

Transamerica Inflation Opportunities

Class A TIOAX | Class I ITIOX

Investment Objective

The fund seeks maximum real return, consistent with appreciation of capital.

Sub-adviser

PineBridge Investments LLC (PineBridge)



Portfolio Managers

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Product Profile

A fund that primarily invests in inflation-linked investment grade fixed income securities issued by domestic and foreign governments, their agencies and corporations

- ➔ May purchase debt securities that are not inflation-linked
- ➔ May invest in emerging market countries
- ➔ Ability to invest up to 20% of assets in high yield securities

Fund Facts

Inception Date (A-I)	03/01/14 - 03/01/14
Benchmark Index	Bloomberg Barclays Global Inflation Linked Bond Index
Morningstar Category	Inflation-Protected Bond
Lipper Category	Inflation Protected Bond
Dividend Frequency	Monthly

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

Inflation markets were mixed in the second quarter of 2017, with performance divergence primarily driven by volatility within foreign exchange and rates markets. Inflation data declined across most advanced economies. In the U.S., expectations that fiscal stimulus might boost growth and inflation have now moved to 2018 at the earliest, as political uncertainty continues to impede meaningful legislative progress. The U.S. Federal Reserve (Fed) June rate hike and seemingly hawkish statement about plans for reducing its balance sheet dealt blows to expectations for higher inflation in the U.S. The decline in breakeven rates caused U.S. treasury inflation-protected securities (TIPS) to underperform nominal U.S. Treasuries, -0.41% versus 1.20%. U.K. breakeven rates declined during the quarter as well. U.K. linkers still managed to outperform U.S. TIPS however the sterling appreciated versus the dollar. European linkers were the top performers during the quarter. Financials outperformed both global linkers and industrial credit. Despite declining oil prices, commodity related bonds outperformed.

Fund Overview

Transamerica Inflation Opportunities Fund posted a 0.26% total return for the three month period ending June 2017 versus a 2.04% return for the Bloomberg Barclays Global Inflation Linked Index. In terms of duration, the fund benefited from its overall short duration relative to the index. The fund's overweight in U.S. TIPS detracted from performance as U.S. breakeven rates underperformed the global inflation market on a currency hedged basis. The fund did benefit from security selection as the U.S. TIPS in the portfolio outperformed those in the index. The fund's underweight in foreign inflation linkers detracted from performance, most notably the underweight in European linkers and U.K. linkers. The largest detractor from fund performance came from FX as the overweight in U.S. dollar detracted from performance. The largest detractors were underweight exposures in Euro and Great British pound. Exposure to inflation-related credit contributed to performance. In particular, financial bonds contributed to outperformance as the sector outperformed Industrials.

Outlook

Market expectations are now in line with PineBridge's view that the potential for fiscal stimulus to promote faster growth and inflation in the U.S. is more likely to be a 2018 event rather than a 2017 event. PineBridge remains optimistic that fiscal and regulatory reforms will eventually benefit the economy, but a prolonged debate in Congress over any major legislation is likely to push any realized benefit well into next year and beyond. Declining inflation data and oil prices have weighed on expectations for future inflation, both of which will make it difficult for the Fed to achieve its targeted third rate hike. The trend of Central Bank accommodation across advanced economies will continue to challenge the Fed's longer-term plan for continued policy tightening. Therefore, rates are likely to remain range-bound. Within credit, PineBridge still finds value in discount financial hybrid floaters, which remain the fund's largest exposure within credit.

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.

**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
U.S. Treasury Inflation-Indexed Note, 1.12%, due 01/15/2021	6.84
U.S. Treasury Inflation-Indexed Bond, 3.87%, due 04/15/2029	5.41
U.S. Treasury Inflation-Indexed Bond, 0.12%, due 04/15/2022	5.22
U.S. Treasury Inflation-Indexed Note, 0.12%, due 04/15/2020	5.13
U.S. Treasury Inflation-Indexed Note, 0.12%, due 01/15/2022	4.99
U.S. Treasury Inflation-Indexed Note, 0.12%, due 07/15/2026	4.68
U.S. Treasury Inflation-Indexed Bond, 2.37%, due 01/15/2025	4.05
U.S. Treasury Inflation-Indexed Note, 0.12%, due 04/15/2018	3.88
U.S. Treasury Inflation-Indexed Note, 0.12%, due 04/15/2021	3.74
France Republic Government Bond OAT, 0.10%, due 07/25/2021	3.14
Percentage of total portfolio	47.08

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	\$103.86
Average Maturity	10.75 years
Average Duration	6.50 years

Source: PineBridge Investments LLC

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 1.00% and 0.79% for Class A and Class I shares, respectively. The net expense ratios for this fund are 1.00% and 0.75% 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.

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.

The Bloomberg Barclays Global Inflation Linked Bond 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.

Fixed income investing is subject to credit risk, inflation risk, and interest rate risk. Investing in high-yield (junk bonds) may be subject to greater volatility and risks as the return of principal and income derived from these securities are not guaranteed and can fluctuate based on firm profitability and economic conditions. Interest payment on inflation-related debt securities will vary as the principal and/or interest is adjusted for inflation.

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)	0.26	1.57	1.18	-0.40	N/A	N/A	0.52
Class A (at POP)	-4.47	-3.26	-3.60	-2.01	N/A	N/A	-0.94
Class I (at NAV)	0.32	1.76	1.38	-0.16	N/A	N/A	0.76
Bloomberg Barclays Global Government Inflation Linked Bond Index	2.04	3.36	0.91	-0.30	N/A	N/A	-

* Average Annual Total Return

Calendar Year Performance (%)

	2016	2015	2014	2013	2012	2011	2010
Class A (at NAV)	4.60	-3.98	N/A	N/A	N/A	N/A	N/A
Class I (at NAV)	4.81	-3.78	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Global Government Inflation Linked Bond Index	3.91	-4.97	N/A	N/A	N/A	N/A	N/A

Risk Characteristics

3 years

	Portfolio
Alpha	-0.36
Beta	0.52
R-Squared	73.80
Standard Deviation	3.31

*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.

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.