

## CALAMOS GLOBAL CONVERTIBLE FUND Review and Outlook, January 2025

By Eli Pars, CFA  
*Co-CIO and Senior Co-Portfolio Manager*



**LSEG Lipper  
Fund Awards**

2024 Winner

Nordics | UK | Germany  
Switzerland | Europe

### Key Points:

- » Supported by a robust fourth quarter, global convertible issuance totaled \$119 billion, and we expect the pace to remain strong in 2025 as companies seek to grow capital with lower borrowing costs.
- » Investors are upbeat about a more business-friendly environment in the US (less regulation, lower taxes). However, there's still a lot that can sour the mood—geopolitical unknowns, tariffs, fewer rate cuts, and even how much the Trump 2.0 administration will be able to get done with its thin Republican majority in Congress.
- » We believe the case for global convertibles remains strong—we expect continued broadening of the equity market to benefit convertible issuers, many of which are small and mid caps. Convertibles should also provide an attractive way to participate in upside and sidestep volatility.

The final quarter of 2024 saw a US presidential election that resulted in a clear-cut winner and, thus, a sigh of relief that propelled equities higher. However, stocks finished a few percentage points off their highs as investors took profits from another strong year in the equity markets.

In 2025, one of the wildcards is the newly created Department of Government Efficiency. Market expectations of actual savings seem to be low. Therefore, some early material successes may give investors the idea that the US economy may be able to grow faster than in prior decades. The United States' best hope for getting out of its fiscal hole is sustained higher growth.

### Issuance

New convertible issuance bounced back sharply in the fourth quarter, with \$35.8 billion of new paper coming to market globally. This surge pushed full-year issuance to \$119 billion, making it one of the top years of the past decade. Cryptocurrency companies were among the most powerful drivers of issuance in 2024, especially during the fourth quarter. The biggest of these by far is MicroStrategy (MSTR). MSTR's \$6.2 billion convertible issuance in 2024 may be the most ever by one company in a year. Its wave of new paper culminated with a \$3 billion convertible issued in November.

## GLOBAL CONVERTIBLE ISSUANCE: HEALTHY YEAR-TO-DATE LEVELS (\$BIL)



Source: ICE BofA Global Research. Data through December 31, 2024.

We are optimistic about convertible issuance as we head into 2025. Even now that the Fed has lowered interest rates, convertible securities should remain an attractive choice for issuers seeking to lower their borrowing costs, and we continue to see new convertibles come to market with attractive terms. The value proposition of issuing convertibles instead of straight debt remains compelling.

### Positioning

Calamos Global Convertible Fund favors companies that offer a healthy measure of downside risk mitigation and upside equity exposure. The fund's largest sector allocations include consumer discretionary (a significant overweight versus the FTSE Global Convertible Index), followed by information technology (a slight overweight). In terms of geographic exposures, the majority of the portfolio is invested in US issues, although the fund is underweight in the US versus the FTSE Global Convertible Index. Chinese companies are the second largest allocation and are slightly overweight. Our exposure to China reflects our enthusiasm for individual companies, including online retailers. The fund's overall delta is similar to the global convertible market. On average, our portfolio has a slightly higher delta, but what we believe is a better risk/reward profile.

### Closing thoughts

Although global convertibles and equities provided plenty of upside in 2024, the year demonstrated that volatility isn't going anywhere. Against this backdrop, the case for actively managed global convertibles remains strong. We believe our experienced and risk-managed approach will provide us with many advantages.

**ANNUALISED RETURNS  
AS OF 31 DECEMBER 2024**

	4Q 2024	1 YEAR	3 YEAR	5 YEAR	10 YEAR
<b>Calamos Global Convertible Fund</b>					
I Shares – USD Acc (5/10/09)	-0.16%	10.83%	-0.88%	6.17%	5.99%
A Shares – USD Acc. (27/11/07)	-0.32%	10.16%	-1.47%	5.54%	5.36%
<b>FTSE Global Convertible Index</b>	1.11%	9.60%	-0.01%	6.41%	5.75%
<b>MSCI World Index</b>	-0.07%	19.19%	6.85%	11.70%	10.52%

**Performance data quoted represents past performance, and may not be a reliable guide to future results. Performance data quoted does not include the Fund's maximum 5% front-end sales charge. Had it been included, the Fund's returns would have been lower. Performance shown reflects the management fee. All performance shown assumes reinvestment of dividends and capital gains distributions. Returns for periods less than 12 months are not annualised. See important end disclosures.**

Opinions, estimates, forecasts, and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. The views and strategies described may not be appropriate for all investors. References to specific securities, asset classes and financial markets are for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations.

The **FTSE Global Convertible 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. 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.

From LSEG Lipper Fund Award © 2024 LSEG. All rights reserved. Used under license. LSEG Lipper Fund Awards Europe, Germany, Nordics, Switzerland, UK 2024 Winner, Calamos Global Converts UCITS Fund, Best Bond Convertibles Global Fund Over 10 Years. The LSEG Lipper Fund Awards, granted annually, highlight funds and fund companies that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The LSEG Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is a risk-adjusted performance measure calculated over 36, 60 and 120 months. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the LSEG Lipper Fund Award. For more information, see [lipperfundawards.com](http://lipperfundawards.com). Although LSEG makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by LSEG Lipper. This document does

This document is issued by Calamos Advisors LLC ("CAL") and does not constitute or form part of any offer or invitation to buy or sell shares. It should be read in conjunction with the Fund's Prospectus, key investor information document ("KIID") or offering memorandum. CAL is authorised and regulated by the United States Securities and Exchange Commission. The Company's registered office is 2020 Calamos Court, Naperville, IL 60563. The price of shares and income from them can go down as well as up and past performance is not a guide to future performance. Investors may not get back the full amount originally invested. A comprehensive list of risk factors is detailed in the Prospectus and KIID and an investment should not be contemplated until the risks are fully considered. The Prospectus and KIID can be viewed at <http://www.calamos.com/funds/ucits> and at [www.gemincapital.ie](http://www.gemincapital.ie). The contents of this document are based upon sources of information believed to be reliable. CAL has taken reasonable care to ensure the information stated is accurate. However, CAL makes no representation, guarantee or warranty that it is wholly accurate and complete. The Calamos Global Convertible Fund is a subfund of GemCap Investment Funds (Ireland) plc, an umbrella type open-ended investment company with variable capital, incorporated on 1 June 2010 with limited liability under the laws of Ireland with segregated liability between sub-funds. GemCap Investment Funds (Ireland) plc is authorised in Ireland by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) (the "UCITS Regulations"), as amended. Gemini Capital Management (Ireland) Limited, trading as GemCap, is a limited liability company registered under the registered number 579677 under Irish law pursuant to the Companies Act 2014 which is regulated by the Central Bank of Ireland. Its principal office is at Ground Floor, 118 Rock Road, Booterstown, A94 V0Y, Co. Dublin and its registered office is at 1 WML, Windmill Lane, Dublin 2, D02 F206. GemCap acts as both management company and global distributor to GemCap Investment Funds (Ireland) plc. GemCap UK Limited (FRN 924419) is an appointed representative of Connexion Capital LLP (FRN 480006), which is authorised and regulated by the Financial Conduct Authority and provides distribution oversight services to GemCap acting as global distributor and is responsible for the oversight of all distribution arrangements for the sub-fund.

The Fund is offered solely to non-U.S. investors under the terms and conditions of the fund's current prospectus. This is a marketing communication. Please refer to the Supplement, the Prospectus, any other offering document and the relevant key investor information document (KIID) in relation to the Fund before making any final investment decision.

A copy of the English version of the Supplement, the Prospectus, and any other offering document and the KIID is available at [www.gemincapital.ie](http://www.gemincapital.ie). As required under national rules, the KIIDs and any other applicable documents are also available in the official language of the relevant jurisdiction where the Fund is marketed, or in another language accepted by the national competent authorities of that jurisdiction.

A summary of investor rights associated with an investment in the Fund is available in English at [www.gemincapital.ie](http://www.gemincapital.ie). A decision may be taken at any time to terminate the arrangements for the marketing of the Fund in any jurisdiction in which it is currently being marketed. In such circumstances, Shareholders in affected EEA Member State will be notified of any decision marketing arrangements in advance and will be provided the opportunity to redeem their shareholding in the Company free of any charges or deductions for at least 30 working days from the date of such notification.

## CALAMOS<sup>®</sup> INVESTMENTS

Calamos Advisors LLC  
2020 Calamos Court | Naperville, IL 60563-2787  
800.582.6959 | [www.calamos.com](http://www.calamos.com) | [caminfo@calamos.com](mailto:caminfo@calamos.com)

RBC Investor Services Ireland Limited  
Georges Quay House | 43 Townsend Street | Dublin 2 | Ireland  
Tel: +353 1 440 6555 | Fax: +353 1 613 0401  
[www.calamos.com/global](http://www.calamos.com/global)  
E-mail: [dublin\\_ta\\_customer\\_support@rbc.com](mailto:dublin_ta_customer_support@rbc.com)

©2025 Calamos Investments LLC. All Rights Reserved.  
Calamos<sup>®</sup> and Calamos Investments<sup>®</sup> are registered trademarks  
of Calamos Investments LLC.

025001n 0125