

Transamerica Mid Cap Value Opportunities

Class A MCVAX | Class I MVTIX

Investment Objective

The fund seeks to provide investors with long-term capital growth.

Sub-adviser

Thompson, Siegel & Walmsley LLC (TSW)

T | S | W

Portfolio Manager

Brett P. Hawkins, CFA

Product Profile

The fund deploys an active strategy that seeks to provide investors with long-term capital growth by investing primarily in equities of mid-cap companies

- ➔ Securities selected based on a four-factor valuation screen
- ➔ Typically follows sector constraints of +/- 10% vs. Russell Midcap® Value Index

Fund Facts

Inception Date (A-I)	04/30/14 - 04/30/14
Benchmark Index	Russell Midcap® Value Index
Morningstar Category	Mid-Cap Value
Lipper Category	Mid-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

It was a modestly positive quarter for markets with a more measured continuation of investor appetite for risk assets. Post-election euphoria seems to have mitigated somewhat, but continues to influence pockets of the market given uncertainty in the Washington agenda. The general direction of broad based sector leadership continued from the first quarter with both defensive and pro-cyclical areas of the market producing competitive returns. Over the course of the quarter, health care, consumer discretionary and producer durables produced the best returns. Energy on the other hand was the only sector to post a negative return as the Organization of Petroleum Exporting Countries production cuts continue to not be enough to offset the increased supply in the overall market. That being said, the energy sector did experience a rebound in the final 10 days of the quarter.

Fund Overview

Transamerica Mid Cap Value Opportunities performance finished the quarter above its benchmark. The leading economic sectors, in terms of contribution to the portfolio's relative return, were energy and financial services. Outperformance in energy was mainly due to stock selection, although a diversified positioning within the sector contributed as well. In financial services, the portfolio benefitted from stock selection. Specifically, the fund's selection within mortgage and equity real estate investment trusts, insurance companies, and banks were additive to returns. The primary detractors from relative return in the quarter were the consumer discretionary and health care sectors. Underperformance in consumer discretionary was primarily due to stock selection. The largest detractors were positions in a home goods retailer and an auto parts distributor, which both fell with broader retail industry challenges. In health care, the fund's performance was negatively impacted by stock selection, most notably from a holding of a neonatal care provider.

Outlook

Valuations continue to remain stretched across domestic equities. While market volatility remains low relative to historical levels, TSW feels the backdrop of an expensive market influenced by macroeconomic headlines and uncertainty in political rhetoric warrants a disciplined and risk-aware approach to investing. TSW feels our disciplined focus on cash flows, probabilistic outcomes, and identifying the highest reward to risk stocks should benefit in this environment.

Contributors*

Leading Contributors	Weight (%)	Return (%)	Contribution (%)
Whole Foods Market, Inc.	1.72	42.95	0.65
H&R Block, Inc.	1.79	33.98	0.56
First Solar, Inc.	1.17	47.16	0.48

Detractors*

Leading Detractors	Weight (%)	Return (%)	Contribution (%)
Advance Auto Parts, Inc.	1.44	-21.32	-0.38
Range Resources Corp.	1.48	-20.31	-0.32
Bed Bath & Beyond, Inc.	1.25	-22.64	-0.31

*Source: Morningstar Direct

**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
FirstEnergy Corp.	3.49
MEDNAX, Inc.	2.44
Advance Auto Parts, Inc.	2.39
CIT Group, Inc.	2.18
Alleghany Corp.	2.05
FNF Group	2.00
Antero Resources Corp.	1.99
ARRIS International PLC	1.98
Uniti Group, Inc., REIT	1.97
Whole Foods Market, Inc.	1.90
Percentage of total portfolio	22.39

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	\$12.03 (B)
Weighted Average Market Cap	\$12.18 (B)

B = Billions

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.

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 1.08% and 0.86% for Class A and Class I shares, respectively. The net expense ratios for this fund are 1.08% and 0.86% 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.

The Russell Midcap® Value 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. Russell Investment Group is the source and owner of the trademarks, service marks, and copyrights related to the Russell indexes. Russell® is a trademark of Russell Investment Group.

Investing in mid-sized companies involves greater risk than is customarily associated with more established companies. The securities of mid-sized companies are subject to higher volatility than larger, more established companies. The prices of securities the sub-adviser believes are undervalued may not appreciate as anticipated or may go down. Value approach carries the risk that the market will not recognize a security's intrinsic value for a long time or that an undervalued stock is actually appropriately priced.

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)	1.92	6.82	15.00	9.55	N/A	N/A	11.12
Class A (at POP)	-3.70	0.91	8.67	7.49	N/A	N/A	9.16
Class I (at NAV)	1.99	6.97	15.15	9.81	N/A	N/A	11.39
Russell Midcap® Value Index	1.37	5.18	15.93	7.46	N/A	N/A	–

* Average Annual Total Return

Calendar Year Performance (%)

	2016	2015	2014	2013	2012	2011	2010
Class A (at NAV)	15.82	1.89	N/A	N/A	N/A	N/A	N/A
Class I (at NAV)	16.09	2.09	N/A	N/A	N/A	N/A	N/A
Russell Midcap® Value Index	20.00	-4.78	N/A	N/A	N/A	N/A	N/A

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.

Risk Characteristics

3 years

	Portfolio
Alpha	3.88
Beta	0.75
R-Squared	80.50
Standard Deviation	9.26

*Risk measures are in comparison to the fund's primary benchmark unless otherwise indicated. Based on Class A 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.