

Transamerica Dynamic Allocation

Class A ATTRX | Class I ITTOX

Investment Objective

The fund seeks the highest total return (that is, a combination of income and long-term capital appreciation) over time consistent with its asset mix. The fund will seek to reduce volatility as a secondary objective.

Sub-adviser

QS Investors, LLC



Portfolio Managers

Adam J. Petryk, CFA
Thomas Picciochi
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Sub-adviser

Western Asset Management Company



Portfolio Managers

S. Kenneth Leech
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Product Profile

An asset allocation fund with a structure designed to help reduce downside volatility.

- ➔ Invests primarily in exchange-traded funds that represent a broad range of asset classes, investment styles and focuses.
- ➔ Utilizes traditional diversification, dynamic rebalancing, and event risk management to achieve its investment objective.

Fund Facts

Inception Date (A-I)	10/31/12 - 10/31/12
Benchmark Index	Russell 3000® Index, Transamerica Dynamic Allocation Blended Benchmark
Morningstar Category	Tactical Allocation
Lipper Category	Flexible Portfolio
Dividend Frequency	Annually

Macroeconomic Overview

The persistent trend of global equity growth ended in the first quarter of 2018. Global equities finished the quarter depreciating 1.7%, the asset class's first quarterly loss since Q1 2016 (-1.7%). The sell-off across global equity markets was sparked by data released early in February that showed U.S. inflation had picked up more than consensus estimates, suggesting the U.S. Federal Reserve might accelerate rate tightening. In March, the decline in equities was driven by concerns of a global trade war. Reacting to the equity sell-off, global fixed income assets appreciated during the quarter (+1.4%). However, U.S. fixed income continued to display an inconsistent correlation to U.S. equities; U.S. investment grade bonds were down 1.5%. The U.S. Treasury 10 year yield ended the quarter at 2.74%, halting upward momentum that had started in September 2017. In-line with its historical positive correlation to equities, U.S. high yield bonds declined in value during the quarter, dropping 0.6%.

Fund Overview

Transamerica Dynamic Allocation underperformed its benchmark, net of fees, during the quarter. The Fund was fully invested to its strategic targets throughout the quarter, despite volatility returning to equity markets for the first time since late 2016. Sub-asset class selection effect was the primary reason for underperformance. International Fixed Income was the main factor within sub-asset class effect. The Fund's U.S. dollar-hedged International Fixed Income position underperformed its unhedged benchmark in a weak dollar environment. The Fund's event risk management strategy, tail risk put option strategy managed by Western Asset, added value with the increase in volatility within equity markets over the period. In absolute terms, the Fund's negative return was the result of mixed results from underlying holdings as four of the seven declined. The Western Put Strategy, Option Purchased, PUT, S&P 500® (0.99% as of 3/31/18) was the top performing holding. U.S. large cap growth and international fixed income holdings were also positive. The biggest laggards were within U.S. large cap value and U.S. core fixed income.

Outlook

QS Investors' outlook on risky assets is cautious. QS Investors' tactical asset allocation models that forecast the relative performance between stocks and bonds are largely neutral. One factor driving the decline in the global stock versus bond outlook is QS Investors' leading economic indicator index, which is in slightly negative territory – a position driven by a decline in global trade prospects and a pullback in average hours worked. Also driving the neutral view between stocks and bonds is interest rate trend. Despite the fact that the U.S. 10 year yield ended lower on a month-end to month-end basis, it has largely been trending upward in 2018. When interest rates appreciate, borrowing costs for both consumers and corporations increases. This has the effect of driving down spending and subsequent economic growth. The upward trend in interest rates has also made stocks less favorable from a relative valuation basis which also contributed to QS Investors' moderate position between the two assets.

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.

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.

There are no sales charges on Class I. Class I shares are primarily offered for investment to institutional investors including, but not limited to, fee-based programs, pension plans, and certain endowment plans and foundations.

**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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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.

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.

Top 10 Holdings

	% of Holdings
iShares Russell 1000 Value ETF	24.48
iShares Russell 1000 Growth ETF	24.38
iShares Core U.S. Aggregate Bond ETF	14.82
Vanguard Total International Bond ETF	14.78
iShares MSCI EAFE ETF	10.03
iShares Russell 2000 ETF	9.69
Option Purchased, PUT, S&P 500®	0.21
Option Purchased, PUT, S&P 500®	0.17
Option Purchased, PUT, S&P 500®	0.15
Option Purchased, PUT, S&P 500®	0.14
Percentage of total portfolio	98.85

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

Total Return Performance (%)

	3 Mo	YTD	1 Yr	3 Yr*	5 Yr*	10 Yr	Inception*
Class A (at NAV)	-0.59	-0.59	8.50	3.96	5.78	N/A	6.92
Class A (at POP)	-6.09	-6.09	2.56	2.02	4.60	N/A	5.81
Class I (at NAV)	-0.59	-0.59	8.73	4.20	6.06	N/A	7.20
Russell 3000® Index	-0.64	-0.64	13.81	10.22	13.03	N/A	–
Transamerica Dynamic Allocation Blended Benchmark	-0.11	-0.11	11.78	7.68	8.85	N/A	–

* Average Annual Total Return

Calendar Year Performance (%)

	2017	2016	2015	2014	2013	2012	2011
Class A (at NAV)	12.50	4.58	-1.86	3.92	18.25	N/A	N/A
Class I (at NAV)	12.87	4.82	-1.63	4.26	18.64	N/A	N/A
Russell 3000® Index	21.13	12.74	0.48	12.56	33.55	N/A	N/A
Transamerica Dynamic Allocation Blended Benchmark	16.98	9.36	-1.16	7.08	20.22	N/A	N/A

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 1.77% and 1.47% for Class A and Class I shares, respectively. The net expense ratios for this fund are 1.28% and 1.03% for Class A and Class I shares, respectively. Contractual arrangements (if applicable) have been made with the fund's investment manager, Transamerica Asset Management, Inc. (TAM), through March 1, 2019.

The Russell 3000® Index and Transamerica Dynamic Allocation Blended Benchmark (Russell 1000® Index, 50%; Bloomberg Barclays Global Aggregate ex-U.S., 15%; Bloomberg Barclays U.S. Aggregate Bond Index, 15%; MSCI All Country World Index ex-U.S., 10%; Russell 2000® Index, 10%) are unmanaged indices 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.

Asset Allocation, like many investment strategies, offers no guarantee of positive returns, and mutual funds are subject to market risk, including loss of principal. ETFs generally present the same risks as an investment in a conventional fund that has the same investment objectives, strategies, and policies. The market price of a ETFs share may be above or below the shares' net asset value; and an active trading market for an ETF share may not develop or be maintained. The risks of investing in foreign securities are magnified in emerging markets. These may include risks related to market and currency volatility, adverse social and political developments and the relatively small size and less liquidity of these markets. Fixed income investing is subject to credit risk, inflation risk and interest rate risk.

Mutual funds are subject to market risk, including the loss of principal. Past performance is not indicative of future results.

Mutual Funds are sold by prospectus. Before investing, consider the funds' investment objectives, risks, charges, and expenses. This and other important information is contain in the prospectus. Please go to www.transamerica.com or contact your financial professional to obtain a prospectus or, if available, a summary prospectus containing this information. Please read it carefully before investing.