

## 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 Debt (EMD) began 2026 on a strong footing, extending the positive momentum seen through much of 2025 as supportive carry, stable fundamentals, and constructive global risk sentiment underpinned performance early in the quarter. However, the macro backdrop deteriorated sharply at the end of February following the escalation of the conflict in the Middle East, which drove a surge in energy prices, higher U.S. rates, and a broad reversal in investor sentiment. Against this backdrop, hard-currency assets posted modestly negative returns for the quarter, with the EMBI Global Diversified returning -1.26% and the CEMBI Broad Diversified returning -0.21%, as the stronger performance in January and February was offset by weakness in March. Local-currency assets underperformed, with the GBI-EM Broad Diversified down -2.25%, reflecting heightened sensitivity to inflation risks, Foreign Exchange (FX) volatility, and tighter financial conditions in energy-importing economies. Overall, while fundamentals and carry supported Emerging Markets (EM) assets earlier in the quarter, geopolitical shocks and macro uncertainty re-introduced volatility and reinforced the importance of selectivity across EM sectors.

### FUND OVERVIEW

Outperformance during the first quarter was driven primarily by local-currency security selection. Zambia, Brazil, and Argentina local exposures contributed positively, supported by commodity linkages, favorable carry, and improved external dynamics, while the fund's cash position added value during periods of market volatility. These gains were partially offset by local exposure to Colombia amid election-related volatility, while indirect Indian rupee exposure through supranationals detracted as higher oil prices pressured external balances. Hard-currency sovereign positioning was broadly neutral, with strong performance in Venezuela following the resumption of U.S. diplomatic relations and gains in Ecuador offset by weakness in higher-beta African sovereigns including South Africa, Ghana, and Zambia, as well as Ukraine amid rising rates and weaker risk sentiment. In the corporate sleeve, Oil & Gas holdings including Kosmos, MC Brazil, and Seplat led performance, alongside contributions from Braskem and Telefónica Chile, while Raizen detracted following its out-of-court restructuring. As rates rose and higher beta assets were pressured during the quarter, the fund's underweight to financials detracted, given the sector's lower rate sensitivity and relative stability.

### OUTLOOK

Entering Q2 2026, the macro environment remains a key driver of EM credit amid heightened geopolitical uncertainty following the escalation of the conflict in the Middle East. While EM credit has demonstrated resilience, higher energy prices have reintroduced inflation risks and increased uncertainty around U.S. monetary policy, developed market rates, and global growth. The closure of the Strait of Hormuz has temporarily supported the U.S. dollar through a flight-to-quality, particularly against energy-importing currencies, though this move is viewed as tactical rather than structural. As energy markets normalize, attention is expected to return to underlying fundamentals, including attractive EM real rate dynamics and differentiated policy cycles. EM fundamentals remain solid, supported by fiscal discipline, improving policy frameworks, and favorable regional dynamics. Against this backdrop, MetLife Investment Management (MIM) maintains a constructive view on sovereign debt, balancing higher-yielding opportunities with resilient investment grade exposures and an overweight to Latin America. Corporate positioning remains selective, favoring issuers with strong balance sheets and structural tailwinds such as metals exporters, utilities, and Technology Media Telecommunications (TMT). Local currency exposure emphasizes markets with credible inflation frameworks and compelling real yields, including Brazil, Colombia, and South Africa, while selectively capturing carry and diversification opportunities amid ongoing volatility.

**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)	-0.73	-0.73	11.60	9.28	3.40	4.37	4.51	0.86	0.85
Class A (at NAV)	-0.82	-0.82	11.22	8.86	2.93	3.93	4.11	1.29	1.25
Class A (at POP)	-5.51	-5.51	5.92	7.13	1.93	3.43	3.76	1.29	1.25
Transamerica Emerging Markets Debt Blended Benchmark	-1.14	-1.14	8.98	7.76	2.45	3.61	-	-	-

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](https://www.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 3/1/2027.

## Top 10 holdings (%)

Argentina Republic Government International Bonds, 4.13%, due 07/09/2035	1.98
Petroleos Mexicanos, 6.75%, due 09/21/2047	1.79
Brazil Notas do Tesouro Nacional, 10.00%, due 01/01/2035	1.60
Brazil Notas do Tesouro Nacional, 10.00%, due 01/01/2031	1.53
Mexico Bonos, 10.00%, due 11/20/2036	1.33
Mexico Government International Bonds, 6.75%, due 02/09/2056	1.28
Mexico Bonos, 8.50%, due 03/02/2028	1.16
Peru Government Bonds, 7.60%, due 08/12/2039	1.07
Egypt Government Bonds, 23.38%, due 08/26/2028	1.04
Romania Government International Bonds, 6.63%, due 05/16/2036	1.03
<b>Total</b>	<b>13.81</b>

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	1.20
1-3 Years	7.92
3-5 Years	15.62
5-10 Years	33.43
10-20 Years	19.69
20+ Years	14.52

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 (J.P. Morgan Emerging Markets Bond Index Global Index, 35%; J.P. Morgan CEMBI Broad Diversified Index, 35%; and J.P. Morgan GBI-EM Diversified Global Index, 30%) 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](https://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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