

TA MORGAN STANLEY GLOBAL ALLOCATION

Initial | 05/01/2011 **Service** | 05/01/2009

INVESTMENT OBJECTIVE

This investment option invests in a portfolio which seeks high total return.

KEY FACTS

Investment Manager	Transamerica Asset Management, Inc. (TAM)
Lipper Category	Flexible Portfolio Funds
Portfolio Name	Transamerica Morgan Stanley Global Allocation VP**
Primary Benchmark	MSCI ACWI Index
Secondary Benchmark	Transamerica Morgan Stanley Global Allocation VP Blended Benchmark

SUB-ADVISER Morgan Stanley Investment Management

Morgan Stanley Investment Management Inc. (MSIM)

PORTFOLIO MANAGERS

Cyril Moullé-Berteaux
Mark Bavoso
Sergei Parmenov

FEES (%)

	Initial	Service
Gross Expense Ratio (%)	0.69	0.94
Net Expense Ratio (%)	0.69	0.94

Expense ratios for Service Class shares are higher than Initial Class shares due to the inclusion of 12b-1 fees. Expense ratios shown reflect fee waivers, expense reimbursements, or expense recaptures, if any, which are at the discretion of the Investment Manager. Fee waivers and expense reimbursements are included in the Net Expense Ratio only. Expense recaptures are included in both the Gross Expense Ratio and the Net Expense Ratio. The expense ratios include acquired (i.e. underlying) funds' fees and expenses.

PORTFOLIO CHARACTERISTICS

Net Assets (all share classes)	\$1.42 Billion	R-Squared (Initial Class)	98.80
Number of Holdings	1,572	R-Squared (Service Class)	98.70
Portfolio Turnover (as of 12/31/2019)	190.00%	Standard Deviation (Initial Class)	10.91
Alpha (Initial Class)	-1.55	Standard Deviation (Service Class)	10.91
Alpha (Service Class)	-1.80	Median Market Cap	\$18.15 Billion
Beta (Initial Class)	1.07	Weighted Average Market Cap	\$333.23 Billion
Beta (Service Class)	1.07	Price/Book Ratio	2.07

Risk measures are in comparison to the fund's blended benchmark unless otherwise indicated. Based on the indicated class shares at NAV for the 3-year period. **Past performance is no indication of future results.** **Alpha** is a coefficient measuring the portion of a fund's return arising from specific (non-market) risk. Historical **Beta** illustrates a fund's sensitivity to price movements in relation to a benchmark index. **R-Squared** is a statistical measure that represents the percentage of a fund's movements that can be explained by movements in a benchmark index. **Standard Deviation** is a statistical measurement that helps to gauge the fund's historical volatility. **P/B Ratio** is the ratio of the fund's market price to the most recently reported book value for the prior fiscal year.

TOP 10 HOLDINGS (%)

Hellenic Republic Government Bond, 3.75%, due 01/30/2028	2.55
Mexico Bonos, Series M, 8.50%, due 05/31/2029	2.43
Uniform Mortgage-Backed Security, 2.50%, TBA	1.84
U.S. Treasury Note, 1.87%, due 07/31/2022	1.78
U.S. Treasury Note, 1.37%, due 01/31/2021	1.34
Japan Government Ten Year Bond, 0.10%, due 06/20/2026	1.30
Apple, Inc.	1.29
U.S. Treasury Note, 2.12%, due 05/15/2025	1.27
Uniform Mortgage-Backed Security, 3.00%, TBA	0.96
Microsoft Corp.	0.94
Total	15.70

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

ASSET ALLOCATION (%)



U.S. allocations may include U.S. territories and possessions. 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.

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as of 09/30/2020

INVESTMENT STRATEGY

Under normal circumstances, the portfolio's sub-adviser, Morgan Stanley Investment Management Inc. (the "sub-adviser"), seeks to achieve the portfolio's investment objective by investing primarily in a blend of equity and fixed-income securities of U.S. and non-U.S. issuers. Equity securities may include common and preferred stocks, depository receipts, convertible securities, equity-linked securities, real estate investment trusts ("REITs"), rights and warrants to purchase equity securities and limited partnership interests. Fixed-income securities may include mortgage-related or mortgage-backed securities, inflation-linked fixed-income securities, securities issued or guaranteed by the U.S. Government, its agencies or instrumentalities, securities issued or guaranteed by non-U.S. governments, their agencies or instrumentalities, corporate bonds and notes issued by U.S. and non-U.S. entities. The portfolio's neutral allocation is 60% of net assets in equity securities and 40% of net assets in fixed income securities, although, as the sub-adviser tactically allocates the portfolio's assets, this allocation may change and vary significantly in response to changing market conditions.

The sub-adviser will utilize a top-down investment approach that focuses on asset class, sector, region, country and currency and thematic allocations. The sub-adviser's investment and allocation decisions for the portfolio will be based upon the sub-adviser's evaluations, analyses and judgments, taking into account results of its fundamental market research and recommendations generated by the sub-adviser's quantitative inputs. The sub-adviser's research process generally focuses on the following factors across asset classes: 1) valuation (both relative and absolute), 2) dynamics, including earnings revisions, interest rate policy and inflation expectations and 3) sentiment, such as investor flows and positioning. The portfolio may invest in any country, including developing or emerging market countries. The portfolio will allocate its assets among various countries, including the U.S. (but in no fewer than three countries). Under normal market conditions and over a full market cycle, the portfolio's U.S. and non-U.S. exposures will be generally consistent with those of the portfolio's global multi-asset secondary benchmark, the Transamerica Morgan Stanley Global Allocation VP Blended Benchmark, which consists of the MSCI ACWI Index (60%) and Bloomberg Barclays Global Aggregate Index (40%). The portfolio's investments may be U.S. and non-U.S. dollar denominated. In determining whether to sell a security, the sub-adviser considers a number of factors, including changes in capital appreciation potential, or the overall assessment of asset class, sector, region, country, and currency and thematic allocation shifts.

Asset allocation and diversification do not assure or guarantee better performance, cannot eliminate the risk of investment losses, and do not protect against an overall declining market.

Investing internationally, globally, or in emerging markets exposes investors to additional risks and expenses such as changes in currency rates, foreign taxation, differences in auditing and other financial standards not associated with investing domestically.

Growth stocks can be volatile and experience sharp price declines and certain types of stocks can be extremely volatile and subject to greater price swings than the broader market. The market prices of fixed-income securities may go up or down, sometimes rapidly or unpredictably due to general market conditions.

The MSCI ACWI Index and Transamerica Morgan Stanley Global Allocation VP Blended Benchmark (60% MSCI ACWI Index and 40% Bloomberg Barclays Global Aggregate Index) are unmanaged indices used as general measures of market performance. It is not possible to invest directly into an index.

SECTOR WEIGHTS (%)

Foreign Government Obligation	19.40
Consumer Discretionary	12.35
Industrials	8.39
Financials	8.22
U.S. Government Obligation	8.22
Information Technology	6.96
Health Care	5.06
U.S. Government Agency Obligation	3.98
Communication Services	3.69
Consumer Staples	3.54

Sector weights display excludes net other assets (liabilities).

TOP 10 COUNTRY WEIGHTS (%)

United States	46.59
Net Other Assets (Liabilities)	11.01
Japan	5.87
United Kingdom	4.73
France	3.85
Germany	3.20
Canada	2.96
Australia	2.93
Greece	2.55
Mexico	2.52

Effective May 1, 2020, Morgan Stanley Investment Management Inc. replaced BlackRock investment Management, LLC as a sub-advisor to the fund, and the fund was renamed to Transamerica Morgan Stanley Global Allocation VP. Prior to May 1, 2020, the fund used a different investment objective, investment strategy, primary benchmark and secondary benchmark. The performance set forth prior to that date is attributable to the previous sub-adviser and strategy.

**All facts, statistics and information presented are those of the underlying portfolio in which the investment option invests. This underlying portfolio is only offered as an investment option within a variable annuity contract.

Variable annuities are long-term tax deferred vehicles designed for retirement purposes. They offer three main benefits: tax-deferred treatment of earnings, guaranteed death benefit options, and guaranteed lifetime payout options. Variable annuities are subject to investment risk, including possible loss of principal.

The value of the variable annuity will fluctuate so that when surrendered, it may be worth more or less than the total of premium payments. Past performance is no guarantee of future results.

This portfolio is only offered as an investment option within a variable annuity contract.

There are other investment choices available with different management fees associated with each choice.

The COVID-19 pandemic has caused substantial market disruption and dislocation around the world including the U.S. During periods of market disruption, which may trigger trading halts, the fund's exposure to the risks described elsewhere in the prospectus will likely increase. As a result, whether or not the fund invests in securities of issuers located in or with significant exposure to the countries directly affected, the value and liquidity of the fund's investments may be negatively affected.

You should consider a variable annuity's investment objectives, risks, charges, and expenses carefully before investing. Go to www.transamerica.com for prospectuses containing this and other information. Please read them carefully.