

Global Convertible Fund Quarterly Commentary



Fund Overview

The fund invests in global convertible securities, striving to balance risk/reward while providing growth and income.

Market Overview

The fourth quarter saw stocks and convertibles rebound strongly as reflected in the MSCI World Index's 11.53% return and the 6.69% gain of the Refinitiv Global Convertible Bond Index. Overall, equity market performance was linked to changing interest rates during the quarter. When yields rose in October, stocks fell sharply. When yields narrowed through the remainder of the year, stocks rallied. The markets also took off after the December Federal Reserve meeting, during which Chair Jerome Powell indicated that the Fed would pivot from its tightening policy toward easing.

Small and mid-cap stocks delivered especially strong performance, with the Russell 2500 Index increasing 13.35%. This performance supported the convertible market, which has a heavy representation in small and mid-cap issuers. The underlying stocks of the Refinitiv Global Convertible Bond Index outperformed the broader equity market, increasing 12.96% on average in the fourth quarter.

The solid fourth quarter capped off a good 2023 calendar year for the global convertible market, with the Refinitiv Global Convertible Bond Index returning 12.44%.

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DATA AS OF 12/31/23

CALAMOS GLOBAL CONVERTIBLE FUND AVERAGE ANNUAL RETURNS (%)

	QTD	1-YEAR	3-YEAR	5-YEAR	SINCE INCEPTION
Calamos Global Convertible Fund					
I Shares - at NAV (Inception—12/31/14)	5.35	13.48	-4.08	7.09	5.41
A Shares - at NAV (Inception—12/31/14)	5.27	13.16	-4.31	6.81	5.14
A Shares Load adjusted	2.91	10.66	-5.03	6.33	4.58
Refinitiv Global Convertible Bond Index	6.69	12.44	-2.69	7.71	5.33
Morningstar Convertibles Category	5.89	8.97	-2.06	9.88	6.70

Index and Morningstar category data shown reflects full month periods only. If share class inception date is on or before the 15th of the month, the index or category calculation inception date begins on the first day of that month. If share class inception date is after the 15th of the month, the index or category calculation inception date begins on the first day of the following month.

The funds' gross expense ratios as of the prospectus dated 3/1/2023 are as follows: A Shares 1.28%, C Shares 2.03% and I Shares 1.03%

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. Please refer to Important Risk Information. The principal value and return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance reflected at NAV does not include the Fund's maximum front-end sales load of 2.25%. Had it been included, the Fund's return would have been lower. You can obtain performance data current to the most recent month end by visiting www.calamos.com.

Class I shares are offered primarily for direct investment by investors through certain tax-exempt retirement plans and by institutional clients, provided such plans or clients have assets of at least \$1 million. For eligibility requirements and other available share classes see the prospectus and other Fund documents at www.calamos.com.

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

Within the index, the real estate (+10.8%), information technology (+8.8%), and financials (+8.3%) sectors performed best during the quarter. The sectors that most trailed the index included energy (-0.9%), communication services (+4.1%), and materials (+4.9%).

All geographic regions delivered positive results during the quarter. The areas that performed the best included Emerging Europe & South Africa (+18.7%), Europe (+7.6%), and the United States (+6.8%). The regions that most trailed the index return included Emerging Latin America (+3.6%), Japan (4.4%), and Emerging Asia (5.4%).

Convertibles in the index with the most equity sensitivity (+11.4%) outperformed those with more balanced risk-reward attributes (+7.2%) and those with the most bond sensitivity (+5.2%).

In the fourth quarter, \$18.2 billion in new convertibles were brought to market globally. The United States led convertible issuance higher with \$12.3 billion, Europe raised \$3.4 billion in issuance, while Japan and Asia ex-Japan each placed \$1.2 billion. 2023 issuance totaled \$79.4 billion, more than double the 2022 calendar year total of \$39.5 billion. \$53.4 billion was issued in the US, \$13.4 billion in Europe, \$9.0 billion in Asia, and \$3.6 billion in Japan. These new convertible issues have been brought to market with attractive terms, including higher coupons and lower conversion premiums.

Performance Review

For the quarter ended December 31, 2023, the fund returned 5.35% versus the Refinitiv Global Convertible Bond Index return of 6.69%.

Positive Influences on Performance

Information Technology. The fund benefitted from security selection and an average overweight allocation in information technology. Semiconductor materials & equipment notably helped, as did systems software.

Industrials. Security selection and an average underweight allocation in industrials added to the fund's performance. The main contributors within this sector were electrical components & equipment and passenger airlines.

Negative Influences on Performance

Health Care. Over the period, security selection within the health care sector dampened relative results, as holdings in the biotechnology and pharmaceuticals industries lost ground on a relative basis.

Materials. Security selection within the diversified metals & mining and specialty chemicals industries of the materials sector lagged.

Geographic Performance

The portfolio benefitted from security selection and an average underweight allocation in Japan. Also, leading security selection and an average underweight stance in EMEA promoted relative results. Specifically, our lack of exposure in South Africa and Tanzania were sources of contribution.

On the contrary, security selection in the United States negatively impacted the portfolio's performance. Similarly, security selection and an average underweight stance in Europe underperformed. Positions in

the United Kingdom hurt relative performance. Additionally, our lack of representation in Spain detracted from relative returns.

From a sector perspective, the largest portfolio weights are in information technology and consumer discretionary on an absolute basis. Conversely, materials and real estate represent the smallest absolute sector weights with holdings. On a relative basis, health care equipment and semiconductor materials & equipment are among the overweight industries. The portfolio maintains relative underweight positions in industrials and utilities, with aerospace & defense (industrials) and electric utilities (utilities) comprising industry underweight positions.

Allocations to consumer discretionary and information technology rose during the period with increased weights in hotels, resorts & cruise lines and semiconductor materials & equipment. The financials allocation decreased during the period, while the weight to industrials also decreased modestly with decreased weights in diversified banks and industrial machinery & supplies & components.

From a regional standpoint, the portfolio's largest weights are within the United States and Emerging Asia, while the smallest absolute weights reside in EMEA and Canada. We maintain overweight allocations to the United States and Emerging Asia, while the portfolio has an underweight stance in Europe and EMEA versus the index. Weights to Japan increased during the period. By contrast, the allocations to Europe decreased over the period with reductions to Germany and the United Kingdom.

Fund Holdings - Contributors

SCREEN Holdings Co. Ltd. (SCRN)

0.0% Convertible due 2025 | 2.2% of fund as of 12/31/23

Profile: Incorporated in 1943, SCREEN Holdings Co. Ltd. manufactures semiconductor production equipment and is headquartered in Kyoto, Japan.

Analysis: SCREEN Holding's stock and convertible bond performed well in Q4 2023. The company reported earnings that beat analyst expectations and issued guidance with positive earnings estimate revisions based on strong demand for its semiconductor wafer cleaning equipment amidst a cyclical recovery in semiconductor capital expenditures. Additionally, SCREEN has benefited from its advanced manufacturing processes, providing sustained margin expansion, operational improvements, and cost reductions. We view SCREEN as an attractively valued semiconductor capital equipment company with a strong position and increasing market share. The convertible offers an attractive means of participating in the underlying stock's upside.

Royal Caribbean Cruises Ltd. (RCL)

6% Convertible due 2025 | 1.9% of fund as of 12/31/23

Profile: Royal Caribbean Cruise Lines. operates as a cruise company worldwide, with 64 ships under the Royal Caribbean International, Celebrity Cruises, and Silversea Cruises brands. The company was founded in 1968 and is headquartered in Miami, Florida.

Analysis: The convertible and common stock of Royal Caribbean Cruises (RCL) rallied throughout Q4 2023 as cruise operators returned to full occupancy amidst higher cruise prices, strong booking demand, and robust onboard spending. There are no signs of moderating consumer demand, as evidenced by 2024 bookings, load factors, and rates ahead of 2019 levels. We expect further upside to cruise ticket prices given a larger gap versus land-based vacation alternatives post-Covid. We also see operating-cost inflation easing (food, fuel), which should boost positive free cash flow and support the company's deleveraging and ability to address debt maturities. The convertible offers the opportunity to participate in the common stock's upside with an attractive yield advantage.

Fund Holdings - Detractors

onsemi (ON)

0.0% Convertible due 2027 | 1.0% of fund as of 11/30/23

0.5% Convertible due 2029 | 1.1% of fund as of 11/30/23

Profile: onsemi provides intelligent sensing and power solutions, enabling electrification and automation in the automotive and industrial end markets. onsemi's silicon carbide portfolio provides vital technology in the powertrain of electric vehicles and charging systems, factory automation, and energy infrastructure. onsemi was incorporated in 1992 and is headquartered in Phoenix, Arizona.

Analysis: Shares of onsemi declined after the company's earnings came in broadly in line with expectations. However, its forward guidance showed softening revenues stemming from higher interest rates that especially impacted European auto customers. We view onsemi as a leading auto and industrial semiconductor company with secular, increasing content solutions for electric vehicles' power and intelligent sensing. When viewed in combination, the two convertibles in the portfolio provide an attractive means of participating in the underlying common stock's upside with less downside.

Lithium Americas (LACCN)

1.75% Convertible due 2027 | 0.9% of fund as of 11/30/23

Profile: Lithium Americas Argentina Corp. engages in the exploration and development of lithium properties in the United States and Canada. It holds a 100% interest in the Thacker Pass project in northern Nevada. The company was incorporated in 2023 and is headquartered in Vancouver, Canada.

Analysis: Lithium Americas Argentina is a play on longer-term secular growth in global electrification and the electric vehicle buildout. Weak lithium pricing has weighed on producers through most of 2023, largely due to destocking and general macro headwinds despite relatively resilient demand. That said, Lithium Americas Argentina achieved first production at its flagship asset in 2023, which is economically advantaged given its position at the low end of the cost curve. Development will continue in phases over the next couple of quarters to reach nameplate capacity. They also have two other attestments under earlier stages of development, which beneficially positions them to bring on production as the electrification story scales over time. The convertible provides an attractive yield advantage over the common stock while offering a defensive profile.

Positioning and Portfolio Changes

We focus on achieving the best risk/reward profile through bottom-up security selection. We position the portfolio to participate in upside equity rallies while also seeking to manage the downside if the market pulls back. The global convertible market continued to see healthy issuance in the fourth quarter, and we have been active in the new issuance market.

From a sector standpoint, the information technology, consumer discretionary, and health care sectors represent the largest allocations, while materials, real estate, and energy make up the lightest exposures. Relative to the Refinitiv Global Convertible Bond Index, the largest overweight positions reside in the information technology, consumer staples, and health care sectors. Conversely, industrials, communication services, and financials are notable underweights.

From a regional perspective, the portfolio has its heaviest allocations in the United States, Europe, and Japan and lightest allocations in Canada, Emerging Europe & South Africa, and Japan. On a relative basis, the portfolio holds overweight positions in Japan, Emerging Asia, and Emerging Europe & South Africa. The portfolio is relatively underweight in Europe, Emerging Latin America, and the United States. The war in Ukraine, inflation, and the possibility of recession in Europe are macro factors that continue to influence our current underweight allocation to Europe.

Notable economic sector changes for the quarter included slight increases in the health care and consumer discretionary sectors with reductions to the financials and industrials sectors.

Outlook

We believe new issues will be a potential bright spot for the convertible market over the next year or two. And with large maturity walls coming in investment-grade bonds, high-yield debt, and convertibles, there should be plenty of opportunities for convertible bankers to keep busy.

The investment-grade opportunity in convertibles is particularly intriguing. In exchange for the conversion feature, convertibles typically offer lower coupons than comparable non-convertible debt, which can be an appealing option for issuers seeking to keep borrowing costs low.

Both equity and bond markets are taking the recent positive inflation data and running, pricing in multiple rate cuts starting as early as March. We will see what the future brings, but any backsliding in the data will likely be taken poorly by the markets, so we remain focused on keeping a good risk/reward profile in the portfolio.

For additional information or to download a fact sheet, please visit the fund's profile page:

[CXGCX - Global Convertible Mutual Fund | Calamos Investments](#)

Before investing carefully consider the fund's investment objectives, risks, charges and expenses. Please see the prospectus and summary prospectus containing this and other information which can be obtained by calling 1-866-363-9219. Read it carefully before investing.

The opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes only and should not be considered investment advice.

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.

Index Definitions

The **Refinitiv Global Convertible Bond Index** is designed to broadly represent the global convertible bond market. The **MSCI World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. **Morningstar Convertibles Category** funds are designed to offer some of the capital appreciation potential of stock portfolios while also supplying some of the safety and yield of bond portfolios. To do so, they focus on convertible bonds and convertible preferred stocks. **Convertible bonds** allow investors to convert the bonds into shares of stock, usually at a preset price. These securities thus act a bit like stocks and a bit like bonds.

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.

Important Risk Information

An investment in the Fund(s) is subject to risks, and you could lose money on your investment in the Fund(s). There can be no assurance that the Fund(s) will achieve its investment objective. Your investment in the Fund(s) is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The risks associated with an investment in the Fund(s) can increase during times of significant market volatility. The Fund(s) also has specific principal risks, which are described below. More detailed information regarding these risks can be found in the Fund's prospectus.

The principal risks of investing in the **Calamos Global Convertible Fund** include: equity securities risk consisting of market prices declining in general, growth stock risk consisting of potential increased volatility due to securities trading at higher multiples, foreign securities risk, emerging markets risk, currency risk, geographic concentration risk, American depository receipts, mid-size company risk, small company risk, portfolio turnover risk and portfolio selection risk.

As a result of political or economic instability in foreign countries, there can be special risks associated with investing in foreign securities, including fluctuations in currency exchange rates, increased price volatility and difficulty obtaining information. In addition, emerging markets may present additional risk due to potential for greater economic and political instability in less developed countries.



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