

# Emerging Economies Strategy



## PORTFOLIO MANAGEMENT

- » Nick Niziolek, CFA, Co-CIO, Head of International and Global Strategies, Senior Co-Portfolio Manager
- » Dennis Cogan, CFA, Co-Portfolio Manager

The team leverages the insights and analysis of the Calamos Investment Committee, as well as dedicated research, risk management, trading and portfolio specialist team support.

## CALAMOS PROFILE

- » Multi-disciplined, global asset manager
- » Headquartered in Chicago-metro area, offices in New York, San Francisco and London
- » Founded in 1977
- » AUM of U.S. \$23.4 billion
- » Institutional Assets<sup>1</sup> of U.S. \$11.4 billion
- » 329 employees<sup>2</sup>, 69 investment professionals

<sup>1</sup>Institutional Assets include institutional share classes of open-end funds as well as assets managed for institutions.

<sup>2</sup>Information as of 3/31/19. Total represents full-time employees of the operating subsidiaries of Calamos Asset Management, Inc. Part-time employees and consultants are excluded.

## Strategy Overview

Calamos Emerging Economies Strategy is an active, all-cap emerging market equity strategy that invests predominantly in the common equities of emerging market-domiciled companies and, to a lesser extent, developed market-domiciled companies with significant revenue exposures in emerging economies. The strategy is primarily invested in common equities but will opportunistically invest in corporate debt securities (such as convertible securities) to generate alpha and manage downside volatility. The strategy seeks to outperform the MSCI Emerging Markets Index over a full market cycle, with less downside volatility and risk.

## Key Differentiators

- » Managing global assets since the 1980s
- » Fundamental research, top-down thematic
- » Capital structure analysis
- » High active share, high conviction
- » Focus on risk-adjusted alpha

## Investment Process

The strategy’s investment process incorporates top-down, macroeconomic analysis and bottom-up research. Our Investment Committee, Co-CIOs and research professionals provide the broad macroeconomic and thematic framework as well as perspective on global risk factors and investment opportunities. Our research analysts leverage quantitative tools to narrow the opportunity set and conduct fundamental research to value the securities within a company’s capital structure. They establish risk and return expectations through cash flow return on investment (CFROI) and discounted cash flow (DCF) analysis. To build higher conviction in investment candidates and holdings, and to stay abreast of industry fundamentals, the investment team travels extensively—meeting with company management, suppliers and competitors. This strategy typically comprises an all-gap, higher-quality and higher-conviction portfolio. Given the broader universe of investment opportunities and the strategy’s ability to invest a portion of assets in out-of-benchmark companies and securities, the strategy will be differentiated from its benchmark and peer group. This advantage should allow the strategy to generate alpha from security selection and top-down positioning.



# Calamos Emerging Economies Strategy

## CHARACTERISTICS

	REPRESENTATIVE PORTFOLIO	MSCI EMERGING MARKETS INDEX
Assets in Strategy <sup>1</sup>	\$302.0 M	N/A
# of Holdings	93	1,132
Portfolio Turnover (12 month)	99.6%	N/A
Median Market Cap (mil)	\$18,668	\$6,601
Weighted Average Market Cap (mil)	\$119,786	\$95,512
ROIC	19.1%	16.8%
Debt/Capital	36.0%	26.7%
PEG Ratio (1 year forward)	1.5x	1.5x
5-Year Earnings Growth (Historical)	7.8%	5.6%

<sup>1</sup>Strategy AUM reflects all assets that are currently being managed (collectively) under the Calamos strategy, which may contain multiple performance composites.

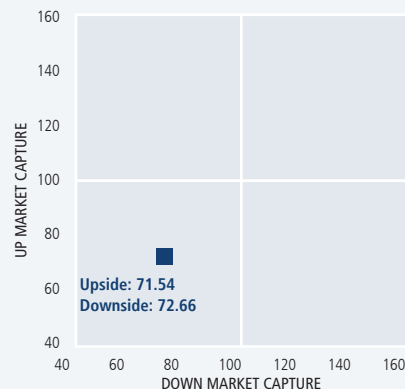
## SINCE INCEPTION RISK/REWARD STATISTICS<sup>2</sup>

	CALAMOS EMERGING ECONOMIES	MSCI EMERGING MARKETS INDEX
Alpha	1.90%	N/A
Beta	0.73	1.00
Standard Deviation	14.92%	19.24%
Upside Semivariance	12.82%	21.28%
Downside Semivariance	6.30%	10.19%
Sharpe Ratio	0.60	0.49
Information Ratio	-0.07	N/A

<sup>2</sup>All risk-adjusted statistics are relative to the MSCI Emerging Markets Index (USD) on an annualized basis, versus the Calamos Emerging Economies Composite. Past performance is no guarantee of future results. Source: Calamos Advisors LLC.

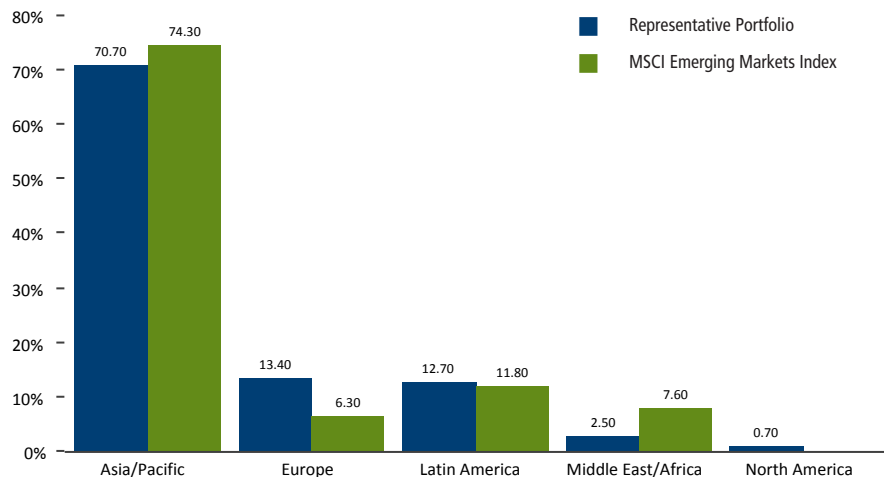
## SINCE INCEPTION UP/DOWN CAPTURE VS. MSCI EMERGING MARKETS INDEX

■ Calamos Emerging Economies (gross of fees)



Source: Calamos Advisors LLC

## REGIONAL ALLOCATIONS<sup>5</sup>



## SUMMARY<sup>5</sup>

	REPRESENTATIVE PORTFOLIO	MSCI EMERGING MARKETS INDEX
# of Countries Invested in	23	30
Developed Markets	19.3%	4.4%
Emerging Markets	80.7%	95.6%

<sup>5</sup>Excludes cash weighting. Companies are classified geographically according to their country of domicile. Geographical distribution tables exclude any options on broad market indexes the portfolio may hold.

## LARGEST COUNTRY WEIGHTINGS<sup>5</sup>

	REPRESENTATIVE PORTFOLIO %	MSCI EMERGING MARKETS INDEX %
China	38.6	28.7
India	8.5	9.2
Brazil	8.5	7.2
Taiwan	6.9	11.4
United Kingdom	6.2	0.0

## SECTOR ALLOCATION<sup>4</sup>

SECTOR	REPRESENTATIVE PORTFOLIO %	MSCI EMERGING MARKETS INDEX %	UNDER/OVERWEIGHT %
Financials	23.2	24.1	-0.9
Consumer Discretionary	16.3	13.4	2.9
Information Technology	16.1	14.6	1.5
Communication Services	13.1	12.3	0.8
Energy	8.6	8.1	0.5
Consumer Staples	7.0	6.4	0.6
Industrials	6.5	5.4	1.1
Materials	5.1	7.4	-2.3
Health Care	2.1	2.6	-0.5
Real Estate	2.0	3.2	-1.2
Utilities	0.0	2.5	-2.5

<sup>4</sup>Sector weightings exclude any government/sovereign bonds or options on broad market indexes the portfolio may hold.

## REPRESENTATIVE PORTFOLIO TEN LARGEST HOLDINGS<sup>6</sup>

COMPANY	SECTOR	COUNTRY <sup>7</sup>	% OF PORTFOLIO WEIGHTING
Tencent Holdings, Ltd.	Communication Services	China	7.3
Alibaba Exchangeable (Softbank)	Consumer Discretionary	China	6.3
Ping An Exchangeable (Jp Morgan)	Financials	China	4.8
Taiwan Semiconductor Mfg Co.	Information Technology	Taiwan	4.1
Hdfc Bank, Ltd.	Financials	India	3.5
Samsung Electronics Company	Information Technology	South Korea	2.9
China Construction Bank Corp	Financials	China	2.6
Total, Sa	Energy	France	2.5
Tata Consultancy Services, Ltd.	Information Technology	India	1.9
Lm Ericsson Telephone Company - Class B	Information Technology	Sweden	1.8

<sup>6</sup>The information provided should not be considered a recommendation to purchase or sell any security. There is no assurance that any securities presented herein will remain in the portfolio at the time you receive information or that securities sold have not been repurchased. The securities discussed do not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any securities transactions or holdings presented were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities presented herein. Ten Largest Holdings exclude any government/sovereign bonds or options on broad market indexes the portfolio may hold.

<sup>7</sup>Classification is based on the country of domicile.

# Calamos Emerging Economies Strategy

## ANNUALIZED TOTAL RETURNS

	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE INCEPTION (12/08)
Calamos Emerging Economies (gross of fees)	-10.00%	7.75%	2.01%	9.22%	9.39%
Calamos Emerging Economies (net of fees)	-10.78	6.72	0.94	8.03	8.21
MSCI Emerging Markets Index	-7.07	11.08	4.05	9.31	9.90

## CALENDAR YEAR RETURNS

	YTD 2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Calamos Emerging Economies (gross of fees)	11.20%	-16.63%	38.81%	-2.98%	-7.25%	-4.17%	9.67%	10.22%	-6.95%	22.26%	58.57%
Calamos Emerging Economies (net of fees)	10.97	-17.36	37.59	-4.15	-8.36	-5.30	8.37	8.90	-8.02	20.98	56.94
MSCI Emerging Markets Index	9.95	-14.25	37.75	11.60	-14.60	-1.82	-2.27	18.64	-18.17	19.20	79.02

## Portfolio Manager Biographies



### NICK NIZIOLEK, CFA

CO-CIO, HEAD OF INTERNATIONAL AND GLOBAL STRATEGIES, SENIOR CO-PORTFOLIO MANAGER

As a Co-Chief Investment Officer, Nick Niziolek is responsible for oversight of investment team resources, investment processes, performance and risk. As Head of International and Global Strategies, he manages investment team members and has portfolio management responsibilities for international, global and emerging market strategies. He is also a member of the Calamos Investment Committee, which is charged with providing a top-down framework, maintaining oversight of risk and performance metrics, and evaluating investment process. Nick joined the firm in 2005 and has 16 years of industry experience, including tenures at ABN AMRO and Bank One. He received a B.S. in Finance and an M.B.A. from DePaul University.



### DENNIS COGAN, CFA

SENIOR VICE PRESIDENT, CO-PORTFOLIO MANAGER

Dennis Cogan is responsible for portfolio management and investment research for the firm's global, international, and emerging market equity strategies. He joined the firm in 2005 and has 17 years of industry experience. Previously, Dennis worked for Accenture in Strategic Planning and Analysis. He received a B.S. in Finance from Northern Illinois University.

# Calamos Emerging Economies Strategy

Past performance does not guarantee or indicate 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.

The results portrayed on the preceding pages are for the Calamos Emerging Economies Composite (inception date: 12/2008). Representative holdings and portfolio characteristics are specific only to the portfolio shown at that point in time. Other portfolios will vary in composition, characteristics, and will experience different investment results. The representative portfolio shown has been selected by the advisor based on account characteristics that the advisor feels accurately represents the investment strategy as a whole.

The Calamos Emerging Economies Composite is an actively managed composite investing in a globally diversified portfolio of equity, convertible or debt securities, with at least 35% of constituent portfolio assets are invested in securities of issuers that are organized in emerging market countries. Investments in securities of developed market companies are generally limited to those companies which derive 20% or more of assets or revenues from emerging market countries. The Composite was created December 1, 2010 calculated with an inception date of December 1, 2008 and includes all fully discretionary fee paying accounts, including those no longer with the Firm.

Fees include the investment advisory fee charge by Calamos Advisors LLC. Returns greater than 12 months are annualized. Chart Data Sources: Mellon Analytical Solutions, LLC and Calamos Advisors LLC.

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 index is calculated without dividends, with net or with gross dividends reinvested, in both U.S. dollars and local currencies. Unmanaged index returns assume reinvestment of any and all distributions and do not reflect any fees, expenses or sales charges. Investors cannot invest directly in an index.

The information in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed do not represent the account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings.

Calamos Advisors LLC is a federally registered investment advisor. Form ADV Part 2A, which provides background information about the firm and its business practices, is available upon written request to:

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