

TRANSAMERICA GROWTH

R6 | TAGOX | 05/29/2015

INVESTMENT OBJECTIVE

The fund seeks long-term growth of capital.

KEY FACTS

Investment Manager	Transamerica Asset Management, Inc. (TAM)
Morningstar Category	Large Growth
Lipper Category	Large-Cap Growth
Dividend Frequency	Annually
Primary Benchmark	Russell 1000® Growth Index

SUB-ADVISER

JENNISON ASSOCIATES

Jennison Associates LLC (Jennison)

PORTFOLIO MANAGERS

Blair A. Boyer
Michael A. Del Balso
Spiros Segalas

MACROECONOMIC OVERVIEW

Global equity markets rebounded from their sharp late-2018 declines, led by a strong advance in U.S. equities. The U.S. Federal Reserve (Fed) signaled a pause in Fed funds rate increases on signs of moderating employment growth, fewer inflationary pressures, and a paucity of growth outside the U.S. Indicators of U.S. Gross domestic product (GDP) growth in this year's first quarter pointed to a deceleration from 2018's 2.9% pace. Fourth quarter corporate profits, reported early in the first quarter, brought into sharper focus the waning impact of corporate tax rate reductions and projections of slowing earnings growth in 2019. Worries about trade conflict, particularly with China, abated as rhetoric moderated and negotiations continued. Europe's economic health remained subpar. The Brexit debate remained unresolved.

FUND OVERVIEW

Netflix, Inc., Amazon.com, Inc., MasterCard, Inc., and Visa, Inc. continue to benefit from economies of scale and platform-based business models. Despite ongoing concern about data breaches, user-data usage, increased government scrutiny, and maturing user engagement, Facebook, Inc. (2.80% as of 3/31/19) user growth and engagement metrics remain solid, and advertisers continue to seek the reach and targeting only Facebook can provide. Slowing Chinese economic growth and government efforts to tighten control of gaming, as well as internet and non-traditional financial businesses, have weighed on Alibaba Group Holding, Ltd. (2.86%) and Tencent Holdings, Ltd. As these issues move toward resolution, strong fundamentals are reemerging. After declining last quarter on gaming graphics processing unit (GPU) inventory issues and a slowdown in the cryptocurrency mining boom, NVIDIA Corp. (1.79%) has begun to recover on signs that the issues are being resolved. In industrials, Boeing Co. posted a double-digit gain in the quarter despite a sharp decline in March on concerns about its 737 Max jet. Flights of the aircraft have been suspended pending clear identification of the cause of two accidents and appropriate remediation. If the issues are related to software, they could likely be addressed through software changes and pilot training. Given manufacturing and supply-chain complexities, production continues, although at a moderated pace. Tesla Inc.'s (1.78%) decline was tied to renewed controversy surrounding CEO Elon Musk and concerns about vehicle production volume. The decline in Bristol-Myers Squibb Co. (0.71%) reflected uncertainty about its proposed acquisition of Celgene (0.00%), as well as the competitive oncology-treatment landscape. McDonald's (0.00%) fell on declining customer traffic and increasing costs.

OUTLOOK

U.S. equity prices have rebounded to near their levels before the fourth-quarter sell-off. Fears of a near-term recession have abated, while monetary policymakers have turned more dovish in light of slower growth expectations both in the U.S. and abroad. Bonds yields have fallen since the Fed's policy pivot. Expectations of global growth depend in large part on a U.S.-China trade resolution that removes the threat and chilling impact of substantially higher tariff levels. Despite these concerns, S&P 500® earnings appear headed for single-digit growth in 2019 on top of last year's tax-rate-reduction-induced surge. Jennison continues to forecast double-digit aggregate 2019 profit gains for the portfolio. Jennison believes the Fund holds fundamentally strong companies with solid long-term growth prospects.

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 GROWTH

as of 03/31/2019

AVERAGE ANNUAL TOTAL RETURNS (%)

	3M	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Class R6 (at NAV)	17.53	17.53	11.36	18.35	-	-	13.19
Russell 1000® Growth Index	16.10	16.10	12.75	16.53	13.50	17.52	-

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. Performance for other share classes will vary.

FEES (%)

	R6
Gross Expense Ratio	0.90
Net Expense Ratio	0.90

There are no sales charges for Class R6. Class R shares are available only to eligible retirement plans. 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 03/01/2020.

CONTRIBUTORS & DETRACTORS (%)

Leading contributors	Contribution	Weight	Return
Netflix Inc	1.16	3.81	33.21
Amazon.com Inc	1.11	5.99	18.56
Mastercard Inc A	0.97	3.97	25.02
Leading detractors	Contribution	Weight	Return
Bristol-Myers Squibb Company	-0.06	0.75	-7.38
Activision Blizzard Inc	-0.09	0.50	-9.64
Tesla Inc	-0.39	2.01	-15.91

Source: Morningstar Direct

TOP 10 HOLDINGS (%)

Amazon.com, Inc.	6.34
Microsoft Corp.	4.71
Mastercard, Inc., Class A	4.17
salesforce.com, Inc.	3.87
Netflix, Inc.	3.72
Visa, Inc., Class A	3.60
Tencent Holdings, Ltd.	3.43
Boeing Co.	3.24
Alphabet, Inc., Class C	3.09
Alphabet, Inc., Class A	3.08
Total	39.25

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

The Russell 1000® Growth 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. Russell Investment Group is the source and owner of the trademarks, service marks, and copyrights related to the Russell indexes. Russell® is a trademark of Russell Investment Group. Growth stocks can be volatile and experience sharp price declines and certain types of stocks can be extremely volatile and subject to greater price swings than the broader market. Equities are subject to market risk meaning that stock prices in general may decline over short or extended periods of time. 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.

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