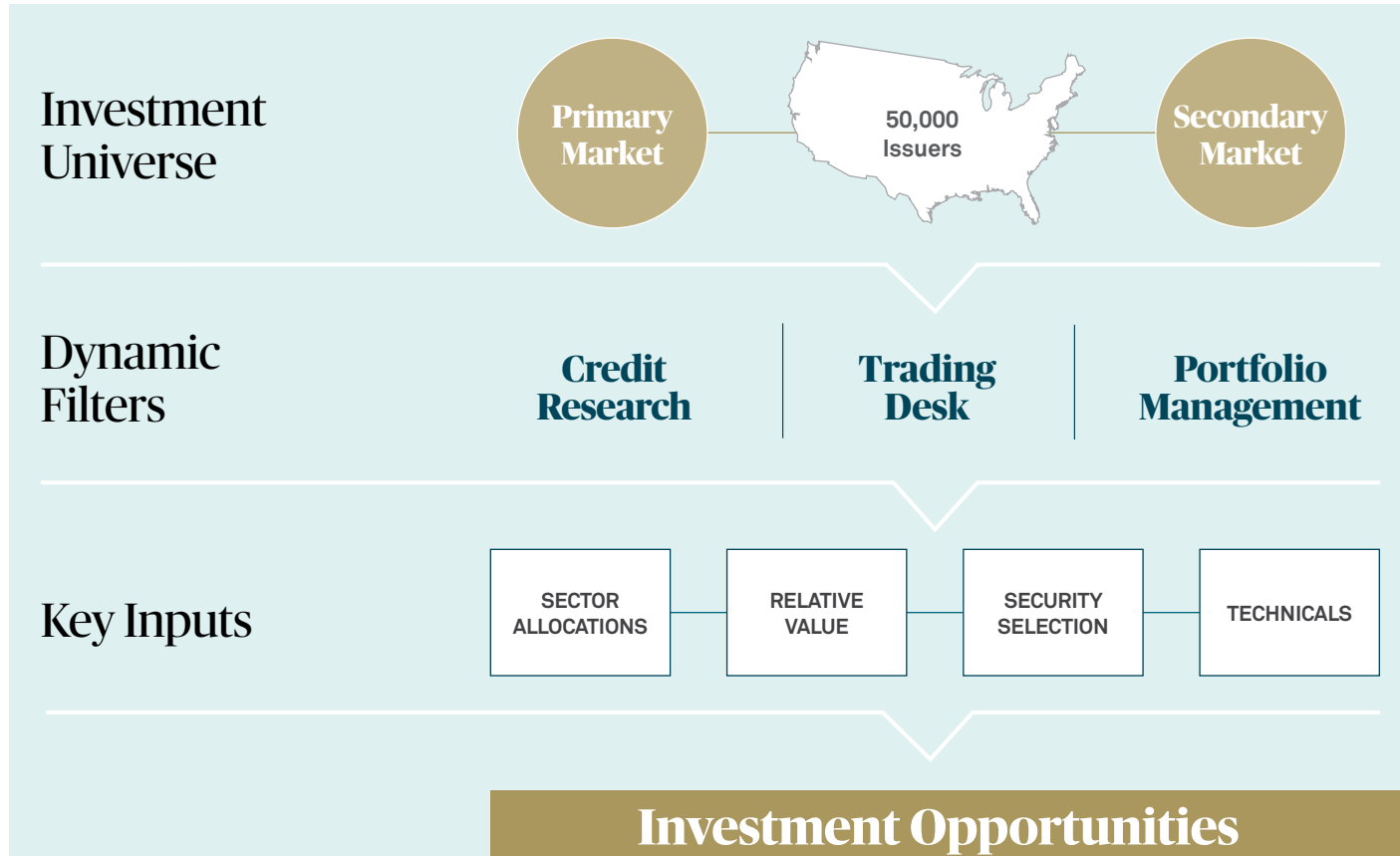
Assets Under Management

\$252.9B*

Active Fixed Income AUM

\$18.2B*

US Municipal Fixed Income AUM



* Source: Insight Investment, as of 12/31/22.

BNY Mellon Municipal Bond Funds

Total Returns as of December 31, 2022

	Ticker	Expense Ratio (%) Total/Net	Unsubsidized 30-Day SEC Yield (%)	Subsidized 30-Day SEC Yield (%)	Average Annual Returns (%)				
					QTR (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)
Muni National/Intermediate									
BNY Mellon AMT-Free Municipal Bond Fund - Class I	DMBIX	0.68/0.45	3.20	3.46	3.31	-9.44	-1.15	0.97	2.08
BNY Mellon AMT-Free Municipal Bond Fund - Class A (NAV)	DMUAX	0.93/0.70	2.79	3.04	3.33	-9.61	-1.39	0.72	1.84
BNY Mellon AMT-Free Municipal Bond Fund - Class A (4.50% max load)	DMUAX	0.93/0.70	2.79	3.04	-1.36	-13.67	-2.89	-0.20	1.37
BNY Mellon Municipal Bond Fund	DRTAX	0.73/N/A	-	3.32	3.25	-10.06	-1.32	0.79	1.93
BNY Mellon Opportunistic Municipal Securities Fund - Class Z	DMBZX	0.67/N/A	-	3.28	3.40	-9.83	-1.16	0.98	2.06
BNY Mellon Opportunistic Municipal Securities Fund - Class A (NAV)	PTEBX	0.72/N/A	-	3.10	3.48	-9.87	-1.20	0.93	2.00
BNY Mellon Opportunistic Municipal Securities Fund - Class A (4.50% max load)	PTEBX	0.72/N/A	-	3.10	-1.17	-13.90	-2.70	0.00	1.53
Bloomberg Municipal TR USD					4.10	-8.53	-0.77	1.25	2.13
High Yield Muni									
BNY Mellon High Yield Municipal Bond Fund- Class I	DYBIX	0.61/N/A	-	4.69	3.07	-16.70	-3.08	0.42	2.67
BNY Mellon High Yield Municipal Bond Fund- Class A (NAV)	DHYAX	0.85/N/A	-	4.27	3.01	-16.87	-3.29	0.19	2.42
BNY Mellon High Yield Municipal Bond Fund- (4.50% max load)	DHYAX	0.85/N/A	-	4.27	-1.66	-20.62	-4.75	-0.72	1.95
Bloomberg Municipal TR USD					4.10	-8.53	-0.77	1.25	2.13
Muni National Short									
BNY Mellon Short Term Municipal Bond Fund - Class I	DIMIX	0.42/0.39	2.25	2.34	1.69	-3.67	-0.46	0.62	0.68
BNY Mellon Short Term Municipal Bond Fund - Class A (NAV)	DMBAX	0.62/0.62	2.02	2.04	1.63	-3.91	-0.68	0.37	0.44
BNY Mellon Short Term Municipal Bond Fund - (4.50% max load)	DMBAX	0.62/0.62	2.02	2.04	-0.87	-6.29	-1.51	-0.14	0.18
Bloomberg Municipal 1-3 Blend TR USD					1.77	-2.63	0.07	1.03	0.97
State Municipals									
BNYMellon California AMT-Free Municipal Bond Fund Class I	DCMIX	0.57/N/A	3.28	3.33	3.90	-10.46	-1.65	0.41	1.78
BNYMellon California AMT-Free Municipal Bond Fund - (NAV)	DCAAX	0.80/N/A	2.89	2.94	3.84	-10.61	-1.88	0.17	1.53
BNYMellon California AMT-Free Municipal Bond Fund - (4.50% max load)	DCAAX	0.80/N/A	2.89	2.94	-0.82	-14.61	-3.38	-0.75	1.07
BNYMellon New York AMT-Free Municipal Bond Fund Class I	DNYIX	0.60/0.55	3.40	3.47	3.77	-10.35	-1.49	0.56	1.67
BNYMellon New York AMT-Free Municipal Bond Fund - (NAV)	PSNYX	0.84/0.80	3.02	3.07	3.71	-10.50	-1.71	0.33	1.43
BNYMellon New York AMT-Free Municipal Bond Fund - (4.50% max load)	PSNYX	0.84/0.80	3.02	3.07	-0.99	-14.55	-3.20	-0.58	0.96
Bloomberg Municipal TR USD					4.10	-8.53	-0.77	1.25	2.13

The performance data quoted represents past performance, which is no guarantee of future results. Share price and investment return fluctuate and an investor's shares may be worth more or less than original cost upon redemption. Current performance may be lower or higher than the performance quoted. Performance for periods of less than 1 year are not annualized. The funds offer multiple share classes, which are subject to different sales charges and distribution and servicing fees. Go to im.bnymellon.com for the fund's most recent month-end returns. The net expense ratio reflects a contractual expense reduction agreement without which the returns would have been lower. The SEC 30-day yield reflects an undertaking in effect for BNY Mellon AMT Free Municipal Bond Fund, without which the yields would have been lower. Not all funds and/or classes of shares may be available to all investors or through all broker-dealer platforms.

The total return performance figures are presented for a fund's Class I shares, unless otherwise noted. However, if the inception of a fund's listed share class is less than the time period of some returns reflected above, its performance history includes an older share class's performance adjusted for the applicable class's sales load and distribution/servicing fees. Had these fees and expenses been reflected for periods prior, performance would have been lower. Class I shares are available only to certain eligible investors.

Consider BNY Mellon for Your Municipal Fixed-Income Goals

Investing in municipal securities may be important in any market environment. BNY Mellon has a rich history of providing clients with a full spectrum of potential municipal solutions. **Get in touch to see if we have the right strategy for your or your clients' needs.**

Learn more

Financial Professionals: Call 1-800-373-9387 or visit im.bnymellon.com

Mutual Fund Investors: Contact your financial professional or visit im.bnymellon.com

Investors should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. To obtain a prospectus, or a summary prospectus, if available, that contains this and other information about a fund, contact your financial professional or visit im.bnymellon.com. Read the prospectus carefully before investing.

APPENDIX

The **Bloomberg Municipal 7 Yr TR USD** is the 7-year (6–8) component of the Bloomberg Barclays US Municipal Bond Index. The **Bloomberg Municipal 1-3 Blend TR USD** is the 3-year (1-3) component of the Bloomberg Barclays Municipal Bond Index. The **Bloomberg U.S. Treasury Index** measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Treasury bills are excluded by the maturity constraint, but are part of a separate Short Treasury Index. The **Bloomberg U.S. Treasury Inflation-Linked Bond Index (Series-L)** measures the performance of the US Treasury Inflation Protected Securities (TIPS) market. Federal Reserve holdings of US TIPS are not index eligible and are excluded from the face amount outstanding of each bond in the index. The **Bloomberg U.S. Aggregate Bond Index** is a broad-based flagship benchmark that measures the investment-grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and nonagency). Investors cannot invest directly in any index. The **Bloomberg U.S. Corporate Bond Index** measures the investment-grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by US and non-US industrial, utility and financial issuers. The **Bloomberg U.S. Corporate High Yield Bond Index** measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Barclays EM country definition, are excluded. The **Bloomberg U.S. Mortgage Backed Securities (MBS) Index** tracks agency mortgage pass-through securities (no longer incorporates hybrid ARM) guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The index is constructed by grouping individual TBA-deliverable MBS pools into aggregates or generics based on program, coupon and vintage. The **Bloomberg U.S. Municipal Bond Index** covers the USD-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and prerefunded bonds. The **Bloomberg U.S. High Yield Municipal Bond Index** is an unmanaged index made up of bonds that are non-investment grade, unrated, or rated below Ba1 by Moody's Investors Service with a remaining maturity of at least one year. The **BofA Merrill Lynch Global Government Index** tracks the performance of investment-grade sovereign debt publicly issued and denominated in the issuer's own domestic market and currency. The **S&P 500® Index** is widely regarded as the best single gauge of large-cap US equities. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Investors cannot invest directly in any index.

RISKS

All investments involve risk, including the possible loss of principal. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. Asset allocation and diversification cannot assure a profit or protect against loss.

Bonds are subject to interest-rate, credit, liquidity, call and market risks, to varying degrees. Generally, all other factors being equal, bond prices are inversely related to interest-rate changes and rate increases can cause price declines. **High yield bonds** involve increased credit and liquidity risk than higher-rated bonds and are considered speculative in terms of the issuer's ability to pay interest and repay principal on a timely basis.

Municipal income may be subject to state and local taxes. Some income may be subject to the federal alternative minimum tax for certain investors. Capital gains, if any, are taxable.

The amount of public information available about municipal securities is generally less than that for corporate equities or bonds. Legislative changes, state and local economic and business developments, may adversely affect the yield and/or value of municipal securities. Other factors include the general conditions of the municipal securities market, the size of the particular offering, maturity of the obligation, and the rating of the issue. Income for national municipal funds may be subject to state and local taxes. Income may be subject to state and local taxes for out-of-state residents. Some income may be subject to the federal alternative minimum tax for certain investors. Capital gains, if any, are taxable.

Recent market risks include pandemic risks related to COVID-19. The effects of COVID-19 have contributed to increased volatility in global markets and will likely affect certain countries, companies, industries and market sectors more dramatically than others. To the extent the fund may overweight its investments in certain countries, companies, industries or market sectors, such positions will increase the fund's exposure to risk of loss from adverse developments affecting those countries, companies, industries or sectors.

DEFINITIONS

Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. The **Yield to Worst (YTW)** is the lowest potential yield that can be received on a bond without the issuer actually defaulting. **Duration** is a measure of volatility expressed in years; the higher the number, the greater the potential for volatility as interest rates change. **Total Return** Expressed in percentage terms, Morningstar's calculation of total return is determined each month by taking the change in monthly net asset value, reinvesting all income and capital-gains distributions during that month, and dividing by the starting NAV. **Standard Deviation** A statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that are most likely for a given fund. **Sharpe Ratio** A risk-adjusted measure developed by Nobel laureate William Sharpe. It is calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the fund's historical risk-adjusted performance. **Correlation** This indicates the strength and direction of a linear relationship between two random variables. The value will range between -1 and 1. A value of 1 indicates a perfect positive dependency and -1 indicates a perfect negative dependency between the two investments. A correlation value of 0 indicates that no relationship between the two investments exist, and they are said to be independent of each other. The correlation between two investments can be determined based on the returns of the investments or the excess returns of the investments over a risk-free rate. **Tax-Equivalent Yield** The tax-equivalent yield is the pretax yield that a taxable bond needs to possess for its yield to be equal to that of a tax-free municipal bond. **12-Month Yield** 12-Month Yield is the sum of a fund's total trailing 12-month interest and dividend payments divided by the last month's ending share price (NAV) plus any capital gains distributed over the same period. 12-Month Yield gives you a good idea of the yield (interest and dividend payments) your fund is currently paying. Mellon Investments Corporation assets include discretionary and non-discretionary assets, the notional value of overlay strategies, and assets managed by investment personnel acting in their capacity as officers of affiliated entities.

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