

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



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

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 (Fed) 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 Income underperformed its benchmark for the first quarter 2018, net of fees. Underperformance can be attributed to the fund's MPL and high dividend equity allocations. The Global X MLP ETF, detracted as MLPs broadly sold off in quarter. The two high dividend ETFs, the iShares Core High Dividend ETF and the Global SuperDividend US ETF, detracted as they underperformed broad equity indexes. Overall, fixed income added value led by strong returns from the VanEck Vectors J.P. Morgan EM Local Currency Bond ETF. In absolute terms, the fund had negative returns as all but three ETFs had negative returns. The VanEck Vectors J.P. Morgan EM Local Currency Bond ETF, up 4.17%, was the top performer, followed by the PowerShares Senior Loan Portfolio and SPDR Bloomberg Barclays Short Term High Yield Bond ETF, gaining 1.30% and 0.21% respectively. The weakest performer was the Global X MLP ETF was down 12.17%. Other positions returned between -1.14% to -5.37%. As the Fund is designed to generate income, its trailing 12 month yield was 4.5% as of 3/31/18.

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
SPDR Bloomberg Barclays Short Term High Yield Bond ETF	19.33
Vanguard Long-Term Bond ETF	16.90
Global SuperDividend US ETF	16.35
VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	11.64
VanEck Vectors Emerging Markets High Yield Bond ETF	8.05
iShares Core High Dividend ETF	7.63
iShares 20+ Year Treasury Bond ETF	6.44
Global X MLP ETF	6.31
iShares MBS ETF	3.12
iShares Emerging Markets High Yield Bond ETF	2.94
Percentage of total portfolio	98.71

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)	-2.75	-2.75	1.45	1.67	2.86	N/A	3.85
Class A (at POP)	-7.41	-7.41	-3.35	0.04	1.86	N/A	3.06
Class I (at NAV)	-2.71	-2.71	1.68	1.91	3.10	N/A	4.09
iBoxx \$ Liquid High Yield Index	-1.04	-1.04	2.83	4.05	4.06	N/A	-
Transamerica Dynamic Income Blended Benchmark	-1.03	-1.03	5.64	5.26	6.17	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

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 1.23% and 1.00% for Class A and Class I shares, respectively. The net expense ratios for this fund are 1.23% and 1.00% 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 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 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 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.