

TRANSAMERICA MULTI-ASSET INCOME

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INVESTMENT OBJECTIVE

The fund seeks current income while providing long-term capital appreciation.

KEY FACTS

Investment Manager	Transamerica Asset Management, Inc. (TAM)
Morningstar Category	Allocation--30% to 50% Equity
Lipper Category	Flexible Portfolio
Dividend Frequency	Quarterly
Primary Benchmark	S&P 500®
Additional Benchmark	Transamerica Multi-Asset Income Blended Benchmark

SUB-ADVISER



Thompson, Siegel & Walmsley LLC (TSW)

PORTFOLIO MANAGERS

William M. Bellamy, CFA

MACROECONOMIC OVERVIEW

Market volatility continued into the second quarter. Sentiment swings stemming from various headlines, predominantly surrounding global trade and the Fed, influenced market returns. Fears around cancelled trade talks between the U.S. and China drove a selloff in risk assets in May. By early June, expectations for lower rates helped mitigate the trade concerns and risk assets rebounded. The S&P 500® as a result posted its strongest first half of the year since 1997 with a return of 4.30% in the second quarter. TSW believes U.S. and China trade tensions remain an on-going risk and expect uncertainty surrounding trade-related headlines with China will continue to contribute to volatility going forward. TSW's ability to be nimble and flexible in an everchanging market should allow us to take advantage of any dislocations that may develop. While the S&P 500® closed the quarter at a record high, the bond market may be signaling trouble ahead. The 10-year U.S. Treasury yields plummeted to 2% by the end of the quarter with signs of the yield curve beginning to invert. Within high yield, higher quality high yield outperformed the lower rating cohorts. While the Bloomberg Barclays US High Yield (BB) index returned 3.08%, the Bloomberg Barclays US High Yield (B) index returned 2.66% over the same period. The Bloomberg Barclays US High Yield (CCC) index returned 0.29% in the quarter. Finally, the Bloomberg Barclays US High Yield Index returned 2.50% and the ICE BofA Merrill Lynch U.S. Preferred Index returned 3.02% for the quarter. TSW continued the trend from the first quarter of tactically reducing risk while maintaining our yield. TSW reduced their equity position and reallocated capital to preferred stock and credit. Within credit, TSW continued to shift towards higher quality positions in the BB and investment grade space. TSW remains focused on improving risk-adjusted return potential and incremental yield through security selection.

FUND OVERVIEW

Transamerica Multi-Asset Income lagged the S&P 500® for the second quarter of 2019. While allocations to credit and preferred equity contributed to the strategy's yield-premium, they served as a drag on relative performance, failing to keep pace with the equity market for the quarter. Stock selection in consumer staples was the top contributor to relative return while stock selection within consumer discretionary was the top detractor from relative return. Within consumer staples, the best performing individual securities were Mowi ASA (0.25% as of 6/30/2019) and Coca-Cola Co (0.82%). Mowi ASA, formerly known as Marine Harvest ASA, is a Norwegian seafood company which reported better than expected earnings due to steady pricing and a bigger than expected harvest. The Coca-Cola Company benefitted from strong organic sales and top line growth while also beating Q1 earnings estimates. Within consumer discretionary, Foot Locker Retail, Inc. (0.90%) and Carnival Corporation & plc (Carnival) (0.87%) were the worst performing securities. Foot Locker Retail, Inc. reported worse than expected earnings and revised fiscal 2019 earnings down due to slower than projected share repurchases. Carnival traded down after reducing 2019 financial guidance due to ongoing geopolitical and macroeconomic headwinds impacting their European brands. At the end of the second quarter, the fund had approximately 48% allocated to common equity, 44% to high yield credit, and 8% to preferred stock.

OUTLOOK

TSW foresees continued volatility ahead and as a result will continue to seek out opportunities to increase fund quality without sacrificing yield and total return. TSW also sees heightened risk in the credit markets and believe the importance of security selection will increase, boding well for our bottom-up approach and strategy objectives.

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 decision.

TRANSAMERICA MULTI-ASSET INCOME

as of 06/30/2019

ASSET ALLOCATION (%)

U.S. Equity	52.81	International Equity	3.46
U.S. Fixed Income	37.47	Net Other Assets (Liabilities)	1.19
International Fixed Income	5.07		

U.S. allocations may include U.S. territories and possessions. The Net Other Assets (Liabilities) category may include, but is not limited to, repurchase agreements, reverse repurchase agreements, security lending collateral, forward foreign currency contracts, and cash collateral.

FEES (%)

	A	C	I
Gross Expense Ratio	1.08	1.80	0.81
Net Expense Ratio	1.08	1.80	0.72

The Max Sales Charge for Class A shares is 5.50%. There are no sales charges for 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 minimum investment for Class I shares is \$1,000,000 per fund account, but will be waived for certain investors. 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. Contractual arrangements, if any, have been made with Transamerica Asset Management, Inc. through 03/01/2022.

AVERAGE ANNUAL TOTAL RETURNS (%)

	3M	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Class A (at NAV)	2.75	10.84	6.65	8.41	5.62	-	6.23
Class I (at NAV)	2.75	10.90	6.85	8.71	5.88	-	6.49
Class A (at POP)	-2.93	4.70	0.76	6.40	4.42	-	5.12
S&P 500®	4.30	18.54	10.42	14.19	10.71	14.70	-
Transamerica Multi-Asset Income Blended Benchmark	3.77	15.28	9.92	11.43	8.42	-	-

The data shown 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. Performance for other share classes will vary.

**Effective May 1, 2019, the fund changed its name from Transamerica Strategic High Income to Transamerica Multi-Asset Income

The S&P 500® and the Transamerica Strategic High Income Blended Benchmark (60% S&P 500® and 40% ICE BofAML U.S. High Yield BB-B Rated Constrained Index) are unmanaged indices used as general measures 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 price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. If the market prices of the equity securities owned by the fund fall, the value of the fund will decline. Fixed income investing is subject to credit risk, inflation risk, and interest rate risk. Investing in high-yield securities 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 interest rates increases. Preferred stock tends to vary more with fluctuations in the underlying common stock and less with fluctuations in interest rates and tends to exhibit greater volatility.

Shares may be sold (or "redeemed") on any day the New York Stock Exchange is open for business. Proceeds from the redemption of shares will usually be sent to the redeeming shareholder within three business days after receipt in good order of a request for redemption. However, Transamerica Funds has the right to take up to seven days to pay redemption proceeds, and may postpone payment under certain circumstances, as authorized by law.

Mutual funds are subject to market risk, including 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.

Transamerica Funds are advised by Transamerica Asset Management, Inc. (TAM) and distributed by Transamerica Capital, Inc. (TCI) member of FINRA. TAM and Thompson, Siegel & Walmsley LLC (TSW) are not affiliated companies. 1801 California St. Suite 5200, Denver, CO 80202

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TOP 10 HOLDINGS (%)

Microsoft Corp.	2.92
Apple, Inc.	2.64
Alphabet, Inc., Class C	2.25
JPMorgan Chase & Co.	1.79
Cisco Systems, Inc.	1.76
Home Depot, Inc.	1.67
Merck & Co., Inc.	1.57
Broadcom, Inc.	1.38
Delta Air Lines, Inc.	1.30
Valero Energy Corp.	1.26
Total	18.54

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