Global Total Return Fund (CGO) 3Q18 Commentary

CALAMOS INVESTMENTS

FUND

» CGO is a global total return offering that seeks to provide an attractive monthly distribution as well as equity market participation.

» Invests in equities and higher-yielding convertible securities and corporate bonds, issued by companies around the world.

Current Annualized Distribution Rate[1] 8.60%

ASSET ALLOCATION	%
Common Stock	48.3
Convertibles	28.2
Corporate Bonds	13.2
Cash and Receivables/Payables	4.4
US Government Securities	4.1
Options	0.8
Other	0.8
Bank Loans	0.2
Preferred Stock	0.1

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 $0.10000 per share. Based on our current estimates, we anticipate that approximately $0.0000 is paid from ordinary income or capital gains and $0.1000 of the distribution represents a return of capital.** Estimates are calculated on a tax basis rather than on a generally 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 capital gains are not sufficient, a portion of the level rate 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 advanced during a choppy quarter even as investors confronted escalating trade disputes, divergent monetary policy and mixed economic growth versus generally positive corporate earnings and attractive equity valuations. Equities delivered moderate gains across most regions, offset by weakness in emerging markets. Developed markets returned 5.10%, as measured by the MSCI World Index. U.S. stocks outperformed and drove much of this gain, with the S&P 500 Index returning 7.71% in the quarter, while the MSCI World ex-US Index returned 1.38%. Confronting multiple challenges, emerging markets trailed other regions, as the MSCI Emerging Markets Index dipped -0.95%.

Sectors within the MSCI World Index mostly advanced during the quarter. Health Care (+11.15%) and technology (+7.92%) led index gains, while real estate (-1.63%) and materials (-1.23%) trailed other sectors.

U.S. markets outperformed international markets, supported by positive economic data, strong earnings growth, and investor positioning with respect to the stronger dollar and gradual tightening by the Federal Reserve. Economic data continued to reflect a strong domestic expansion. Recent reports showed solid gains in payrolls, extremely low unemployment and moderate wage inflation. Key readings on U.S. manufacturing activity and services demand remained robust, showing particular strength in confidence and new orders, though many businesses continue to cite labor shortages and higher commodity prices as challenges. The Federal Reserve continued on its path of normalization and raised interest rates a quarter point at its September meeting. The Fed also reaffirmed that the strong economy will likely warrant another rate hike before year-end and gradual rate increases in 2019. However, market headlines continued to emphasize global trade skirmishes and negotiations. Trade disputes with China remained contentious, with both sides escalating the size and scope of proposed tariffs during the quarter. Conversely, the U.S., Mexico and Canada announced a new trade agreement to replace NAFTA.

ANNUALIZED TOTAL RETURN AS OF 9/30/18

	QTD	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SHARE INCEPTION (10/27/05)
On Market Value	1.07%	13.08%	19.94%	10.64%	11.98%	8.55%
On NAV	2.88	7.70	12.20	7.77	9.04	8.30

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 returns are in USD terms unless otherwise indicated.

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European equities returned 0.84% for the quarter, as represented by the MSCI Europe Index (+1.24% in local currency). European markets were influenced by a softer patch in economic data, periods of higher trade tension with the U.S. and multiple political risks. Economic data indicated mixed conditions across the region, with manufacturing and industrial production figures coming in slightly below expectations, while consumer confidence and employment data were mostly positive. In terms of monetary policy, the ECB left interest rates unchanged at its recent meeting and held to the target to end QE asset purchases in December, with potential interest rate increases expected in mid-2019. Mario Draghi said the euro-area economy is solid enough to cope with global risks, even though the ECB forecasts show growth will cool slightly faster than previously forecast. The Bank of England raised interest rates during the quarter, increasing the benchmark rate a quarter point despite a mixed macro environment and the still uncertain Brexit outcome. The U.K.'s economic data and corporate releases continue to show mixed signals, with very low unemployment offset by declining home prices and waning business confidence. European markets were also weighed down by ongoing political turmoil in Italy, as the new anti-establishment government proposed a budget with a much wider deficit, setting up a clash with the European Commission, though the two sides were expected to agree on lower deficit targets and debt reduction in the near-term.

Asian developed markets also rose in the period, with the MSCI Pacific index returning 2.37% (+4.53% in local currency). Japan's benchmark Nikkei index approached a multi-decade high in the quarter, aided by improving corporate profits, a healthier economy and a weaker yen benefiting exporters. From a policy perspective, the Bank of Japan (BOJ) left rates unchanged and held to its highly accommodative stance overall, as the BOJ reiterated it would keep rates extremely low for an extended period as inflation levels remained below target. Japan's GDP grew 0.7% in the latest quarter versus the preliminary 0.5% estimate. The reading marked the highest growth since the first quarter of 2017, boosted by higher business spending and a strong rebound in private consumption. Japan's unemployment rate ticked lower to 2.4% in the latest reading, which reflects a stronger economy and broad workforce participation. In other regions, Australia's unemployment rate remained at 5.3%, the lowest level since 2012, and the country's overall economic growth of 0.9% reflected healthy domestic demand and foreign trade. Scott Morrison replaced Malcolm Turnbull as Australia's sixth prime minister in 11 years. Investors responded positively as Morrison had been Treasurer since 2015 and presided over a smaller budget deficit and solid labor market.

Emerging markets underperformed during the period, as the MSCI Emerging Markets Index slipped -0.95%. Emerging markets navigated multiple cross-currents in the period, including global trade disputes, mixed economic data, and weaker currencies. Chinese stocks declined in the quarter, reflecting currency depreciation and an escalation in the trade dispute with the U.S., as both sides increased the scale and scope of import tariffs. Mexican shares continued their relative outperformance in the month and quarter, as the U.S., Mexico and Canada reached agreement on a new trade pact update to NAFTA, spurring equities and the peso higher. Fears of EM contagion risk hit multiple markets during the quarter, including Turkey and Argentina, as these areas battled capital flight, weaker currencies and rising credit spreads, though by quarter-end these markets implemented actions to reduce external vulnerability.

Global convertibles delivered moderate gains with regional returns considerably mixed, as the ICE BofAML Global 300 Convertible Index returned 2.20% in the quarter. U.S. convertibles outperformed other regions and the broader equity market, returning 3.93%. European convertibles underperformed, decreasing -0.42%, while Japan domestic convertibles returned 4.68%. Asia ex-Japan convertibles also declined in the period, returning -3.72%. Globally, investment-grade convertibles returned 1.57% versus the 2.48% gain in below-investment grade issues, as measured by the ICE BofAML Investment Grade Global Index and ICE BofAML Below Investment Grade Global Index. Global convertible issuance slowed versus the prior quarter due to normal seasonality. The $16.2 billion raised during the quarter brought the year-to-date total to approximately $74.0 billion. In particular, convertible issuance year-to-date increased most in the U.S. and Asia versus the prior year, according to BofA Merrill Lynch.

Distributions Remained Competitive

The fund maintained a monthly distribution of $0.10 throughout the quarter. The fund's current annualized distribution rate was 8.60% of market price as of September 30, 2018. We believe that the fund's monthly distributions are highly competitive, given that 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 3.05% and the S&P 500 Index yield was 1.81% as of September 30, 2018.

Our policy is to pay a distribution reflective of the fund's past results and projected earnings potential through income as well as capital gains. We focus on delivering an attractive monthly distribution, while maintaining a long-term focus on risk management.

Performance Review

For the quarter ended September 30, 2018, the fund returned 1.07% on market price and 2.88% on NAV. In pursuit of its risk-managed strategy, the fund navigated through increased global equity market volatility, but ended the period underperforming the MSCI World Index's 5.10% gain.

Contributing Factors. Compared to the MSCI World Index, our selection in health care, particularly in health care technology, was beneficial to return. In addition, our allocation to utilities, specifically avoidance of multi-utilities, lifted return relative to the index. Furthermore, our selection in Canadian securities was an important contributor to quarterly performance.

Detracting Factors. Relative to the MSCI World Index, our selection in telecommunication services, namely selections in wireless communication service, was a drag on returns. In addition, our selection in industrials, particularly selections in industrial machinery, underperformed relative to the index. Our selections in US securities was also detrimental relative to the index.

In pursuit of income-oriented total return, the fund employs a dynamic approach to asset allocation. Over full market cycles, we believe that our multi-asset class global approach offers advantages in providing competitive distributions and total return. As of September 30, approximately 76% of our portfolio was invested in convertibles and equities. This has proven beneficial to our investors as they have been able to participate in both the rallying equity and convertible markets this year.

Positioning

Our heaviest weights were allocations to the information technology, consumer discretionary and financials sectors. The lightest weights were in real estate, telecom services and utilities. We maintained our significant positions in convertibles and equities, as they will offer both income and appreciation in an improving stock market, in addition to providing a cushion against market volatility. Continued strong issuance in convertibles should present future opportunities and may be helpful during periods of market volatility. We currently favor companies with higher-quality balance sheets, strong brands, solid free cash flows and experienced management. We seek to invest in businesses poised to benefit from increased capital spending in technology, minimally or favorably impacted by rising interest rates, and the influence of the US consumer. We are cognizant of the fact that rising interest rates and volatility can have an effect on longer-term fixed income securities, and consider investments accordingly.

Our heaviest country concentrations are in the U.S., China and United Kingdom.

Leverage

We believe that this is an environment that is conducive to the prudent use of leverage as a means of enhancing total return and supporting the fund's distribution rate. Despite a cost increase due to rising interest rates, our use of leverage enjoyed a favorable reinvestment dynamic. As of September 30, 2018 our amount of leveraged assets was approximately 33%.

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Conclusion

Global corporate and macroeconomic data has been mixed versus expectations but, on balance, continues to reflect positive global growth. Global monetary policy remains accommodative overall, though multiple central banks are normalizing policy and we have seen a pivot toward fiscal stimulus. We continue to believe global equity markets are at a key juncture, with important headwinds and tailwinds colliding. We will be looking to additional data to provide more confirmation of direction from here. We see opportunities in global equities, reflective of positive earnings growth, fairly benign inflation and attractive valuations. In terms of portfolio positioning, we favor a blend of investments in secular growth and more cyclical companies, in addition to select holdings in more defensive businesses. This positioning reflects our anticipation of moderate growth conditions but also the potential for economic re-acceleration in the next several quarters. We see significant opportunities in companies with earnings growth catalysts, solid cash flow generation and healthy balance sheets. From a thematic and sector perspective, we see opportunities in the information technology sector, consumer and health care companies with targeted areas of demand, and a set of more cyclical companies with improving fundamentals. Our active, risk-managed investment approach and long-term perspective positions us to take advantage of the volatility and 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.

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.

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.

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 fund may invest in derivative securities, including options. 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.

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The **ICE BofAML All U.S. Convertibles Index (VXA0)** is consists of approximately 700 issues of only convertible bonds and preferreds of all qualities. The **BofA Merrill Lynch 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. **S&P 500 Index** is generally considered representative of the U.S. stock market. 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 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 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. 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.

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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