

Transamerica International Stock

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Investment objective

The fund seeks capital appreciation.

Key facts

Investment Manager

Transamerica Asset Management, Inc. (TAM)

Morningstar Category

Foreign Large Value

Lipper Category

International Large-Cap Core

Dividend Frequency

Annually

Benchmark

MSCI EAFE Index

SUB-ADVISER



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PORTFOLIO MANAGERS

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MACROECONOMIC OVERVIEW

Q4 was a fitting coda to 2025. It packed many of the ingredients that were in play over the year. Markets generally set records, there was intense scrutiny on artificial intelligence (AI), VIX was lackluster but gold was bright, fiscal and monetary policy saw major developments, trade talks between China & US took another turn, and the consumer displayed resilience but also bifurcation. A key support for the markets came from higher-than-expected earnings. Capex levels on AI remained elevated providing ammunition for both bulls and bears. A data vacuum caused by the longest government shutdown in history added to the uncertainty for investors. The U.S. Federal Reserve (Fed) delivered 50 basis points of rate cuts over the quarter but the larger story was the lack of consensus among Fed voters and the choice of the next chair. The US and China agreed to lower tariffs and extend their trade truce for a year. The 2.4% rise in the Russell 1000[®] Index (2.6% for the S&P 500[®] Index) masked divergence across styles as the Russell 1000[®] Value Index jumped 3.8% but the Russell 1000[®] Growth Index increased 1.1%. Healthcare was the best performing sector, by far, aided by the US government reaching deals with major pharma companies. Stocks in information technology and communication services sectors advanced after investors weighed confidence in the monetization of the Artificial Intelligence (AI) evolution against worries over the outsized capital expenditure plans and the circularity in the ecosystem. Small caps in the United States underperformed large caps, albeit marginally, with the Russell 2000[®] Index advancing 2.2%. In line with the full year pattern, both non-US developed markets and emerging markets outperformed the US market. European equities were boosted by improving earnings revisions, easing trade tensions, optimism on AI efficiency gains, and rising investor confidence. Stocks in Japan gained from AI themes and the new PM's expansionary fiscal policy but were pressured by rate hike fears. Chinese equities declined on signs of an economic slowdown such as weakness in retail sales and fixed asset investment. The Korean market, on the other hand, was a standout performer, surging on AI related tech themes and optimism on corporate governance reforms.

FUND OVERVIEW

From a sector perspective, stock selection boosted performance the most while allocation was also positive. Stock selection was strongest within financials and health care but weakest within industrials and consumer discretionary. An underweight to consumer discretionary and an overweight to utilities helped performance; an underweight in materials detracted. From a country perspective, stock selection helped performance, but allocation detracted. Stock selection was strongest within Israel and France but weakest within Germany and the United Kingdom. An underweight to Australia and an overweight to the United Kingdom helped performance; an underweight to Switzerland and an overweight to Japan detracted.

OUTLOOK

The U.S. market is being buoyed by many themes including AI-related capex, expected efficiency gains from generative AI, measures from One Big Beautiful Bill Act (OBBBA) taking effect, anticipated interest rate cuts, deregulation, and rising M&A activity. There are concerns bubbling under the surface on valuations, the level and structure of the capex in AI, and policy uncertainty. Outside the United States, several countries took fiscal, monetary, or corporate reform actions to mitigate the impact of U.S. tariffs and policies. Those actions, aided by favorable relative valuations, helped deliver superior performance last year, and continue to provide support going into 2026. Underappreciated growth opportunities are sprinkled among the uncertainties around the world. A complex geopolitical environment, concentration risks, rising debt, and fiscal deficits are concerns. Investors would do well to look through the noise, emphasize diversification, and stay focused on the underlying company-level fundamentals.

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)	4.86	34.97	34.97	21.08	13.27	-	9.41	0.89	0.85
Class A (at NAV)	4.73	34.51	34.51	20.79	12.96	-	9.11	1.19	1.18
Class A (at POP)	-1.03	27.13	27.13	18.54	11.69	-	8.27	1.19	1.18
MSCI EAFE Index	4.91	31.89	31.89	17.82	9.47	-	-	-	-

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 5.50%. 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.

Contributors & Detractors (%)

Leading Contributors	Contribution	Weight*	Return**
Teva Pharmaceutical Industries Ltd ADR	0.60	1.32	54.50
BARCLAYS PLC COMMON STOCK GBP.25	0.40	1.70	25.27
SOCIETE GENERALE COMMON STOCK EUR1.25	0.29	1.40	21.87

Leading Detractors	Contribution	Weight	Return
RHEINMETALL AG COMMON STOCK NPV	-0.26	0.96	-21.38
SOFTBANK CORP COMMON STOCK	-0.39	0.53	-77.81
3I GROUP PLC COMMON STOCK GBP.738636	-0.39	1.63	-21.25

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*Average portfolio weight for each security during the course of the quarter, calculated using daily holdings.

**The return for each security corresponds to the portion of the quarter when the fund held the security.

Top 10 holdings (%)

ASML Holding NV	2.44
HSBC Holdings PLC	1.91
Barclays PLC	1.89
Banco Santander SA	1.85
UBS Group AG	1.76
Rolls-Royce Holdings PLC	1.72
Teva Pharmaceutical Industries Ltd.	1.61
Societe Generale SA	1.57
SAP SE	1.52
Iberdrola SA	1.49
Total	17.76

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

The MSCI EAFE 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.

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. Growth stocks typically are particularly sensitive to market movements and may involve larger price swings because their market prices tend to reflect future expectations. The prices of securities the sub-adviser believes are undervalued may not appreciate as anticipated or may go down. Investments in global/international markets involve risks not associated with U.S. markets, such as currency fluctuations, adverse social and political developments, and the relatively small size, lower market volumes and lesser liquidity of the markets. There also can be no assurance that the use of models will result in effective investment decisions for the fund.

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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