The first quarter of 2020 appeared to be off to a good start until Covid-19 and the accompanying global response rapidly sent shockwaves through all markets, culminating in the month of March, which proved to be one of the most extraordinary months for the markets in history. The 10-year US Treasury yield dropped 124 basis points (bp) from 1.92% at the end of 2019 to 0.67% on March 31 as the market experienced bouts of extreme volatility and illiquidity. For the first time in decades, there were days that the Treasury market sold off even as equities were down over 4%. Risk assets repriced rapidly in the face of illiquidity and Coronavirus-driven uncertainty. Oil prices collapsed, and at one point dropped below $20/bbl as the historic demand shock was compounded by a supply shock as a result of the escalating price war between Saudi Arabia and Russia.

The Federal Reserve (the “Fed”) had to act in response to the unprecedented disruption as the nation enacted social distancing measures that would severely curtail economic activity. Chairman Jerome Powell first noted “evolving risks to economic activity” in a special statement on February 28th. Four days later, the Federal Open Market Committee (FOMC) cut interest rates by 50bp marking the first time the Fed had cut rates between meetings since October of 2008. Later in the month, the FOMC met on a Sunday, where they cut rates to 0%, and announced several measures including the purchase of at least $500 billion of Treasuries and $200 billion of agency mortgage backed securities (MBS) and commercial mortgage backed securities (CMBS). As liquidity pressures mounted, the FOMC met over the following weekend announcing further asset purchase programs including those that would allow the purchase of investment grade corporates and asset-backed securities.

By the end of March, the Fed purchased over $1 trillion of securities in a matter of weeks eclipsing past Qualitative Easing (QE) programs that lasted for months. In short, the Fed had done everything possible to prevent a public health crisis from becoming a liquidity crisis. However, it was clear that monetary policy alone would not be enough given the sharp decline in economic activity precipitated by Covid-19 mitigation strategies. Over a period of eight days, the US passed the CARES act, a stimulus bill providing over $2 trillion in fiscal support to the US economy.

None of this prevented March from becoming one of the worst months in history for investment grade corporates. The Bloomberg Barclay’s Corporate Bond Index returned -3.63% for the quarter and down 7.09% in March alone. After starting the quarter at 93bp, the spread on the investment grade index widened to 373bp, a level not seen since the global financial crisis. High yield spreads also widened to levels that have not been reached since the crisis and all asset classes had negative excess returns over duration matched Treasuries. Equity market volatility as measured by the CBOE Volatility (VIX) Index exhibited an even more dramatic spike than the one seen in 2008. Yet, none of this could stop the primary market for investment grade corporates from setting a record for new issuance. High-quality investment grade companies brought more than $270 billion in new deals to the market during the month of March, which ended on a slightly positive note as some risk assets seemed to find their footing.
Quarterly Performance

For the quarter ended March 31, 2020, the fund’s class I shares returned -1.61%, excluding sales charges. In comparison, the fund’s unmanaged benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, returned 3.15% for the same time period.

Average Annual Total Returns (3/31/20)¹

<table>
<thead>
<tr>
<th>Share Class/Inception Date</th>
<th>3 Month</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A (NAV) 02/02/18</td>
<td>-1.67%</td>
<td>-1.67%</td>
<td>4.74%</td>
<td>3.85%</td>
<td>3.13%</td>
<td>3.84%</td>
</tr>
<tr>
<td>Class A (4.50% max. load)</td>
<td>-6.07%</td>
<td>-6.07%</td>
<td>0.06%</td>
<td>2.27%</td>
<td>2.19%</td>
<td>3.33%</td>
</tr>
<tr>
<td>Class I (NAV) 02/02/18</td>
<td>-1.61%</td>
<td>-1.61%</td>
<td>5.00%</td>
<td>4.04%</td>
<td>3.25%</td>
<td>3.91%</td>
</tr>
<tr>
<td>Class Y (NAV) 12/02/10</td>
<td>-1.60%</td>
<td>-1.60%</td>
<td>5.03%</td>
<td>4.04%</td>
<td>3.24%</td>
<td>3.91%</td>
</tr>
<tr>
<td>Bloomberg Barclays U.S. Aggregate Bond Index</td>
<td>3.15%</td>
<td>3.15%</td>
<td>8.93%</td>
<td>4.82%</td>
<td>3.36%</td>
<td>—</td>
</tr>
</tbody>
</table>

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 less than 1 year is not annualized. Go to im.bnymellon.com for the fund's most recent month-end returns. The net expense ratio(s) reflect a contractual expense reduction agreement through 8/30/2020. Total Expense Ratios: Class A 0.78%, Class I 0.47%, Class Y 0.63%. Net Expense Ratios: Class A 0.70%, Class I 0.45%, Class Y 0.45%. Not all classes of shares may be available to all investors or through all broker-dealer platforms. Other share classes are subject to different fees and expenses and would have achieved different returns.

¹The BNY Mellon Insight Core Plus Fund (“Fund”) commenced operations after the assets of a predecessor mutual fund reorganized into the fund on 2/2/18. Performance for Class Y is the performance from the predecessor fund. The predecessor fund was the Cutwater Investment Grade Bond Fund, Institutional Class, incepted on 12/2/2010, and was renamed to the Insight Investment Grade Bond Fund following BNY Mellon’s purchase of Cutwater Asset Management on 1/2/2015. The total return performance figures for Class A and I shares of the Fund represent the performance of the Funds Class Y shares for periods prior to 2/2/18, the inception date for Class A and I shares, and the performance of Class A and I shares, from that inception date. Performance reflects the applicable class distribution/servicing fees since the inception date. Investors should consider, when deciding whether to purchase a particular class of shares, the investment amount, class restrictions, anticipated holding period and other relevant factors. Additionally, on 10/19/2018 the Fund received the merged assets of Dreyfus Intermediate Term Income Fund, the performance of which is not reflected above.

Performance Summary

Amid this backdrop, the primary driver of the fund’s relative performance was an underweight allocation to US Treasury and agency securities and an overweight allocation to corporate credit relative to its benchmark, the Bloomberg Barclays US Aggregate Index. During periods of volatility, especially the historic volatility experienced during Q1 2020, a tilt toward credit sensitive securities will cause the fund to lag the benchmark as the lowest risk securities are the clear outperformers. As such, the fund’s 7% allocation to high yield corporates also reduced returns. This allocation usually creates an income advantage and a cushion against rising rates over longer periods. However, the spread on the Bloomberg Barclays High Yield Index ended the quarter 544bp wider with energy names leading the way. As the quarter progressed, all credit sectors started trading with a high beta to the market regardless of the quality or stability of the underlying issuer.

From a sector perspective, any allocation decision that was not US Treasuries and agencies detracted even as the portfolio sought diversification across numerous sectors. Overweight allocations to energy, taxable municipals, banking, and basics were the leading detractors from performance. Most of the fund’s allocation to securitized
assets held up well, however even extremely modest exposure to non-agency CMBS or high-quality enhanced equipment trust certificates (EETC) aircraft securitizations detracted in this environment.

By contrast, security selection was a positive relative contributor, particularly within the fund’s energy holdings. Most of the exposure is concentrated in midstream energy (pipeline) names. This group of holdings held up better than the rest of the sector possibly because it is one step removed from the underlying commodity. The fund’s selections within taxable municipals, capital goods, and consumer non-cyclicals were also beneficial. Duration and yield curve bets are usually not a major driver of performance, and that continues to be true. However, a slight underweight to shorter maturities versus intermediate maturities slightly detracted given the sheer size of the move in Treasuries in the face of swift FOMC policy action.

**Market Outlook**

There is no question that there will be a sharp contraction in economic activity in the near term. We have also seen a significant increase in fallen angels, and we expect to see more. Still it is important to have an eye towards the future as we seek to uncover tomorrow’s opportunities today. The FOMC has acted swiftly in an attempt to prevent a widespread liquidity crisis and create the environment for an eventual rebound in economic activity. The US congress also took bold action to help cushion the blow from the large scale social distancing measures necessary to contain the virus. While the virus will ultimately determine the timeline, we do not expect this environment to last forever. In the meantime, we find it sensible to align the portfolio’s construction with central bank policy support and seek opportunity first within the attractively-priced investment grade corporate sector while maintaining caution around lower quality and less liquid sectors.

Our historical performance demonstrates that a steady approach that takes the long view while responding to near-term events, wins in the long term. As such, we believe a selective approach to portfolio construction is paramount, particularly during this period of volatility and uncertainty. We continue to resist giving away good credits at bad prices and continue to monitor all positions to ensure they have enough liquidity and staying power given the uncertain duration of the COVID-19 crisis. Sharp credit sell-offs tend to be highly correlated, affecting all issues simultaneously, but we expect that security selection will drive performance during the recovery. We want to own assets within which we see good visibility into the credit worthiness of issuers, stability of balance sheets, and overall staying power through this crisis and beyond. The portfolio continues to maintain a neutral to slightly long duration posture relative to its benchmark with the portfolio’s sector allocation reflecting a balance of both income generators derived from the attractively–valued credit sectors of the market (corporates and asset backed securities (ABS)) and high quality duration from government (treasuries) and government like securities.

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Risks

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. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid, and difficult to value and there is the risk that changes in the value of a derivative held by the portfolio will not correlate with the underlying instruments or the portfolio’s other investments. Investing in foreign denominated and/or domiciled securities involves special risks, including changes in currency exchange rates, political, economic, and social instability, limited company information, differing auditing and legal standards, and less market liquidity. These risks generally are greater with emerging-market countries. 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. Mortgage-backed securities: Ginnie Maes and other securities backed by the full faith and credit of the United States government are guaranteed only as to the timely payment of interest and principal when held to maturity. The market prices for such securities are not guaranteed and will fluctuate. Privately issued mortgage-related securities also are subject to credit risks associated with the underlying mortgage properties. These securities may be more volatile and less liquid than more traditional, government-backed debt securities.

The Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment-grade, U.S. 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 CBOE Volatility Index, or the VIX, is a real-time market index that represents the market’s expectation of 30-day forward-looking volatility. Derived from the price inputs of the S&P 500 index options, it provides a measure of market risk and investors’ sentiments. The Bloomberg Barclays US 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.

Mortgage-Backed Security (MBS) is an investment similar to a bond that is made up of a bundle of home loans bought from the banks that issued them. Investors in MBS receive periodic payments similar to bond coupon payments. Asset-Backed Security (ABS) is a financial security such as a bond or note which is collateralized by a pool of assets such as loans, leases, credit card debt, royalties, or receivables. Beta is a measure of a security's or portfolio's volatility, or systematic risk. The beta coefficient measures a security or portfolio's volatility relative to an index. A beta of 1 indicates that the security's price will move with the market. A beta less than 1 means that the security will be less volatile than the market. A beta greater than 1 indicates that the security’s price will be more volatile than the market.

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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.

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