

Transamerica International Equity

Class A TRWAX | Class I TSWIX

Investment Objective

The fund seeks maximum long-term total return, consistent with reasonable risk to principal, by investing in a diversified portfolio of common stocks of primarily non-U.S. issuers.

Sub-adviser

Thompson, Siegel & Walmsley LLC (TSW)



Portfolio Managers

Brandon H. Harrell, CFA

Product Profile

Uses a bottom-up, value-driven, risk-managed approach to international investing in seeking to deliver solid relative performance in both up and down markets

- ➔ Proven methodology uses in-depth research and downside analysis while limiting sector, position, and emerging market weight
- ➔ Established boutique investment firm stresses value investing in U.S. and non-U.S. stocks
- ➔ Value-oriented strategy questions why stock is undervalued, then seeks sustainable catalysts to increase value

Fund Facts

Inception Date (A-I)	03/01/11 - 12/18/92
Benchmark Index	MSCI EAFE INDEX
Morningstar Category	Foreign Large Value
Lipper Category	International Multi-Cap Value
Dividend Frequency	Annually

This material was prepared for general distribution. It is being provided for informational purposes only and should not be viewed as an investment recommendation. If you need advice regarding your particular investment needs, contact your financial professional.

Macroeconomic Overview

Global equities traded higher in the second quarter with the MSCI EAFE Index rising 6.1% in U.S. dollar terms. Europe was the top performing region, up 8.4% on expectations of economic growth and accommodative central bank policies. Asia ex-Japan was the worst performing region, rising 1.5%. Ten out of eleven sectors posted gains with information technology leading the way, up 9.5%. Consumer staples stocks also posted strong returns, up 7.6%. Energy was the lone sector in negative territory, down 0.7%. Materials stocks lagged the benchmark with a return of 3.5%.

Fund Overview

Transamerica International Equity kept pace with the MSCI EAFE Index for the quarter. Stock selection in Europe was the top contributor to relative return on a regional basis, as French waste and water supply manager Veolia Environment SA (1.40% as of 6/30/2017) reported improved earnings driven by better pricing and contributions from recent acquisitions. Japan was the largest detractor from relative performance on a regional basis. Coca-Cola Bottlers Japan Inc. (0.76% as of 6/30/2017) – the product of a recent merger between Coca-Cola East Japan and Coca-Cola West – was the worst performing stock in the group. The Japanese beverage market is intensely competitive; however, management has announced a strategy to achieve cost synergies through restructuring. On a sector basis, materials was the largest source of outperformance driven by container and packaging manufacturer Smurfit Kappa Group PLC, Class B (1.29% as of 6/30/2017), which grew profits through a combination of volume growth and improved box pricing. Consumer Staples was the primary source of underperformance relative to the benchmark. Coca-Cola Amatil, Ltd. (0.51% as of 6/30/2017) – Australia's leading Coke products bottler – was a notable detractor. The company has struggled to improve volumes and pricing in the mature Australian beverage market, but we believe a better relationship with parent Coca-Cola Co. (0.00% as of 6/30/2017) will help the management work through these challenges.

Outlook

TSW's expectation for global stock markets remain generally positive thanks to economic growth in most regions and reasonable valuations. After a long advance, however, both risk appetites and some stock prices are elevated, underscoring the need for a disciplined approach. TSW cannot predict inevitable bouts of market volatility, but expect to use exceptional market moves to acquire – or sell – mispriced stocks.

Contributors*

Leading Contributors	Weight (%)	Return (%)	Contribution (%)
Heineken NV	1.71	23.68	0.38
Veolia Environnement SA	1.47	25.30	0.36
Vivendi SA	1.46	24.32	0.33

Detractors*

Leading Detractors	Weight (%)	Return (%)	Contribution (%)
Svenska Cellulosa	0.58	-76.95	-0.33
TechnipFMC PLC	0.96	-17.22	-0.18
Rexel SA	0.98	-9.89	-0.12

*Source: Morningstar Direct

All opinions, estimates, projections and security selections contained herein are those of the sub-adviser. It does not constitute investment advice and should not be used as a basis for any investment decisions.

**Not insured by FDIC or any federal government agency. May lose value.
Not a deposit of or guaranteed by any bank, bank affiliate, or credit union.**

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Top 10 Holdings

	% of Holdings
Nestle SA	2.27
Novartis AG	2.14
Koninklijke Philips NV	1.92
Siemens AG, Class A	1.80
Sanofi	1.78
Hitachi, Ltd.	1.69
ORIX Corp.	1.65
Heineken Holding NV, Class A	1.64
Sony Corp.	1.62
SAP SE	1.55
Percentage of total portfolio	18.06

Holdings are subject to change and are not recommendations to buy or sell a security. Holdings excludes net other assets (liabilities).

Equity Statistics

Median Market Cap	\$13.84 (B)
Weighted Average Market Cap	\$46.45 (B)

B = Billions

The performance data presented represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Please see transamerica.com for performance data current to the most recent month-end. The investment return and principal value of mutual funds will fluctuate over time so that shares, when redeemed, may be worth more or less than their original cost.

Net asset value (NAV) returns include reinvestment of dividends and capital gains but do not reflect the deduction of any sales charges. If a sales charge had been deducted, the results would have been lower. Public offering price (POP) returns include reinvestment of dividends and capital gains and reflect the maximum sales charge of 5.50%. Performance for other share classes will vary.

The gross expense ratios for this fund are 1.24% and 0.90% for Class A and Class I shares, respectively. The net expense ratios for this fund are 1.24% and 0.90% for Class A and Class I shares, respectively. Contractual arrangements have been made with the fund's investment manager, Transamerica Asset Management, Inc. (TAM), through March 1, 2018.

Performance figures reflect any fee waivers and/or expense reimbursements by the Investment Manager. Without such waivers and/or reimbursements, the performance would be lower. Future waivers and/or reimbursements are at the discretion of the Investment Manager.

Class I shares are primarily offered for investment to institutional investors including, but not limited to, fee-based programs, qualified retirement plans, certain endowment plans and foundations and Directors, Trustees and employees of the funds' affiliates.

The MSCI EAFE Index is an unmanaged index used as a general measure of market performance. It is not possible to invest directly into an index. Calculations assume dividends and capital gains are reinvested and do not include any managerial expenses.

The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. If the market prices of the equity securities owned by the fund fall, the value of the fund will decline. The prices of securities the sub-adviser believes are undervalued may not appreciate as anticipated or may go down. Investments in global/international markets involve risks not associated with U.S. markets, such as currency fluctuations, adverse social and political developments, and relatively small size and lesser liquidity of the markets.

Before investing, consider the fund's investment objective, risks, charges, and expenses. Contact your financial professional or go to transamerica.com for a prospectus and/or summary prospectus with this information. Read it carefully.

Transamerica Funds are advised by Transamerica Asset Management, Inc. and distributed by Transamerica Capital, Inc.

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Total Return Performance (%)

	3 Mo	YTD	1 Yr	3 Yr*	5 Yr*	10 Yr**†	Inception*
Class A (at NAV)	5.87	13.36	20.00	1.34	9.32	2.73	6.27
Class A (at POP)	0.05	7.10	13.37	-0.56	8.09	2.15	6.03
Class I (at NAV)	5.91	13.52	20.38	1.70	9.72	2.98	6.60
MSCI EAFE	6.37	14.23	20.83	1.61	9.18	1.50	–

* Average Annual Total Return

Calendar Year Performance (%)

	2016	2015	2014	2013	2012	2011†	2010†
Class I (at NAV)	0.56	1.58	-4.45	25.53	21.48	-8.59	12.42
Class A (at NAV)	0.19	1.19	-4.78	25.10	20.92	-8.59	12.42
MSCI EAFE	1.51	-0.39	-4.48	23.29	17.90	-11.73	8.21

† Synthetic Return

† Class A shares commenced operations on March 1, 2011. The performance of the Class A shares prior to March 1, 2011 reflects the performance of the Class I shares of the fund, restated to reflect the fees and expenses of Class A shares, without the effect of any fee or expense limitations. The Class I shares are using performance history from the TS&W International Equity Portfolio which commenced operations December 18, 1992. Total Returns and Average Annual Returns are shown for Class A shares calculated from December 18, 1992, the commencement of the fund.

Risk Characteristics

3 years

	Portfolio
Alpha	0.16
Beta	0.95
R-Squared	96.30
Standard Deviation	12.04

* Risk measures are in comparison to the fund's primary benchmark unless otherwise indicated. Based on Class I shares at NAV for the 3-year period.

Alpha is a coefficient measuring the portion of a fund's return arising from specific (non-market) risk. Historical **Beta** illustrates a fund's sensitivity to price movements in relation to a benchmark index. **R-Squared** is a statistical measure that represents the percentage of a fund's movements that can be explained by movements in a benchmark index. **Standard Deviation** is a statistical measurement that helps to gauge the fund's historical volatility.