

Transamerica International Small Cap Value

Class I TISVX

Investment Objective

The fund seeks maximum long-term total return.

Sub-adviser

Thompson, Siegel & Walmsley LLC (TSW)



Portfolio Managers

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Product Profile

A portfolio designed to focus on equity securities of small-cap companies located outside of the United States

- ➔ Invests at least 80% of the fund's net assets in small-capitalization companies
- ➔ Employs a relative value process using a combination of quantitative and qualitative methods
- ➔ Composed of approx. 80-120 securities

Fund Facts

Inception Date (I)	01/04/13
Benchmark Index	MSCI EAFE Small Cap Index Gross
Morningstar Category	Foreign Small/Mid Value
Lipper Category	International Small/Mid-Cap Core
Dividend Frequency	Annually

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.

Closed to new investors.

Macroeconomic Overview

In the first quarter of 2018, the MSCI EAFE Small Cap Index Gross returned 0.32% in U.S. dollar terms. Sector returns varied widely. The healthcare sector was the standout performer rising 7.1%. Telecommunications services was the most significant laggard, declining 7.1%. Japan was the top performing region for the second quarter in a row finishing up 2.1% with help from a strong yen. Asia ex-Japan was the benchmark's worst performing region finishing down 1.8%.

Fund Overview

Stock selection in Japan was the primary contributor to Transamerica International Small Cap Value (Fund) relative return. The region had five of the top ten contributors to overall Fund performance. Video game company Capcom led the way with better than expected sales of its franchise hit Monster Hunter: World. Dental equipment producer Nakanishi was another top performer in Japan following a strong earnings report. Portfolio relative return was held back by stock selection in Europe. Swedish hotel chain Scandic Hotels was the most significant detractor. The stock had been a strong absolute performer last year but faltered this quarter after the hotel chain issued a profit warning and revised fourth quarter profits down roughly fifteen percent. Dutch dredging company Boskalis, the primary detractor from performance in the Industrials sector, impacted our European performance as well. At the sector level, consumer discretionary was the top contributor to Fund relative return thanks to favorable stock selection. Media holdings were strong contributors. UK event company UBM led the way following a takeover bid from competitor Informa. Japanese online advertiser D.A. Consortium reported excellent earnings and received several analyst upgrades throughout the quarter. Industrials was the most significant detracting sector by a wide margin largely due to the underperformance of Dutch dredging company Boskalis. The company reported fiscal year results broadly in line with consensus, but management's bleak outlook weighed heavily on the stock. TSW does not foresee a fundamental recovery in its markets in the coming years, but does see short term opportunities for selective growth. With this information in mind TSW reduced their position in the stock.

Outlook

Global stock markets were due for a stumble after a spectacular rally in 2017 and the early weeks of 2018. A range of concerns from creeping interest rates, trade turmoil and questions about tech companies' business models, to President Trump's unruly management style, gave investors plenty of reasons to take profits. In the meantime, however, global economic fundamentals remain reasonably strong while market valuations now look more reasonable. Merger and acquisition activity is at frothy levels--and seems likely to continue--producing both opportunity and risk for investors if suitors overpay. Continued stock volatility is a near certainty in 2018, but this will serve up better investment opportunities for investors in global stocks as the year unfolds. TSW's process-driven value investment approach keeps emotions in check in tempestuous markets, unlocking the longer-term return potential in stocks that are temporarily mispriced.

Contributors*

Leading Contributors	Weight (%)	Return (%)	Contribution (%)
Sanwa Holdings Corp.	2.01	50.53	1.06
UBM PLC	2.58	29.71	0.76
Capcom Co., Ltd.	1.72	36.92	0.45

Detractors*

Leading Detractors	Weight (%)	Return (%)	Contribution (%)
Denki Kagaku Kogyo	2.93	-15.18	-0.43
Scandic Hotels Group AB	0.73	-32.46	-0.31
Boskalis Westminster	0.99	-22.44	-0.24

*Source: Morningstar Direct

**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 International Small Cap Value

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Top 10 Holdings

	% of Holdings
UBM PLC	2.63
Denka Co., Ltd.	2.56
Pargesa Holding SA	2.04
Capcom Co., Ltd.	2.01
Hikari Tsushin, Inc.	1.95
Savills PLC	1.88
Sanwa Holdings Corp.	1.87
Air New Zealand, Ltd.	1.85
Smurfit Kappa Group PLC	1.83
Nakanishi, Inc.	1.80
Percentage of total portfolio	20.42

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

Equity Statistics

Median Market Cap	\$1.48 (B)
Weighted Average Market Cap	\$3.04 (B)

B = Billions

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. There are no sales charges for Class I shares.

The gross expense ratio for the Class I shares of this fund is 1.12%. The net expense ratio for the Class I shares of this fund is 1.12%. Contractual arrangements (if applicable) have been made with the fund's investment manager, Transamerica Asset Management, Inc. (TAM), through March 1, 2019.

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 MSCI EAFE Small Cap Index Gross (MSCI EAFE Small Cap 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.

Investments in international markets involve risks not associated with U.S. markets, such as currency fluctuations, adverse social and political developments, and relatively small size and lesser liquidity of the markets. Investing in small- and medium-size companies involves greater risk than is customarily associated with more established companies. The prices of securities the sub-adviser believes are undervalued may not appreciate as anticipated or may go down.

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.

Total Return Performance (%)

	3 Mo	YTD	1 Yr	3 Yr*	5 Yr	10 Yr	Inception*
Class I (at NAV)	0.64	0.64	22.58	9.83	9.22	N/A	10.18
MSCI EAFE Small Cap Index Gross	0.32	0.32	23.93	12.65	11.48	N/A	-

* Average Annual Total Return

Calendar Year Performance (%)

	2017	2016	2015	2014	2013	2012	2011
Class I (at NAV)	30.47	-0.85	7.95	-6.28	N/A	N/A	N/A
MSCI EAFE Small Cap Index Gross	33.50	2.55	9.94	-4.63	N/A	N/A	N/A

Risk Characteristics

3 years

Alpha	-0.80
Beta	0.83
R-Squared	88.00
Standard Deviation	10.58

Risk measures are in comparison to the fund's primary benchmark unless otherwise indicated. Based on Class I 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.