

## Transamerica Intermediate Muni

A | TAMUX | 10/31/2012 C | TCMUX | 10/31/2012 I | TIMUX | 10/31/2012

### Investment objective

The fund seeks to maximize total return through a combination of current income that is exempt from federal income tax and capital appreciation.

### Key facts

#### Investment Manager

Transamerica Asset Management, Inc. (TAM)

#### Morningstar Category

Muni National Intern

#### Lipper Category

Intermediate Municipal Debt Funds

#### Dividend Frequency

Daily

#### Benchmark

Bloomberg Muni Managed Money Intermediate Index

### SUB-ADVISER



Belle Haven Investments, L.P. (Belle Haven)

### PORTFOLIO MANAGERS

Max Christiana

Matthew Dalton

### MACROECONOMIC OVERVIEW

For Q1 2026, Munis returned -0.18%, as reflected by the Bloomberg Municipal Bond Index. The 10-year Muni/UST ratio ended the quarter at 72%, up from the 68% ratio at the end of Q4 2025. During Q1, \$139.3 billion in municipal bonds were issued, down 4% from Q4 2025 and up 4% from Q1 2025. Of that, \$130 billion was tax-exempt. Tax-exempt spreads tightened over the quarter as yields rose. AA spreads stayed relatively stable, with premium structures fetching no more than 4 bps over similar AAA bonds. A-rated bonds also moved tighter vs AA's over the quarter, and BBB-A spreads remained relatively flat, with some decompression happening during the most violent yield moves in mid-March. The tax-exempt yield curve steepened moderately over the quarter. While most yields were up, the 2-year yield only rose by 3 bps while the 30y yield rose by 22 bps. The interesting region of steepness from 2038 to 2046, that was notable at the start of the quarter, moderated slightly, beginning with a staggering 94 bps and ending with 80 bps. The moderation of this steepness in the face of yield rises has made the 20y spot one of the best performing spots on the curve YTD.

### FUND OVERVIEW

Transamerica Intermediate Muni returned 0.16% for the quarter, outperforming its benchmark, the Bloomberg Municipal Managed Money Intermediate Index, which returned -0.71%. The fund's effective duration ended the quarter at 5.63y, up .02y from the end of Q4 2025, and .40y shorter than the index, at 6.03y. The fund's average coupon saw an increase of 7 basis to 4.67% at quarter-end from 4.60% at the close of Q4 2025. As mentioned in last quarter's commentary, Belle-Haven noticed the unusual steepness in the 15-20y part of the curve and expanded our holdings out to 20y to take advantage of the extra yield. This helped us over the quarter, as the 15-20y maturity bucket outperformed as the steepness there moderated.

### OUTLOOK

Macroeconomic risks seem to favor continued curve steepening, with labor and production numbers softening. Moderating this is, of course, the ongoing conflict in Iran which will lead to significant headline inflation by way of oil prices. It remains to be seen whether higher fuel prices will affect the prices of other goods over time. The firm also notes that the 10-20y range continues to be steep, with yields on high quality credits with pristine structure in the 20y spot comparable to, if not higher than, BBB credits with poor structure in the 10y spot. To capture continued front-end price performance, Belle Haven continues to reinvest in that part of the curve. On the other hand, the yields in the 15-20y range are so attractive that Belle-Haven will also focus on purchases in that part of the curve. To achieve a yield that stands out from our competitors, the firm is holding on to our remaining long positions (20+y) which make up a modest proportion of the fund. The start of 2026 was slightly slower than that of 2025, but supply estimates maintain Belle-Haven is on pace for another big year in municipals. Most supply estimates for 2026 see continued heavy issuance in the \$550-600B. In general, the firm believes a strong coupon, healthy structure, and astute security selection will drive performance over the year.

**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)	0.16	0.16	4.37	3.32	0.52	1.85	3.14	0.59	0.49
Class A (at NAV)	0.11	0.11	4.17	3.14	0.33	1.71	3.00	0.79	0.69
Class A (at POP)	-3.15	-3.15	0.83	2.00	-0.33	1.37	2.75	0.79	0.69
Bloomberg Muni Managed Money Intermediate Index	-0.71	-0.71	4.53	2.31	0.68	1.90	-	-	-

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 3.25%. 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 (%)

New York City Municipal Water Finance Authority, Series AA-6, 2.65%, due 06/15/2048	1.29
Texas Municipal Gas Acquisition & Supply Corp. VI, 5.00%, due 01/01/2036	1.03
California Health Facilities Financing Authority, Series A, AG-CR, 5.00%, due 12/01/2035	0.97
California Enterprise Development Authority, Series A, 5.50%, due 11/01/2059	0.73
Public Finance Authority, Series A-1, BAM, 5.38%, due 07/01/2047	0.71
City of Chicago, Series A, AG-CR, 5.00%, due 01/01/2044	0.70
Del Valle Independent School District, Series B, 5.00%, due 06/15/2026	0.68
Illinois Finance Authority, 4.00%, due 10/15/2037	0.67
New York State Dormitory Authority, Series A, 5.50%, due 07/01/2054	0.63
State of Illinois, Series F, 5.25%, due 09/01/2046	0.63
<b>Total</b>	<b>8.04</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	2.86
1-3 Years	4.32
3-5 Years	5.33
5-10 Years	20.58
10-20 Years	41.40
20+ Years	21.78

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 Bloomberg Muni Managed Money Intermediate 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 interest from municipal bonds is expected to be exempt from federal income tax. If a fund investor is a resident in the state of issuance of the bonds held by the fund, interest dividends may also be free of state and local income taxes. Such interest dividends may be subject to federal and/or state alternative minimum taxes. Municipal bond prices can rise or fall depending on interest rates. Interest rates may go up, causing the value of the Fund's investments to decline. The municipal bond market can be susceptible to unusual volatility, particularly for lower-rated and unrated securities. All municipal bonds carry credit risk that the issuer will default or be unable to make timely payments of interest and principal. Generally, lower rated bonds carry more credit 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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