

Transamerica Emerging Markets Debt

A | EMTAX | 08/31/2011 **C** | EMTCX | 08/31/2011 **I** | EMTIX | 08/31/2011

Investment objective

The fund seeks to generate a high total return through a combination of capital appreciation and income.

Key facts

Investment Manager

Transamerica Asset Management, Inc. (TAM)

Morningstar Category

Emerging Markets Bond

Lipper Category

Emerging Mkts Hard Currency Debt Funds

Dividend Frequency

Quarterly

Benchmark

Transamerica Emerging Markets Debt Blended Benchmark

SUB-ADVISER



Metlife Investment Management, LLC (MIM)

PORTFOLIO MANAGERS

Todd Howard, CFA

Scott Moses, CFA

MACROECONOMIC OVERVIEW

Emerging Markets (EM) delivered a resilient third quarter (Q3) amid shifting global dynamics. July saw optimism as negotiated U.S. tariffs eased uncertainty, though stronger U.S. data lifted 10-year yields to 4.37%, delaying rate-cut expectations. August brought softer data and a less hawkish Federal Reserve (Fed) tone, reducing volatility and supporting risk appetite as yields fell to 4.23%. September was constructive, with a weaker dollar, dovish Fed outlook, and robust demand driving EM outperformance. The Fed's 25 basis points cut and expectations for further easing reinforced support, while Brent remained rangebound despite growth concerns and recent OPEC+ output discussions. Some uncertainty emerged into quarter-end from the U.S. government shutdown, causing data disruptions and the potential for slower U.S. growth that may affect global growth, but overall EM benefited from favorable technicals and strong risk appetite in Q3. The Emerging Markets Bond Index (EMBI) Global Diversified returned 4.75%, the Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified returned 3.2%, and the Government Bond Index (GBI)-EM Global Diversified returned 2.8%.

FUND OVERVIEW

Performance was supported by local currency positioning and high yield sovereign overweight's. EM local currency assets benefited from a weakening dollar environment on the back of more isolationist US policy; therefore, higher beta overweight's were supportive. Not owning India local proved beneficial as geopolitical tension and the deterioration of the Trump-Modi relationship pressured bond prices. Metlife's high yield bias within hard currency sovereigns proved favorable, with Pemex (0.00% as of 9/30/2025) a top performer as the quasi-sovereign continues to receive government support, most recently through direct cash injections. Africa remained the top performing region. Pakistan witnessed an upgrade to B- as the country shows improved sustainability. In Argentina, investor confidence was weighed down by heightened political uncertainty as the October midterm elections approach, including several efforts by the legislature to undermine fiscal responsibility. Corporates were broadly supported, though select idiosyncratic names detracted. Energy exporters performed well in rangebound markets, and longer-duration positions benefited from lower U.S. Treasury yields. Braskem bonds lagged due to a potential takeover by an unfriendly bidder, persistent weakness in the chemical sector, and the recent engagement of financial and legal advisors. Telefonica Moviles Chile (0.19%) declined amid potential divestment by its parent, and WOM Chile (0.00%) struggled to grow market share post-restructuring without compromising profitability.

OUTLOOK

The macro backdrop remains critical for EM credit as 2025 unfolds and attention turns to 2026. The Trump administration has reshaped global dynamics, with U.S. policy shifts—centered on reciprocity—using tariffs as tools to manage trade and as a penalty for other disagreements. Meanwhile, Trump is attempting to influence negotiations surrounding the next phase in global conflicts, including Russia/Ukraine and the Middle East. The degree to which these policy shifts impact growth in the U.S. and globally will have important implications on monetary policy and the path of rates and Foreign Exchange (FX). The supportive EM tailwind of fading U.S. exceptionalism is expected to persist. At present, the U.S. growth outlook is being stifled by evolving and new secular forces including the limitations of deficit financed growth policies, increasing tariff rates and declining rates of immigration. The combined effect means that U.S. growth is more likely to slow, converging towards other DM economies once the full effects of these policies are reflected in the economic data. In such scenarios, the U.S. dollar often weakens, reducing the debt burden for EM countries that have borrowed in dollars and making their assets more attractive. Enhancement of unilateral trade relations, stabilizing commodity prices, and ongoing structural reforms within EM economies can further enhance EM debt's relative appeal during these periods.

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.

Average annual total returns and expense ratios (%)

	3M	YTD	1 YR	3 YRS	5 YRS	10 YRS	Inception	Gross	Net
Class I (at NAV)	3.99	10.29	7.29	12.20	3.39	4.73	4.45	0.84	0.84
Class A (at NAV)	3.91	10.02	6.78	11.78	2.90	4.30	4.04	1.37	1.25
Class A (at POP)	-1.02	4.75	1.72	9.98	1.90	3.79	3.68	1.37	1.25
Transamerica Emerging Markets Debt Blended Benchmark	3.49	10.71	7.24	10.79	2.60	4.20	-	-	-

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 Max Sales Charge for Class A shares is 4.75%. There are no sales charges for Class I shares. 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 3/1/2026.

Top 10 holdings (%)

Brazil Notas do Tesouro Nacional, 10.00%, due 01/01/2031	2.31
Republic of Poland Government International Bonds, 5.50%, due 03/18/2054	1.65
Mexico Bonos, 10.00%, due 11/20/2036	1.43
Mexico Bonos, 8.50%, due 03/02/2028	1.40
Brazil Notas do Tesouro Nacional, 10.00%, due 01/01/2035	1.31
Philippines Government International Bonds, 5.50%, due 02/04/2035	1.19
Egypt Government Bonds, 23.38%, due 08/26/2028	1.14
Saudi Arabian Oil Co., 6.38%, due 06/02/2055	1.11
Mexico Government International Bonds, 7.38%, due 05/13/2055	1.00
Republic of Poland Government Bonds, 2.50%, due 07/25/2026	0.97
Total	13.51

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

Maturity (%)

0-1 Years	1.77
1-3 Years	8.78
3-5 Years	11.51
5-10 Years	38.27
10-20 Years	15.54
20+ Years	15.78

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.

The Transamerica Emerging Markets Debt Blended Benchmark 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.

The risks of investing in foreign securities are magnified in emerging markets. 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, lower trading volumes and lesser liquidity of the markets. Fixed-income securities are subject to risks including credit risk, interest rate fluctuation risk, counterparty default risk, prepayment risk, extension risk, valuation risk, and liquidity risk.

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 two 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 visit 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, LLC, member FINRA. Transamerica Companies and MIM are not affiliated companies. 1801 California St. Suite 5200, Denver, CO 80202

© 2025 Transamerica Corporation. All Rights Reserved.
113017R27