MainStay DefinedTerm Municipal Opportunities Fund
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT

INVESTMENT COMPANIES

Investment Company Act File Number 811-22551

MAINSTAY DEFINEDTERM

MUNICIPAL OPPORTUNITIES FUND

(Exact name of Registrant as specified in charter)

51 Madison Avenue, New York, NY 10010

(Address of principal executive offices) (Zip code)

J. Kevin Gao, Esq.

169 Lackawanna Avenue

Parsippany, New Jersey 07054

(Name and address of agent for service)

Registrant s telephone number, including area code: (212) 576-7000

Date of fiscal year end: May 31

Date of reporting period: May 31, 2015

Item 1. Reports to Stockholders.

MainStay DefinedTerm Municipal Opportunities Fund

Message from the President and Annual Report

May 31, 2015 | NYSE Symbol **MMD**

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Message from the President

Municipal bonds generally provided positive total returns for the 12 months ended May 31, 2015, despite some volatility along the way.

During the reporting period, the Federal Reserve maintained the federal funds target rate in its now-familiar near-zero range. The Federal Reserve also maintained its position that an increase in the targeted federal funds rate would be driven by data related to the Federal Open Market Committee s mutual goals of maximum employment and inflation of two percent. Gross domestic product slowed in the fourth quarter of 2014 and slowed further in the first quarter of 2015, and many investors were more concerned with deflation than inflation. Together, these factors may have influenced when a change in the target federal funds rate may be anticipated.

On an absolute basis, U.S. Treasury yields declined over the reporting period among issues maturing in one to three months, stayed the same for issues maturing in six months and rose among issues with maturities of one to three years.

Overall, the municipal market endured two opposing trends over the 12-month reporting period. The first phase occurred from June 2014 through January 2015, with municipal bond prices generally rising on strong demand as investors sought to satisfy their need for income. The second phase, which lasted for the

rest of the reporting period, saw declining prices as the fixed-income markets began to price in the probability that the Federal Reserve was going to delay tightening monetary policy because of economic weakness in the first quarter of 2015.

For the 12-month reporting period, municipal bonds underperformed comparable taxable bonds, which we believe reflected heightened concerns over credit, specifically credits in the state of Illinois and the city of Chicago.

The report that follows provides additional insight into the market forces, investment decisions, securities and risks that influenced MainStay DefinedTerm Municipal Opportunities Fund during the 12 months ended May 31, 2015.

We encourage you to read the report carefully, and we thank you for choosing MainStay DefinedTerm Municipal Opportunities Fund.

Sincerely,

Stephen P. Fisher

President

The opinions expressed are as of the date of this report and are subject to change. There is no guarantee that any forecast made will come to pass. This material does not constitute investment advice and is not intended as an endorsement of any specific investment. Past performance is no guarantee of future results.

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Certain material in this report may include statements that constitute forward-looking statements under the U.S. securities laws. Forward-looking statements include, among other things, projections, estimates and information about possible or future results or events related to the Fund, market or regulatory developments. The views expressed herein are not guarantees of future performance or economic results and involve certain risks, uncertainties and assumptions that could cause actual outcomes and results to differ materially from the views expressed herein. The views expressed herein are subject to change at any time based upon economic, market, or other conditions and the Fund undertakes no obligation to update the views expressed herein.

Fund Performance and Statistics (Unaudited)

Performance data quoted represents past performance of Common shares of the Fund. Past performance is no guarantee of future results. Because of market volatility, current performance may be lower or higher than the figures shown. Investment return and principal value will fluctuate, and as a result, when shares are redeemed, they may be worth more or less than their original cost. For performance information current to the most recent month-end, please visit mainstayinvestments.com/mmd.

Total Returns	**One Year**	**Since Inception 6/26/12**
Net Asset Value (NAV)[1]	7.78%	7.00%
Market Price[1]	9.60	4.38
Barclays Municipal Bond Index[2]	3.18	3.22
Average Lipper General & Insured Municipal Debt Fund (Leveraged)[3]	6.28	5.86

Fund Statistics (as of May 31, 2015)

NYSE Symbol	MMD	Premium/Discount[4]	3.15%
CUSIP	56064K100	Total Net Assets (millions)	$ 524.4
Inception Date	6/26/12	Total Managed Assets (millions)[5]	$ 809.5
Market Price	$18.43	Leverage[6]	35.0%
NAV	$19.03	Percent of AMT Bonds[7]	4.01%

1. Total returns assume dividends and capital gains distributions are reinvested.
2. The Barclays Municipal Bond Index is considered representative of the broad market for investment-grade, tax-exempt bonds with a maturity of at least one year. Bonds subject to the alternative minimum tax or with floating or zero coupons are excluded. An investment cannot be made directly in an index.
3. The average Lipper General & Insured Municipal Debt Fund (Leveraged) is representative of funds that either invest primarily in municipal debt issues rated in the top four credit ratings or invest primarily in municipal debt issues insured as to timely payment. These funds can be leveraged via use of debt, preferred equity, and/or reverse repurchase agreements. This benchmark is a product of Lipper Inc. Lipper Inc. is an independent monitor of fund performance. Results are based on average total returns of similar funds with all dividend and capital gain distributions reinvested.
4. Premium/Discount is the percentage (%) difference between the market price and the NAV price. When the market price exceeds the NAV, the Fund is trading at a Premium. When the market price is less than the NAV, the Fund is trading at a Discount.
5. Managed Assets is defined as the Fund s total assets, minus the sum of its accrued liabilities (other than Fund liabilities incurred for the purpose of creating effective leverage (i.e. tender option bonds) or Fund liabilities related to liquidation preference of any preferred shares issued).
6. Leverage is based on the use of proceeds received from tender option bond transactions, issuing Preferred Shares, funds borrowed from banks or other institutions or derivative transactions, expressed as a percentage of Managed Assets.
7. Alternative Minimum Tax (AMT) is a separate tax computation under the Internal Revenue Code that, in effect, eliminates many deductions and credits and creates a tax liability for an individual who would otherwise pay little or no tax.

Portfolio Composition as of May 31, 2015 (Unaudited)

California	17.3%
Illinois	12.4
Michigan	7.8
Pennsylvania	6.4
Texas	5.6
Puerto Rico	5.3
Virginia	4.8
Florida	4.4
Ohio	4.1
New Jersey	3.7
Washington	3.0
Maryland	2.8
Nebraska	2.7
Kansas	2.6
Guam	2.2
Rhode Island	2.1
Tennessee	2.0
New York	1.8
Nevada	1.7%
U.S. Virgin Islands	1.0
Louisiana	0.7
District of Columbia	0.6
Alabama	0.5
Alaska	0.5
Arizona	0.5
Iowa	0.4
New Hampshire	0.3
Missouri	0.3
Indiana	0.1
Vermont	0.1
West Virginia	0.1
Georgia	0.1
Colorado	0.0
Other Assets, Less Liabilities	2.1
	100.0%

See Portfolio of Investments beginning on page 9 for specific holdings within these categories.

Top Ten Holdings or Issuers Held as of May 31, 2015# (Unaudited)

1. Golden State Tobacco Securitization Corp., Asset Backed, Revenue Bonds, 4.50% 5.30%, due 6/1/27 6/1/40
2. Chicago Board of Education, Unlimited General Obligation, 5.25% 5.50%, due 12/1/39
3. Texas Municipal Gas Acquisition & Supply Corp. III, Revenue Bonds, 5.00%, due 12/15/30 12/15/32
4. University of California, Regents Medical Center, Revenue Bonds, 5.00%, due 5/15/43
5. Maryland Health & Higher Educational Facilities Authority, Johns Hopkins Health System Obligated Group, Revenue Bonds, 5.00%, due 5/15/43
6. Virginia Commonwealth Transportation Board, Capital Projects, Revenue Bonds, 5.00%, due 5/15/31
7. Central Plains Energy, Project No. 3, Revenue Bonds, 5.25%, due 9/1/37
8. Riverside County Transportation Commission, Limited Tax, Revenue Bonds, 5.25%, due 6/1/39
9. City of Sacramento, California, Water, Revenue Bonds, 5.00%, due 9/1/42
10. Kansas Development Finance Authority, Adventist Health Sunbelt Obligated Group, Revenue Bonds, 5.00%, due 11/15/32

Credit Quality as of May 31, 2015 (Unaudited)

Ratings apply to the underlying portfolio of bonds held by the Fund and are rated by an independent rating agency, such as Standard & Poor s (S&P), Moody s Investors Service, Inc. and/or Fitch Ratings, Inc. If ratings are provided by the ratings agencies, but differ, the higher rating will be utilized. If only one rating is provided, the available rating will be utilized. Securities that are unrated by the rating agencies are reflected as such in the breakdown. Unrated securities do not necessarily indicate low quality. S&P rates borrowers on a scale from AAA to D. AAA through BBB- represent investment grade, while BB+ through D represent non-investment grade.

As a percentage of Managed Assets.
Less than one-tenth of a percent.
Some of these holdings have been transferred to a Tender Option Bond (TOB) Issuer in exchange for the TOB residuals and cash.

Portfolio Management Discussion and Analysis (Unaudited)

Questions answered by portfolio managers Robert DiMella, CFA, John Loffredo, CFA, Michael Petty, Scott Sprauer and David Dowden of MacKay Shields LLC, the Fund s Subadvisor.

How did MainStay DefinedTerm Municipal Opportunities Fund perform relative to its benchmark and peers during the 12 months ended May 31, 2015?

For the 12 months ended May 31, 2015, MainStay DefinedTerm Municipal Opportunities Fund returned 7.78% based on net asset value applicable to Common shares and 9.60% based on market price. At net asset value and at market price, the Fund outperformed the 3.18% return of the Barclays Municipal Bond Index[1] over the same period. At net asset value and at market price, the Fund outperformed the 6.28% return of the Average Lipper[2] General & Insured Municipal Debt Fund (Leveraged) for the 12 months ended May 31, 2015.

What factors affected the Fund s relative performance during the reporting period?

The Fund was positioned with a longer maturity and a lower-investment-grade rating profile than the Barclays Municipal Bond Index. This strategy performed well during the reporting period, as the municipal yield curve[3] flattened and credit spreads[4] narrowed, contributing to the Fund s performance relative to the Index. Weakness in certain Chicago credits, specifically general obligation and public school credits, detracted from the Fund s relative performance during the reporting period.

How was the Fund s leverage strategy implemented during the reporting period?

The Fund s leverage strategy was largely unchanged during the reporting period. After initiating a tax-loss strategy with respect to most of the Fund s tender option bonds the prior year, the Fund maintained its leverage level in a small range during the reporting period. The Fund was able to renegotiate an extension of its Series A Fixed Rate Municipal Term Preferred Shares, locking in what we believe to be attractive borrowing rates for an additional 2.5 years. This allowed the Fund to maintain an attractive income stream for holders of the Fund s Common shares during the reporting period.

During the reporting period, how was the Fund s performance materially affected by investments in derivatives?

The Fund had a hedge consisting of U.S. Treasury futures during the reporting period, which was strictly used to manage the Fund s duration[5] relative to the Barclays Municipal Bond Index. While this strategy enabled the Fund to maintain a higher tax-exempt income stream during the reporting period, municipal bonds underperformed U.S. Treasury securities, thus our hedge had reduced effectiveness, therefore detracting from the Fund s performance during the reporting period.

What was the Fund s duration strategy during the reporting period?

The Fund began the reporting period with a slightly longer duration than that of the Barclays Municipal Bond Index. This was a result of what turned out to be a significant buying opportunity available to investors during the technical market dislocation that occurred during the second half of 2013. We have since moved the Fund s duration to a more defensive posture. As of May 31, 2015, the Fund s unleveraged modified duration to worst[6] was approximately 5.8 years and the Fund s leveraged duration to worst was approximately 9.0 years. The Fund s duration strategy had a positive impact on performance during the reporting period.

What specific factors, risks or market forces prompted significant decisions for the Fund during the reporting period?

As has been the case for the past several years, lack of liquidity in the municipal market has been one of the greatest challenges for the Fund. Because it is a closed-end fund, however, we believe that the Fund has a significant advantage over open-end funds because of its committed capital and because it does not run the risks associated with daily redemptions of fund shares. These features allow the Fund to operate fully invested, maximizing its tax-exempt income stream. We have taken advantage of the flattening yield curve to reduce the weighted average life of the portfolio, which continues to have an overweight in longer maturities relative to the Barclays Municipal Bond Index.

1. See footnote on page 5 for more information on the Barclays Municipal Bond Index.
2. See footnote on page 5 for more information on Lipper Inc.
3. The yield curve is a line that plots the yields of various securities of similar quality typically U.S. Treasury issues across a range of maturities. The U.S. Treasury yield curve serves as a benchmark for other debt and is used in economic forecasting.
4. The terms spread and yield spread may refer to the difference in yield between a security or type of security and comparable U.S. Treasury issues. The terms may also refer to the difference in yield between two specific securities or types of securities at a given time. The term credit spread typically refers to the difference in yield between corporate or municipal bonds (or a specific category of these bonds) and comparable U.S. Treasury issues.
5. Duration is a measure of the price sensitivity of a fixed-income investment to changes in interest rates. Duration is expressed as a number of years and is considered a more accurate sensitivity gauge than average maturity.
6. Modified duration is inversely related to the approximate percentage change in price for a given change in yield. Duration to worst is the duration of a bond computed using the bond s nearest call date or maturity, whichever comes first. This measure ignores future cash flow fluctuations due to embedded optionality. Leverage-adjusted duration is a measure of the price sensitivity of a bond or a bond fund to changes in market interest rates. Generally, the longer a bond s or fund s duration, the more the price of the bond or fund will change as interest rates change. Leverage-adjusted duration takes into account the leveraging process for a fund and therefore results in a duration that is longer than the duration of the fund s portfolio of bonds.

Which market segments were the strongest positive contributors to the Fund s relative performance and which market segments were particularly weak?

Relative to the Barclays Municipal Bond Index, the most significant positive contributions to the Fund s performance came from overweight positions among instruments with longer maturities and more credit-sensitive securities. (Contributions take weightings and total returns into account.) In addition, an overweight position in bonds wrapped by insurers contributed to performance, as these securities outperformed the Index. Hospitals, special tax and water and sewer bonds also contributed positively to the Fund s performance relative to the Barclays Municipal Bond Index. The most significant detractors from the Fund s relative performance were our currently callable securities. While these securities continued to provide superior yield, their short duration structure kept their prices more muted than the holdings in the Barclays Municipal Bond Index. Specific credits contributing positively to performance included Detroit Water and Sewer issues, enhanced Puerto Rico bonds and California zero coupon bonds.

How did the Fund s weightings change during the reporting period?

The Fund s strategy did not materially change during the reporting period, and there were no major changes to the structure of the Fund. We decreased our overweight position in California municipal bonds on the continued strength of these securities. We decreased the Fund s exposure to hospitals, local general obligations and toll roads. We increased the Fund s exposure to tobacco-backed bonds, public power and water/sewer bonds.

How was the Fund positioned at the end of the reporting period?

As of May 31, 2015, the Fund was overweight relative to the Barclays Municipal Bond Index in the local special tax (tobacco), hospital and water/sewer sectors. From a quality perspective, the Fund favored credits rated AA (enhanced) and BBB.[7] As of May 31, 2015, the Fund s duration was in line with that of the Barclays Municipal Bond Index.

7. An obligation rated AA by Standard & Poor s (S&P) is deemed by S&P to differ from the highest-rated obligations only to a small degree. In the opinion of S&P, however, the obligor s capacity to meet its financial commitment on the obligation is very strong. An obligation rated BBB by S&P is deemed by S&P to exhibit adequate protection parameters. In the opinion of S&P, however, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. When applied to Fund holdings, ratings are based solely on the creditworthiness of the bonds in the portfolio and are not meant to represent the security or safety of the Fund.

The opinions expressed are those of the portfolio managers as of the date of this report and are subject to change. There is no guarantee that any forecasts will come to pass. This material does not constitute investment advice and is not intended as an endorsement of any specific investment.

Portfolio of Investments May 31, 2015

	Principal Amount	Value
Municipal Bonds 151.1%		
Alabama 0.8% (0.5% of Managed Assets)		
Jefferson County, Limited Obligation School, Revenue Bonds Series A, Insured: AMBAC 4.75%, due 1/1/25	$ 250,000	$ 252,502
Jefferson County, Public Building Authority, Revenue Bonds Insured: AMBAC 5.00%, due 4/1/26	4,500,000	4,144,815
		4,397,317
Alaska 0.8% (0.5% of Managed Assets)		
Northern Tobacco Securitization Corp., Tobacco Settlement, Asset-Backed, Revenue Bonds Series A 5.00%, due 6/1/46	5,295,000	4,159,752
Arizona 0.7% (0.5% of Managed Assets)		
Phoenix Industrial Development Authority, Downtown Phoenix Student LLC, Revenue Bonds		
Series A, Insured: AMBAC 4.50%, due 7/1/32	500,000	494,690
Series A, Insured: AMBAC 4.50%, due 7/1/42	150,000	143,652
Phoenix Industrial Development Authority, Espiritu Community Development Corp., Revenue Bonds Series A 6.25%, due 7/1/36	2,000,000	2,020,080
Pima County Industrial Development Authority, PLC Charter Schools Project, Revenue Bonds 6.75%, due 4/1/36	1,075,000	1,086,857
		3,745,279
California 26.7% (17.3% of Managed Assets)		
California County Tobacco Securitization Agency, Asset Backed, Revenue Bonds		
Series A 5.125%, due 6/1/38	3,860,000	3,292,078
5.60%, due 6/1/36 (a)	2,575,000	2,380,690
California Municipal Finance Authority, Southwestern Law School, Revenue Bonds 6.50%, due 11/1/41	2,165,000	2,635,866

	Principal Amount	Value
California 26.7% (17.3% of Managed Assets) (continued)		
Carson Redevelopment Agency, Redevelopment Project Area 1, Tax Allocation Series B, Insured: NATL-RE (zero coupon), due 10/1/25	$ 75,000	$ 48,567
Ceres Unified School District, Unlimited General Obligation Series A (zero coupon), due 8/1/43	6,375,000	1,041,548
¨City of Sacramento, California, Water, Revenue Bonds 5.00%, due 9/1/42 (b)(c)	19,500,000	21,565,830
Fontana Unified School District, CABs, Unlimited General Obligation		
Series C (zero coupon), due 8/1/34	14,000,000	5,481,560
Series C (zero coupon), due 8/1/42	18,600,000	4,382,160
¨Golden State Tobacco Securitization Corp., Asset Backed, Revenue Bonds		
Series A-1 4.50%, due 6/1/27	6,975,000	6,785,698

Series A, Insured: AGC, FGIC 5.00%, due 6/1/35 (b)(c)	16,110,000	16,114,189
Series A, Insured: AGM 5.00%, due 6/1/40	7,085,000	7,899,562
Series A-2 5.30%, due 6/1/37 (a)	5,000,000	4,118,700
Lancaster Financing Authority, Subordinated Project No. 5 & 6, Redevelopment Projects, Tax Allocation Series B, Insured: NATL-RE 4.625%, due 2/1/24	215,000	217,204
Marysville Joint Unified School District, Capital Project, Certificates of Participation		
Insured: AGM (zero coupon), due 6/1/25	1,850,000	1,189,365
Insured: AGM (zero coupon), due 6/1/27	2,445,000	1,381,572
Merced Union High School District, Unlimited General Obligation Series C (zero coupon), due 8/1/41	16,780,000	3,637,233
Oceanside, California Unified School District, Unlimited General Obligation Series C (zero coupon), due 8/1/50	17,190,000	2,173,504

Percentages indicated are based on Fund net assets applicable to Common Shares, unless otherwise noted.

¨ Among the Fund s 10 largest holdings or issuers held, as of May 31, 2015. May be subject to change daily.

The notes to the financial statements are an integral part of,
and should be read in conjunction with, the financial statements.

Portfolio of Investments May 31, 2015 (continued)

	Principal Amount	Value
Municipal Bonds (continued)		
California 26.7% (17.3% of Managed Assets) (continued)		
¨Riverside County Transportation Commission, Limited Tax, Revenue Bonds		
Series A		
5.25%, due 6/1/39 (b)(c)	$ 19,100,000	$ 21,947,772
Stockton Public Financing Authority, Parking & Capital Projects, Revenue Bonds		
Insured: NATL-RE		
4.50%, due 9/1/17	100,000	98,740
Insured: NATL-RE		
4.80%, due 9/1/20		