

Transamerica Dynamic Income

Class A IGTX | Class I IGTX

Investment Objective

The fund seeks high current income as the primary objective with capital appreciation as a secondary objective.

Sub-adviser

QS Investors, LLC (QS)



Portfolio Managers

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Product Profile

An asset allocation fund with an income orientation

- ➔ High current income potential
- ➔ Dynamic approach that reallocates the portfolio to maximize income while controlling for risk and maintaining diversification

Fund Facts

Inception Date (A-I)	10/31/11 - 10/31/11
Benchmark Index	iBoxx \$ Liquid High Yield Index, Transamerica Dynamic Income Blended Benchmark
Morningstar Category	Allocation--15% to 30% Equity
Lipper Category	Mixed-Asset Target Allocation Conservative
Dividend Frequency	Monthly

Macroeconomic Overview

Equity performance in the fourth quarter of 2017 largely mirrored strong, consistent growth throughout 2017, and was persistent across most major regions. U.S. equities (S&P 500®), led the way, followed by emerging markets (MSCI Emerging Markets Index), and international-developed equities (MSCI EAFE Index); appreciating 6.6%, 5.7%, and 4.3%, respectively. The quarter's strong equity market performance was driven by many advanced economies approaching full employment and inflation rising slowly. In addition to this, strong economic data throughout the quarter provided additional fuel for broad equity market appreciation. All of these pro-growth factors contributed to muted results in the fixed income market, with the Bloomberg Barclays Global Aggregate Index rising 1.1% and Bloomberg Barclays US Aggregate Index gaining 0.4%. Commodities had their strongest quarter of performance this year, appreciating 4.4% (Bloomberg Commodity Index). This was primarily attributed to a sharp rise in crude oil during the quarter, which rose 16.9%. The U.S. dollar slowed its losses, falling only 0.09% in the fourth quarter, following declines of 3.5% and 3.2% in the first two quarters of the year.

Fund Overview

For the quarter, Transamerica Dynamic Income underperformed its benchmark, net of fees. The fund had positive relative performance contributions from its fixed income allocations that were more than offset by underperformance in its equity holdings. The master limited partnership (MLP) and two high dividend equity holdings underperformed their broad equity benchmark. Within fixed income, the Vanguard Long Term Bond ETF and iShares 20+ Year Treasury Bond ETF had a positive contribution by outperforming the broad fixed income benchmark. In absolute terms, the fund had positive performance from all but one holding. The iShares Core High Dividend ETF was the top performer, followed by the Vanguard Long Term Bond ETF. The iShares Emerging Markets High Yield Bond ETF was the worst performer.

Outlook

At the end of December, QS favors U.S. equities versus investment grade bonds, though this conviction level was approaching a 12-month low. This level of conviction in U.S. equities was lower than one month prior, largely due to QS' Leading Economic Indicator Index (LEI). The LEI was driven down largely due to a negative change in global trade data and change in average hours worked. Additionally, a rising interest rate trend also moderated the preference for equities versus bonds. QS has stronger conviction in international-developed equities over U.S. equities, largely on the observation of steeper yield curves in EAFE countries and a more favorable valuation level. Stronger price momentum in U.S. markets served as the only moderating factor between these assets. In fixed income, QS is modestly in favor of U.S. high yield bonds over investment grade. This view is driven by spread tightening and relative valuation between the two assets.

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.

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.

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.

**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.**

Transamerica Dynamic Income

Class A IGTAX | Class I IGTIX

Risk Measures

3 Years

	Portfolio
Alpha	-4.43
Beta	1.23
Information Ratio	-0.85
R-Squared	74.20
Sharpe Ratio	0.40
Standard Deviation	6.85
Tracking Error	3.64

Risk measures are in comparison to the fund's blended 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. **Information Ratio** is a ratio of portfolio returns above those of a benchmark compared to the volatility of those returns. **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. **Sharpe Ratio** is a risk-adjusted measure calculated by using standard deviation and excess return to determine reward per unit of risk. **Standard Deviation** is a statistical measurement that helps to gauge the fund's historical volatility. **Tracking Error** is the difference between the price behavior of a fund and the price behavior of a benchmark.

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.

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 4.75%. Performance for other share classes will vary.

The gross expense ratios for this fund are 1.30% and 1.06% for Class A and Class I shares, respectively. The net expense ratios for this fund are 1.30% and 1.06% 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.

The iBoxx \$ Liquid High Yield Index and Transamerica Dynamic Income Blended Benchmark (40% iBoxx \$ Liquid High Yield Index, 30% S&P 500®, and 30% Bloomberg Barclays U.S. Aggregate Bond Index) 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 an ETF's share may be above or below the shares' net asset value; and an active trading market for an ETF's share may not develop or be maintained. Foreign and emerging market investments involve risks not associated with U.S. markets, such as currency fluctuation, adverse social and political developments and the relatively small size and lesser liquidity of the markets. Fixed income investing is subject to credit risk and interest rate risk. Investments in high-yield bonds (junk bonds) may be subject to greater volatility and risks as the income derived from these securities is not guaranteed and may be unpredictable and the value of these securities tends to decline when the interest rate increases.

Mutual Funds are sold by prospectus. Before investing, consider the funds' investment objectives, risks, charges, and expenses. This and other important information is contained 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.

Transamerica Funds are advised by Transamerica Asset Management, Inc. and distributed by Transamerica Capital, Inc.
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Top 10 Holdings

	% of Holdings
SPDR Bloomberg Barclays Short Term High Yield Bond ETF	19.34
Vanguard Long-Term Bond ETF	16.66
Global SuperDividend US ETF	16.18
VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	11.61
VanEck Vectors Emerging Markets High Yield Bond ETF	7.94
iShares Core High Dividend ETF	7.78
Global X MLP ETF	6.76
iShares 20+ Year Treasury Bond ETF	6.24
iShares MBS ETF	3.02
iShares Emerging Markets High Yield Bond ETF	2.85
Percentage of total portfolio	98.38

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)	1.34	6.98	6.98	3.14	3.69	N/A	4.48
Class A (at POP)	-3.51	1.85	1.85	1.48	2.68	N/A	3.66
Class I (at NAV)	1.40	7.23	7.23	3.39	3.93	N/A	4.72
iBoxx \$ Liquid High Yield Index	0.08	6.32	6.32	5.20	4.72	N/A	-
Transamerica Dynamic Income Blended Benchmark	2.12	9.92	9.92	6.23	7.22	N/A	-

* Average Annual Total Return

Calendar Year Performance (%)

	2017	2016	2015	2014	2013	2012	2011
Class A (at NAV)	6.98	11.38	-7.91	4.55	4.48	8.19	N/A
Class I (at NAV)	7.23	11.65	-7.69	4.79	4.72	8.42	N/A
iBoxx \$ Liquid High Yield Index	6.32	15.31	-5.03	2.13	5.93	14.12	N/A
Transamerica Dynamic Income Blended Benchmark	9.92	10.51	-1.31	6.71	10.76	11.72	N/A