Global Dynamic Income Fund (CHW) 4Q17 Commentary

CALAMOS® INVESTMENTS

FUND

- CHW is a global enhanced fixed income offering that seeks to provide an attractive monthly distribution, with a secondary objective of capital appreciation.
- Invests in global fixed income securities, alternative investments and equities; at least 40% of assets invested in non-U.S. companies

Current Annualized Distribution Rate[1]	9.25%

ASSET ALLOCATION	%
Common Stock	48.2
Convertibles	29.0
Corporate Bonds	15.9
Cash and Receivables/Payables	3.8
US Government Securities	1.6
Options	0.6
Other	0.4
Bank Loans	0.2
Preferred Stock	0.2

The portfolio is actively managed. Holdings and weightings are subject to change at any time without notice. Asset Allocation Weightings are calculated as a percentage of Managed Assets.

[1]Current Annualized Distribution Rate is the Fund's most recent distribution, expressed as an annualized percentage of the Fund's current market price per share. **The Fund's most recent distribution was $0.0700 per share. Based on our current estimates, we anticipate that approximately $0.0700 is paid from ordinary income or capital gains and $0.0000 of the distribution represents a return of capital.** Estimates are calculated on a tax basis rather than on a enerally accepted accounting principles (GAAP) basis, but should not be used for tax reporting purposes. Distributions are subject to re-characterization for tax purposes after the end of the fiscal year. This information is not legal or tax advice. Consult a professional regarding your specific legal or tax matters. Under the Fund's managed distribution policy, distributions paid to common shareholders may include net investment income, net realized short-term capital gains, net realized long-term capital gains and return of capital. When the net investment income and net realized short-term capital gains are not sufficient, a portion of the distribution will be a return of capital. In addition, a limited number of distributions per calendar year may include net realized long-term capital gains. Distribution rate may vary.

There is no assurance that the Fund will achieve or maintain its investment objective.

Overview

Global equities delivered broad-based gains in the fourth quarter and for the full year as markets reflected positive data on the global economy and corporate earnings, framed in the context of modest inflation and generally accommodative central banks. Developed market equities, as measured by the MSCI World Index, posted a 5.62%* quarterly return, indicating broad participation across all major regions. U.S. equities added to their strong 2017 gains, as the S&P 500 Index returned 6.64% in the period. Emerging markets also built on their leading returns for the year, with the MSCI Emerging Markets Index climbing 7.50% in the quarter. The broad MSCI ACWI Index, which includes EM exposures, returned 5.84%, highlighting the upside realized throughout global markets.

Each of the major U.S. equity market indices reached new highs in the quarter, with the S&P 500 Index marking an impressive ninth-straight quarter of gains. Investors responded to strong corporate earnings, generally positive economic data, and significant tax reform. Congress passed wide-ranging tax legislation in December, completing what had been a highly anticipated event that carries broad economic implications. The changes will result in a permanent tax cut for U.S. corporations, in addition to a series of tax reforms and modifications for individuals. Positive economic releases and moderate inflation also supported higher stock prices, as recent ISM data indicated both services and manufacturing activity remained strong in November and December. From a monetary policy perspective, the Fed raised interest rates, marking the third increase for the year and fifth in this cycle. In terms of the overall economy, U.S. Real GDP growth in the latest quarter was revised to a 3.2% annual rate, underscoring a healthy uptick in activity as the year progressed.

European equities returned 2.26% for the quarter, as represented by the MSCI Europe Index (+1.32% in local currency). Shares were somewhat mixed across countries, but the region reflected generally positive economic data, solid earnings growth, and the effects of relatively accommodative monetary

ANNUALIZED TOTAL RETURN AS OF 12/31/17

	QTD	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SHARE INCEPTION (06/27/07)
On Market Value	3.57%	43.67%	10.65%	12.27%	6.80%	5.27%
On NAV	4.14	24.87	10.10	9.88	5.66	5.82

Source: State Street Corporation

Returns of less than 12 months are cumulative returns. Returns for periods greater than 12 months are annualized returns. Total return measures net investment income and capital gain or loss from portfolio investments as an annualized average. In calculating net investment income, all applicable fees and expenses are deducted from the returns.

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of the benchmark(s). Portfolio performance, characteristics and volatility may differ from the benchmark(s) shown.

You can purchase or sell common shares daily. Like any other stock, market price will fluctuate with the market. Upon sale, your shares may have a market price that is above or below net asset value and may be worth more or less than your original investment. Shares of closed-end funds frequently trade at a market price that is below their net asset value.

Please refer to back page for important notes. All values are in USD terms unless otherwise indicated.

policy. The European Central Bank (ECB) left key short-term interest rates unchanged at its latest meeting, indicating it will continue its bond-buying program. The ECB upgraded economic growth forecasts for several years ahead, but it expects inflation to fall short of its stated 2% target. In this regard, euro zone inflation remains quite muted, with a recent 1.4% year-over-year increase, supportive of the central bank's still accommodative measures. Moreover, euro zone manufacturing and services data continued to show expansion, and export orders picked up due to a surge in global demand. The region's latest GDP figures point to broad-based growth across countries. From a country perspective, Austria and the UK were the leading markets during the period, returning 5.83% and 5.74%, while Sweden and Finland declined -3.72% and -2.55%.

Asian equities surged in the period, as the MSCI Pacific index returned 8.02% (+8.11% in local currency). Japan's recent PMI data revealed continued strength in the manufacturing and services sectors, while more sluggish retail sales point to lackluster consumer demand and wage growth. The Bank of Japan left its negative interest rate unchanged at its last meeting and modestly upgraded its GDP growth forecasts to 1.8% for next year. The central bank is expected to maintain highly accommodative policy rates until it approaches its inflation target and domestic demand is more robust. Australian economic data remained mixed as the unemployment rate hovered at a multi-year low of 5.4%, while income growth and consumer price inflation finished below estimates. In terms of select country performance, Japan returned 8.52%, while Hong Kong and Australia returned 6.58% and 6.85%, respectively.

Emerging market equities, as represented by the MSCI Emerging Markets Index, advanced 7.50% in the quarter. These markets produced leading returns of 37.75% for the full year, benefitting from strong earnings growth, appreciating currencies, upbeat investor sentiment and capital inflows. China's economic data continued to be positive, showing both healthy domestic demand and increased exports. India's asset prices rallied following a Moody's credit rating upgrade, their first since 2004, thanks to progress on a series of economic reforms. South Africa (+21.46%) and Greece (+13.55%) were among the top-performing EM countries in the period, while the laggards included Pakistan (-5.23%) and Mexico (-8.02%).

Global convertibles participated in the upside in global equities, as the ICE BofAML Global 300 Convertible Index returned 2.46% in the quarter and 16.06% for 2017. U.S. convertibles participated with gains in their underlying equities, returning 1.56% in the quarter. European convertibles also performed well, returning 2.57%, while Japanese domestic convertibles climbed 4.86%. Asia ex-Japan convertibles lagged other markets in the period, dipping -0.44%. New convertibles issuance finished at $74.5 billion globally for the year. The level marked a reasonably healthy supply in the overall market as issuance also outpaced redemptions for the year.

After rallying tighter to close the month of November, high yield credit spreads spent the entire month of December trading in an 8 basis points range, a period of extremely low volatility. Calamos views the passage of the GOP-led Tax Cuts and Jobs Act of 2017 as a broad, long-term positive for credit as the lower corporate tax rate should allow companies to reduce leverage over time. However, capping interest deductibility based on a percentage of earnings may pressure highly levered companies over both intermediate and long-term periods. Option-adjusted spreads tightened by 4 basis points, ending at 343 basis points, slightly off the tightest levels of 2017.

Distributions Remained Competitive.

The fund maintained a monthly distribution of $0.0700 throughout the quarter. The fund's current annualized distribution rate was 9.25% of market price as of December 31, 2017. We believe that the fund's monthly distributions are highly competitive, given that very low interest rates and yields remain the norm throughout much of the global marketplace. For example, the 10-year U.S. Treasury bond yield was 2.40%, the S&P 500 Index yield was 2.00% and the BofA Merrill Lynch High Yield Master II Index was 5.78% as of December 31, 2017.

Our policy is to pay a distribution reflective of the fund's past results and projected earnings potential. Monthly distributions paid may include net investment income, net realized short-term capital gains and, if necessary, return of capital. We focus on delivering an attractive

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monthly distribution, while maintaining a long-term focus on risk management.

Performance Review

In this fund, we employ a highly flexible approach, investing in equities, convertible securities and high yield securities. This serves to allow optimal employment of active management to seek the best opportunities for our shareholders. We also utilize alternative strategies, such as convertible arbitrage to enhance returns. For the quarter ending December 31, 2017, the fund returned 3.57% on market price and 4.14% on NAV. A breakdown on performance relative to specific investment indexes follows.

U.S. Equities

During the quarter, the fund's U.S. equity sleeve underperformed relative to the S&P 500 Index (+4.99% versus +6.64%). Our selection in industrials, specifically selection in industrial conglomerates, and our selection in utilities, notably in electric utilities, helped relative performance. Conversely, selection in health care, particularly in pharmaceuticals, underperformed relative to the Index. In addition, our selection in integrated telecommunication services industry of telecom services was not productive to returns.

International Equities

The fund's allocation to international stocks underperformed relative to the MSCI EAFE Index (+2.89% versus +4.27%) for the quarter. Our selection in telecom services, especially in wireless telecommunication services, added to performance relative to the index. In addition, our selection in healthcare, mainly in pharmaceuticals, was beneficial. Our selection in European securities relative to the index also provided a lift. Conversely, our selection in Industrials, notably an overweight to industrial conglomerates, was detrimental to performance compared to the index. In addition, our selection in information technology, namely an overweight in communications equipment, lagged. Our selection in U.S. securities was also a hindrance.

Global Securities

For the quarter, our global securities sleeve underperformed relative to the MSCI World Index (+1.53% versus +5.62%). Our selection in health care, notably in biotechnology, was constructive to performance relative to the index. In addition, our selection in utilities, specifically electric utilities, was helpful as the sector underperformed relative to the index for the period. Our selection in European securities also served to boost performance relative to the index. Conversely, our selection in consumer discretionary, namely in-home furnishings was detrimental to performance compared to the index. In addition, our selection in information technology, namely in internet and direct marketing retail, lagged on a relative basis. Our U.S. selection also impeded return.

Convertible Arbitrage

Convertible Arbitrage entails owning a convertible bond long and then shorting its underlying stock. It is employed as a strategy to enhance return. Overall volatility increased during the quarter but remained low relative to historical averages. Single name and intraday volatility, however, did provide some opportunities to gamma trade. However, as the convertibles in the portfolio had an average time to maturity of roughly 3.4 years, rising interest rates caused the bond component of the convertibles to generally decline in value.

Overall Positioning

We continued to find opportunities across all asset classes. Common stocks represented approximately 48% of managed assets, as of December 31, 2017, followed by convertible securities at approximately 29% and corporate bonds at approximately 16%. Our equity holdings offer our customers exposure to improving stock markets, and our convertibles present a way to participate in the upside of the equity markets in a more risk-managed manner, while earning income for distributions. We limited our exposure to lower credit, with less than 4% of our portfolio invested in CCC-rated bonds. As of December 31, 48% of our portfolio represented U.S.-based securities.

We maintained a preference for larger-cap, growth-oriented companies with global presence and geographically diversified revenue streams. As we have discussed in past commentaries, we believe that such companies are particularly well positioned to capitalize on the global growth trends we see, especially in the U.S. and in other select developed markets in Europe. In keeping with our emphasis on risk management, we continue to target those companies that have

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respectable balance sheets, solid free cash flow, good prospects for sustainable growth and reliable debt servicing. We believe such companies will be less vulnerable to volatility that is bound to occur.

The portfolio's largest absolute allocations are found in information technology, consumer discretionary and financials, while our lightest exposures are in real estate, telecom services and utilities. We believe that many information technology companies offer compelling fundamentals and participation in secular growth trends. We believe that consumer discretionary companies will benefit as consumer spending supports the general economy. In addition, financials may benefit from less regulation and higher interest rates.

As noted, our pursuit of yield is informed by our risk-managed approach to total return. The portfolio includes a blend of high yield and investment grade credits. We have taken a very selective approach to CCC-rated credits, as we believe it is particularly important to favor companies that offer the best prospects for reliable debt servicing.

Conclusion

The balance of corporate and macroeconomic data points to continued synchronized global growth across regions. Global monetary policy remains accommodative overall, though multiple central banks are edging toward policy tightening, and we are seeing a pivot toward fiscal stimulus. In terms of broad portfolio positioning, we continue to identify opportunities in global equities, reflective of positive fundamentals, benign inflation and relatively attractive valuation, and we favor a blend of investments in secular and cyclical growth companies. As noted, relative valuations and limited growth prospects frame relative underweights to defensive areas overall. We see significant opportunities in companies with earnings growth catalysts, solid cash flow generation and improving-to-strong balance sheets. From the thematic and sector perspectives, the portfolio remains focused on opportunities in the information technology sector, consumer companies with targeted areas of demand, and cyclical financials and industrials offering improving fundamentals and catalysts. Our risk-managed, active investment approach and long-term perspective positions us to take advantage of the opportunities in global markets.

Important Fund Information

The goal of the managed distribution policy is to provide investors a predictable, though not assured, level of cash flow. Monthly distributions paid may include net investment income, net realized short-term capital gains, net realized long-term capital gains and, if necessary, return of capital. Maintenance of this policy may increase transaction and tax costs associated with the Fund.

A credit rating is a relative and subjective measure of a bond issuer's credit risk, including the possibility of default. Credit ratings are assigned to companies by third-party groups, such as Standard & Poor's. Assets with the highest ratings are referred to as "investment grade" while those in the lower tiers are referred to as "noninvestment grade" or "high yield." Ratings are measured using a scale that typically ranges from AAA (highest) to D (lowest).

Leverage creates risks which may adversely affect return, including the likelihood of greater volatility of net asset value and market price of common shares; and fluctuations in the variable rates of the leverage financing. The ratio is the percent of total managed assets.

The Fund may invest up to 100% of its assets in foreign securities and invest in an array of security types and market-cap sizes, each of which has a unique risk profile. As a result of political or economic instability in foreign countries, there can be special risks associated with investing in foreign securities. These include fluctuations in currency exchange rates, increased price volatility, and difficulty obtaining information.

Investments by the Fund in lower-rated securities involve substantial risk of loss and present greater risks than investments in higher rated securities, including less liquidity and increased price sensitivity to changing interest rates and to a deteriorating economic environment.

Fixed income securities are subject to interest-rate risk; as interest rates go up, the value of debt securities in the Fund's portfolio generally will decline.

There are certain risks associated with an investment in a convertible bond such as default risk—that the company issuing a convertible security may be unable to repay principal and interest, and interest rate risk—that the convertible may decrease in value if interest rates increase. Owning a bond fund is not the same as directly owning fixed income securities. If the market moves, losses will occur instantaneously, and there will be no ability to hold a bond to maturity. The principal risks of convertible arbitrage are Convertible Securities Risk and Convertible Hedging Risk. Convertible Securities Risk: The value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors also may have an effect on the convertible security's investment value. Convertible Hedging Risk: If the market price of the underlying common stock increases above the conversion price on a convertible security, the price of the convertible security will increase. The fund's increased liability on any outstanding short position would, in whole or in part, reduce this gain.

The Fund may invest in derivative securities, including options and swap agreements. The use of derivatives presents risks different from, and possibly greater than, the risks associated with investing directly in traditional securities. There is no assurance that any derivative strategy used by the Fund will succeed. One of the risks associated with purchasing an option is that the Fund pays a premium whether or not the option is exercised.

The Fund may seek to purchase index put options to help reduce downside exposure however, the effectiveness of the Fund's index option-based risk management strategy may be reduced if the Fund's equity portfolio does not correlate to the performance of the underlying option positions. The Fund also risks losing all or part of the cash paid for purchasing index options. Unusual market conditions or lack of a ready market of any particular option at a specific time may reduce the effectiveness of the Fund's option strategies, and for these and other reasons the Fund's option strategies may not reduce the Fund's volatility to the extent desired. From time to time, the Fund may reduce its holdings of put options, resulting in an increased exposure to a market decline.

Parties entering an interest rate swap take on exposure to a given interest rate; the exposure can be long or short depending on whether a counterparty is paying or receiving the fixed rate. At the same time, each party takes on the risk—known as counterparty credit risk—that the other party will default at some time during the life of the contract.

The **MSCI ACWI (All Country World Index)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The index is calculated in both U.S. dollars and local currencies. The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The **MSCI World Index** is a market capitalization weighted index composed of companies representative of the market structure of 21 developed market countries in North America, Europe, and the Asia/Pacific region. The **MSCI EAFE Index** measures developed market equity performance (excluding the U.S. and Canada). The **S&P 500 Index** is generally considered representative of the U.S. stock market. The **MSCI Europe Index** is a free float adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. The **MSCI Pacific Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region. The **ICE BofAML Global 300 Convertible Index** is a global convertible index composed of companies representative of the market structure of countries in North America, Europe and the Asia/Pacific region.

The **ICE BofAML U.S. High Yield Index** tracks the performance of below investment grade, but not in default, U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market, and includes issues with a credit rating of BBB or below, as rated by Moody's and S&P. Source ICE Data Indices, LLC, used with permission. ICE permits use of the ICE BofAML indices and related data on an 'as is' basis, makes no warranties regarding same, does not guarantee the suitability, quality, accuracy, timeliness, and/or completeness of the ICE BofAML Indices or data included in, related to, or derived therefrom, assumes no liability in connection with the use of the foregoing and does not sponsor, endorse or recommend Calamos Advisors LLC or any of its products or services.

Unmanaged index returns assume reinvestment of any and all distributions and, unlike fund returns, do not reflect fees, expenses or sales charges. Investors cannot invest directly in an index.

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Terms

A **Managed Distribution Policy** is an investment company's commitment to common shareholders to provide a predictable, but not assured, level of cash flow. **Market Price** refers to the price at which shares of the fund trade in the market. **NAV or Net Asset Value** refers to the net value of all the assets held in the fund. **IPO Price** refers to the initial public offering price for shares of the fund.

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