

Transamerica UltraShort Bond

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Investment objective

The fund seeks a high level of income consistent with minimal fluctuation in principal value and liquidity.

Key facts

Investment Manager

Transamerica Asset Management, Inc. (TAM)

Lipper Category

Ultra-Short Obligations Funds

Dividend Frequency

Daily

Benchmark

Bloomberg Short-Term Government Corporate Index

SUB-ADVISER



Aegon USA Investment Management, LLC (AUIM)

PORTFOLIO MANAGERS

Brian Barnhart, CFA

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MACROECONOMIC OVERVIEW

In 2025, investors are learning the cost of macro uncertainty—volatility. While the overall fiscal policy shift could turn out to be a positive supply shock, it must first get through the short-run challenges of sequencing the policy changes (tariff implementation occurs before tax legislation or de-regulation). Thus, the impact so far has been a drag as tariffs weigh on growth, while the stimulative aspect of tax cuts and deregulation are still to come. On the economic front, inflation edged up to 2.4% in May compared to a year ago, according to data from the Bureau of Labor Statistics. That was slightly higher than its 2.3% reading in April. The US labor market added 147,000 jobs in June, according to data from the Bureau of Labor Statistics. However nearly half of that total came from the public sector. The unemployment rate, which is based on a separate survey, fell to 4.1%—mostly due to a contraction in the labor force. The Federal Reserve (Fed) met in June and left its benchmark interest rate unchanged at a range of between 4.25% and 4.50%. While individual Committee members have voiced increasingly disparate views around the optimal path of policy as tariffs weigh on both the inflation and growth outlooks, Chair Powell has maintained a preference for waiting for greater clarity before altering policy. The Bloomberg US Short-Term Government/Corporate Index returned 1.04% in the quarter. While the overall yield to worst for the index was little changed over the quarter, the index option-adjusted spread for the corporate component of the index narrowed 0.05%. Although short-dated yields have declined in recent quarters, they remain elevated relative to the past 15 years. While credit spreads trade tight to their historical ranges, short-dated credit spreads are somewhat wider than in recent years, resulting in valuations that are relatively more aligned with historical levels.

FUND OVERVIEW

Transamerica UltraShort Bond's performance relative to the Bloomberg US Short-Term Government/Corporate Index benefited from the overweight to credit in the quarter given the additional yield generated by these securities compared to the benchmark. This positioning also led the portfolio to benefit more than the benchmark from the positive impact on price due to spread tightening over the quarter. Curve positioning was a negligible detractor to relative returns. The largest contributors to the portfolio's relative return were an ex-index allocation to asset-backed securities and the underweight allocation to government securities. There were no notable detractors at a sector level for the quarter. Within corporate credit, the largest contributors to relative returns were the overweight allocation to banking and selection within banking, capital goods, consumer cyclicals and energy. Allocations to consumer cyclicals and electric, along with selection within brokerage/asset managers/exchanges negligibly detracted.

OUTLOOK

The overall economic outlook for the rest of 2025 continues to be one of policy transition. The landscape should start to look brighter as the fiscal policy wish list manifests itself into actual policy. That should help reduce uncertainty risk and potentially impart a positive supply shock on the economy, but it is more likely a 2026 story than a second half of 2025 one. While policy uncertainty appears set to subside, continued market volatility cannot be ruled out given the uncertain impact of fiscal policy and corresponding Federal Reserve action. Aegon USA Investment Management, LLC (AUIM) maintains a cautious risk stance and will continue to manage exposure alongside the evolving outlook.

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)	1.05	2.22	5.02	-	-	-	5.30	0.63	0.35
Class A (at NAV)	0.96	1.95	4.64	-	-	-	4.93	0.89	0.69
Class A (at POP)	0.96	1.95	4.64	-	-	-	4.93	0.89	0.69
Bloomberg Short-Term Government Corporate Index	1.04	2.16	4.99	-	-	-	-	-	-

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 0.00%. 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 (%)

U.S. Treasury Bills, 4.08%, due 02/19/2026	3.32
GTA Funding LLC, 4.48%, due 09/29/2025	1.89
Cancara Asset Securitisation LLC, 4.47%, due 10/27/2025	1.75
Discover Card Execution Note Trust, Series 2023-A1, Class A, 4.31%, due 03/15/2028	1.63
Capital One Multi-Asset Execution Trust, Series 2019-A3, Class A3, 2.06%, due 08/15/2028	1.60
Ford Credit Auto Owner Trust, Series 2021-1, Class A, 1.37%, due 10/17/2033	1.60
GM Financial Revolving Receivables Trust, Series 2021-1, Class A, 1.17%, due 06/12/2034	1.58
Barton Capital SA, 4.48%, due 08/13/2025	1.36
DNB Bank ASA, 4.45%, due 07/15/2025	1.36
American Honda Finance Corp., 4.81%, due 09/04/2025	1.35
Total	17.44

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	58.16
1-3 Years	24.50
3-5 Years	3.12
5-10 Years	9.07
10-20 Years	0.70

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 Bloomberg Short-Term Government Corporate 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.

Fixed-income securities are subject to risks including credit risk, interest rate risk, counterparty risk, prepayment risk, extension risk, valuation risk, and liquidity risk. Interest rates may go up, causing the value of the Fund's investments to decline. Changes in interest rates, the market's perception of the issuers and the creditworthiness of the issuers may significantly affect the value of a bond. These risks are described in more detail in the prospectus.

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. Aegon USA Investment Management, LLC is an affiliate of Aegon companies. Transamerica companies are part of the Aegon group. 1801 California St. Suite 5200, Denver, CO 80202

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