

TRANSAMERICA DYNAMIC INCOME

A | IGTAX | 10/31/2011 C | IGTCX | 10/31/2011 I | IGTIX | 10/31/2011

INVESTMENT OBJECTIVE

The fund seeks high current income as the primary objective with capital appreciation as a secondary objective.

KEY FACTS

| | |
|-----------------------------|-----------------------------------------------|
| Investment Manager | Transamerica Asset Management, Inc. (TAM) |
| Morningstar Category | Allocation--15% to 30% Equity |
| Lipper Category | Mixed-Asset Target Allocation Conservative |
| Dividend Frequency | Monthly |
| Primary Benchmark | iBoxx \$ Liquid High Yield Index |
| Additional Benchmark | Transamerica Dynamic Income Blended Benchmark |

SUB-ADVISER



QS Investors, LLC (QS Investors)

PORTFOLIO MANAGERS

Adam J. Petryk, CFA
Thomas Picciochi
Ellen Tesler

MACROECONOMIC OVERVIEW

Global equities across the board rose during the first quarter. In the U.S., large-caps had one of its best quarterly performances in a decade, rising 13.6%. China had the strongest performance of the major equity regions, rising 17.9%. Global equity performance for the quarter was largely driven by January's rebound, after suffering through one of the steepest monthly declines since the global financial crisis. After dropping 38% in the prior quarter, crude oil rebounded with a 32% upswing. The rebound came from tighter global supply conditions from the U.S. reducing its drilling and Venezuelan sanctions and outages. The 10-year U.S. Treasury yield dropped 0.28% and finished at just over 2.4%. This was driven by the U.S. Federal Reserve (Fed) becoming increasingly dovish throughout the quarter, and their dot plot suggesting zero rate hikes in 2019, versus the expectations of two hikes previously.

FUND OVERVIEW

Transamerica Dynamic Income's performance was positive for the first quarter of 2019. All of the fund's underlying ETF holdings produced positive returns. The top performing ETF was the Global X MLP ETF, which returned 18.1%. The fund underperformed relative to its benchmark. Sub-asset class selection detracted from the return in both equity and fixed income. Across equity holdings, the Global X SuperDividend US ETF was the top detractor to the relative return, while the Global X MLP ETF was the top contributor. Across fixed income holdings, the VanEck JPMorgan Emerging Markets Local Currency ETF, was the top detractor relative to the benchmark. The Fund's five largest positions at month-end were in the SPDR Bloomberg Barclays Short Term High Yield Bond ETF, Global X SuperDividend US ETF, Vanguard Long Term Bond ETF, VanEck JPMorgan Emerging Markets Local Currency ETF, and the Global X MLP ETF. These five positions collectively made up 78.9% of the fund's portfolio.

OUTLOOK

QS's economic outlook improved dramatically since one month ago, moving from very negative territory to just breaking the neutral threshold. Improvement in global trade data, average hours worked and initial unemployment claims were the primary drivers. QS believes that U.S. stocks are positioned to outperform international developed market equities. QS's preference is supported by options market data, better price momentum in the U.S. and even yield curve steepness. Despite the fact that one measure of the U.S. yield curve inverted in March, the model observed that yield curves in other developed markets are flattening faster than in the U.S. market. QS continues to believe that U.S. high yield is positioned to outperform U.S. investment grade. However, this position has moderated due to spread widening between high yield and investment grade bonds.

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 DYNAMIC INCOME

as of 03/31/2019

ASSET ALLOCATION (%)

| | | | |
|----------------------------------|-------|--------------------------------|------|
| U.S. Fixed Income Funds | 45.11 | U.S. Mixed Allocation Funds | 7.54 |
| International Fixed Income Funds | 23.60 | Net Other Assets (Liabilities) | 0.36 |
| U.S. Equity Funds | 23.39 | | |

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 | 1.28 | 2.04 | 1.03 |
| Net Expense Ratio | 1.27 | 2.02 | 1.02 |

The Max Sales Charge for Class A shares is 4.75%. 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 03/01/2020.

TOP 10 HOLDINGS (%)

| | |
|--------------------------------------------------------|--------------|
| SPDR Bloomberg Barclays Short Term High Yield Bond ETF | 19.47 |
| Global SuperDividend US ETF | 19.39 |
| Vanguard Long-Term Bond ETF | 16.93 |
| VanEck Vectors J.P. Morgan EM Local Currency Bond ETF | 15.67 |
| Global X MLP ETF | 7.54 |
| VanEck Vectors Emerging Markets High Yield Bond ETF | 5.04 |
| iShares 20+ Year Treasury Bond ETF | 4.39 |
| Invesco S&P 500 High Dividend Low Volatility ETF | 4.00 |
| iShares MBS ETF | 3.12 |
| iShares Emerging Markets High Yield Bond ETF | 2.89 |
| Total | 98.44 |

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

AVERAGE ANNUAL TOTAL RETURNS (%)

| | 3M | YTD | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Inception |
|-----------------------------------------------|------|------|-------|------|------|-------|-----------|
| Class A (at NAV) | 6.27 | 6.27 | 3.27 | 4.59 | 2.55 | - | 3.77 |
| Class I (at NAV) | 6.34 | 6.34 | 3.53 | 4.84 | 2.80 | - | 4.01 |
| Class A (at POP) | 1.24 | 1.24 | -1.64 | 2.91 | 1.57 | - | 3.09 |
| iBoxx \$ Liquid High Yield Index | 7.50 | 7.50 | 7.01 | 7.91 | 4.17 | - | - |
| Transamerica Dynamic Income Blended Benchmark | 7.94 | 7.94 | 7.20 | 7.86 | 5.84 | - | - |

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.

The iBoxx \$ Liquid High Yield Index and Transamerica Dynamic Income Blended Benchmark (40% iBoxx \$ Liquid High Yield Index, 30% S&P 500®, and 30% Bloomberg Barclays U.S. Aggregate Bond Index) are unmanaged indices 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.

Asset Allocation, like many investment strategies, offers no guarantee of positive returns, and mutual funds are subject to market risk, including loss of principal. ETFs generally present the same risks as an investment in a conventional fund that has the same investment objectives, strategies, and policies. The market price of an ETF's share may be above or below the shares' net asset value; and an active trading market for an ETF's share may not develop or be maintained. Foreign and emerging market investments involve risks not associated with U.S. markets, such as currency fluctuation, adverse social and political developments and the relatively small size and lesser liquidity of the markets. Fixed income investing is subject to credit risk and interest rate risk. Investments in high-yield bonds ("junk bonds") 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 the interest rate increases. 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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