

## Transamerica Long Credit

**A | TLCDX | 03/31/2023**   **I | TLCJX | 03/31/2023**

### Investment objective

The fund seeks to provide total return through a combination of current income and capital appreciation.

### Key facts

**Investment Manager**

Transamerica Asset Management, Inc. (TAM)

**Lipper Category**

Corporate Debt Funds BBB-Rated

**Dividend Frequency**

Daily

**Benchmark**

Bloomberg US Long Credit Index

### SUB-ADVISER



Aegon USA Investment Management, LLC (AUIM)

**PORTFOLIO MANAGERS**

Bradley D. Doyle, CFA\*

Norbert King

Sivakumar N. Rajan

### 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 Long Credit Index returned 1.25% in the quarter. Narrowing credit spreads were the predominant contributor to performance, narrowing 0.13% to 1.04%. Long-dated interest rates were generally stable during the quarter with the index yield to worst declining 0.01% to 5.72%.

### FUND OVERVIEW

Transamerica Long Credit quarterly performance relative to the Bloomberg US Long Credit Index was largely driven by credit spread impacts as the portfolio did not benefit as much as the benchmark from credit spread tightening given its modest ex-index allocation to U.S. Treasury securities. Duration positioning also detracted from relative returns but to a lesser degree. Within corporate credit, selection within banking and consumer non-cyclicals were the largest contributors. The largest detractors were selection in electric and energy.

### 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
<b>Class I (at NAV)</b>	1.30	3.45	4.13	-	-	-	2.15	0.65	0.65
<b>Class A (at NAV)</b>	1.25	3.27	3.89	-	-	-	1.93	0.78	0.78
<b>Class A (at POP)</b>	-3.59	-1.60	-1.02	-	-	-	-0.26	0.78	0.78
<b>Bloomberg US Long Credit Index</b>	1.25	3.75	5.13	-	-	-	-	-	-

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://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 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 (%)

U.S. Treasury Notes, 4.63%, due 02/15/2035	1.88
Anheuser-Busch InBev Worldwide, Inc., 4.44%, due 10/06/2048	1.38
Oracle Corp., 6.90%, due 11/09/2052	1.17
JPMorgan Chase & Co., 3.11%, due 04/22/2041	1.08
U.S. Treasury Bonds, 1.13%, due 05/15/2040	1.05
Charter Communications Operating LLC/ Charter Communications Operating Capital, 6.48%, due 10/23/2045	1.03
Verizon Communications, Inc., 3.70%, due 03/22/2061	1.03
Virginia Electric & Power Co., 8.88%, due 11/15/2038	1.00
AT&T, Inc., 3.55%, due 09/15/2055	0.96
Energy Transfer LP, 7.50%, due 07/01/2038	0.85
<b>Total</b>	<b>11.43</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 (%)

5-10 Years	5.14
10-20 Years	25.33
20+ Years	68.38

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 U.S. Long Credit 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](https://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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