

Transamerica Emerging Markets Debt

Class A EMTAX | Class I EMTIX

Investment Objective

The fund seeks to generate a high total return through a combination of capital appreciation and income.

Sub-adviser

Logan Circle Partners, LP



Portfolio Managers

Todd Howard, CFA

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Product Profile

A fund that invests in government and corporate debt securities from emerging markets, seeking to take advantage of promising economic and demographic trends

- ➔ Nearly 40 investment professionals seeking global credit opportunities across credit spectrums
- ➔ Invests in U.S. dollar and local currency debt; active currency-hedging program helps temper volatility
- ➔ Purchases emerging market government and corporate debt, investment grade and below-investment grade

Fund Facts

Inception Date (A-I)	08/31/11 - 08/31/11
Benchmark Index	J.P. Morgan Emerging Markets Bond Index Global
Morningstar Category	Emerging Markets Bond
Lipper Category	Emerging Markets Hard Currency Debt Funds
Dividend Frequency	Quarterly

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.

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Macroeconomic Overview

Dollar sovereign spreads tightened over 0.20% throughout the quarter. Latin American and African assets led the way with both regions returning over 2.90%. High yield (HY) outperformed investment grade (IG) assets with Argentina, El Salvador, Ecuador, Iraq, Suriname and Ukraine generating 6% returns. Venezuelan assets were the only negative performers as the regime continues to look more entrenched than markets expected. Emerging market corporates continued to mimic their sovereign counterparts. Unlike last quarter, metals and mining was the best performing sector with transportation following. HY outperformed IG, and Brazilian corporates continued their impressive run year to date now up over 12%. Local currency assets continued their outperformance as U.S. interest rates have been stable and global data remains supportive. Brazil fully rebounded from its late second quarter wobbles bringing year to date returns to almost 19%. Elsewhere, European foreign exchange (FX) markets also performed well with Hungary and Poland remaining strong.

Fund Overview

Dollar sovereign exposure generated solid returns. Latin American and European exposure were the best performing regions. Argentinian sovereign exposure was the best performer in Latin America and Ukraine led the charge in Europe. Corporates were the best performing assets on both a total and relative return basis. Brazilian names like Eldorado Intl. Finance GmbH (0.30% as of 9/30/17), JBS Investments GmbH (0.63% as of 9/30/17) and Braskem Finance, Ltd. (0.30% as of 9/30/17) long-end outperformed as the first two continued to rebound from the J&F scandal and Braskem benefited from continued crossover demand. On the negative side, exposure in Credit Bank of Moscow has hurt returns as two second tier banks were bailed out during the quarter. Local currency assets generated positive total and relative returns. The overweight in Latin America and good security selection in Europe were large contributors. Brazilian and Peruvian exposure outperformed. Underweights to Thailand and Colombia were two drags on relative returns but were more than offset by exposure in other parts of Latin America.

Outlook

Logan Circle continues to like the fundamental backdrop for emerging market assets but remain wary that the rally has continued without disruption. Cash remains in the middle of the range and Logan Circle continue to upgrade the quality of the portfolio. In corporates, Logan Circle is trimming some higher-beta positions and remain more concentrated from an issuer standpoint. Logan Circle expects issuance to remain heavy so they hope to deploy capital in the new issue market and anticipates to use any significant widening as an opportunity to add risk. In local currency, Logan Circle remains constructive on the potential drivers for currency and rate outperformance versus the U.S. market but believes that the recent rally, specifically in Euro, could come under short-term pressure. Logan Circle will favor U.S. dollar rallies to add exposure but expect the portfolio to remain a little lighter FX risk given potential headlines around North America Free Trade Agreement, tax reform and the next U.S. Federal Reserve chair.

**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
Brazil Notas do Tesouro Nacional, Series F, 10.00%, due 01/01/2027	1.72
Malaysia Government Bond, 3.58%, due 09/28/2018	1.68
Brazil Notas do Tesouro Nacional, Series F, 10.00%, due 01/01/2025	1.63
Mexico Bonos, Series M, 10.00%, due 12/05/2024	1.61
Argentina Republic Government International Bond, 6.87%, due 04/22/2021	1.46
Bonos de la Tesoreria de la Republica en pesos, 4.50%, due 03/01/2026	1.42
Turkey Government Bond, 11.10%, due 05/15/2019	1.39
Peru Government International Bond, 8.20%, due 08/12/2026	1.37
Mexico Bonos, Series M, 7.50%, due 06/03/2027	1.12
Ukraine Government International Bond, 7.37%, due 09/25/2032	1.06
Percentage of total portfolio	14.46

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

Fixed Income Statistics

Average Price	\$97.17
Average Maturity	9.04 years
Average Duration	4.77 years

Source: Logan Circle

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 4.75%. Performance for other share classes will vary.

The gross expense ratios for this fund are 1.15% and 0.82% for Class A and Class I shares, respectively. The net expense ratios for this fund are 1.15% and 0.82% 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.

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 J.P. Morgan Emerging Markets Bond Index Global (JPM EM Bond Index Global) 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 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. Debt investing is subject to credit risk and interest rate risk. Credit risk is the risk that the issuer of a bond won't meet their payments and interest rate risk is the risk that fluctuations in interest rates will affect the price of a bond.

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)	3.67	11.66	8.94	5.08	4.07	N/A	6.39
Class A (at POP)	-1.22	6.33	3.73	3.39	3.06	N/A	5.54
Class I (at NAV)	3.74	11.87	9.21	5.42	4.42	N/A	6.75
JPM EM Bond Index Global	2.38	8.73	4.15	6.05	4.32	N/A	-

* Average Annual Total Return

Calendar Year Performance (%)

	2016	2015	2014	2013	2012	2011	2010
Class A (at NAV)	12.74	-4.35	1.91	-5.25	26.11	N/A	N/A
Class I (at NAV)	13.20	-4.10	2.40	-5.06	26.58	N/A	N/A
JPM EM Bond Index Global	10.19	1.23	5.53	-6.58	18.54	N/A	N/A

Risk Measures*

3 years

Alpha	-2.08
Beta	1.19
R-Squared	86.90
Standard Deviation	7.49

*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.

Average Maturity is computed by weighting the maturity of each security in the portfolio by the market value of the security, then averaging these weighted figures.

Average Duration is a time measure of a bond's interest rate sensitivity, based on the weighted average of the time periods over which a bond's cash flows accrue to the bondholder.