

U.S. Convertible Market Snapshot

DATA AS OF 1/31/20 | www.calamos.com

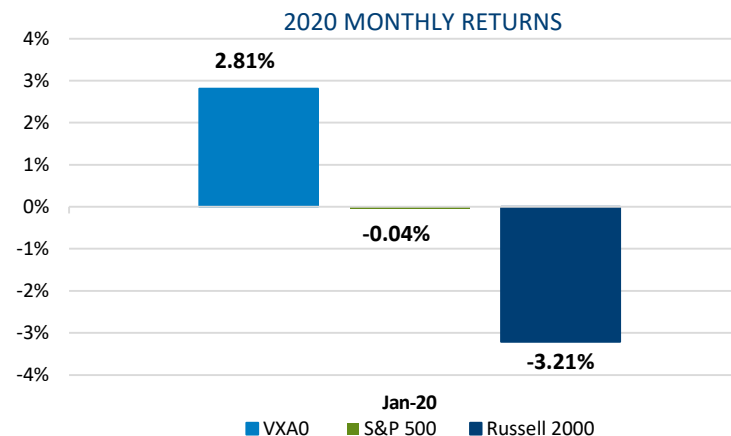
OVERVIEW

Joseph Wysocki, CFA, Senior Vice President, Co-Portfolio Manager

January was an exciting start for the convertible bond market with gains that exceeded most other asset classes. While much of the attention has been on the meteoric rise of Tesla, one of the largest convert issuers, it is notable that the convert market would have still outperformed the broader equity market even if those gains were excluded. Outperformance of growth companies helped drive underlying equities in areas in the Technology sector, while the decline in interest rates benefited yield-sensitive convertibles in the Financial sector.

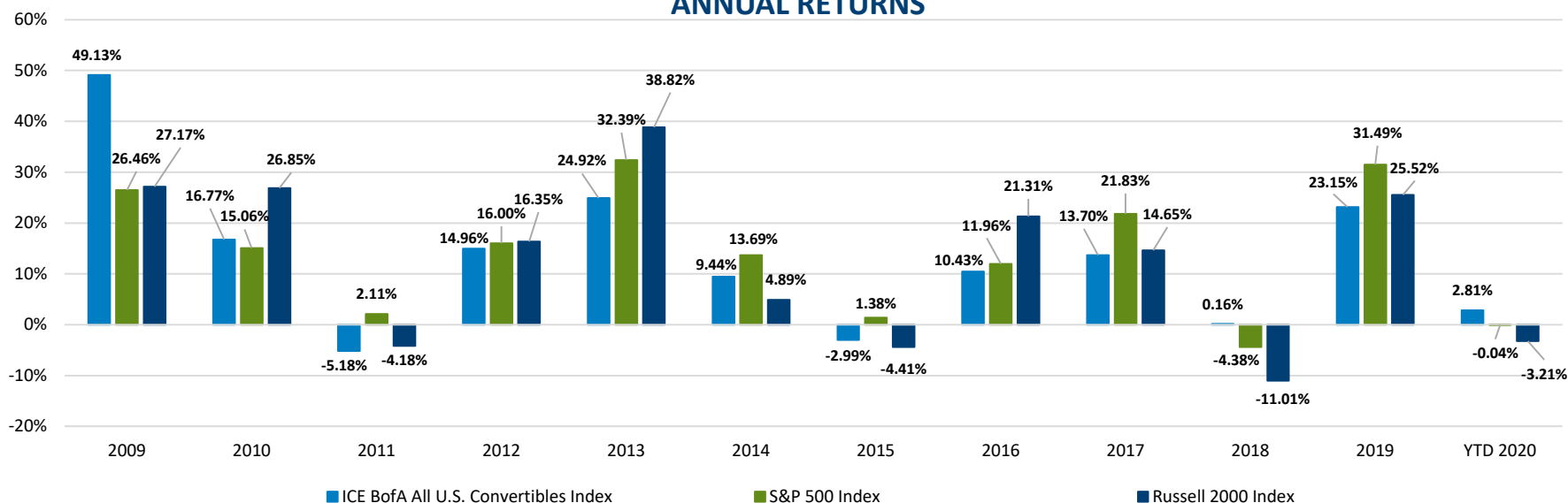
Global new issuance continued at a solid pace, in particular non-U.S. markets which had higher than typical January activity. We are encouraged by these early trends and continue to view convertibles as an attractive way to pursue risk-managed equity participation on the upside with the potential for downside risk mitigation.

VXA0 vs. S&P 500 vs. RUSSELL 2000



Data as of 1/31/20. Past performance is no guarantee of future results.

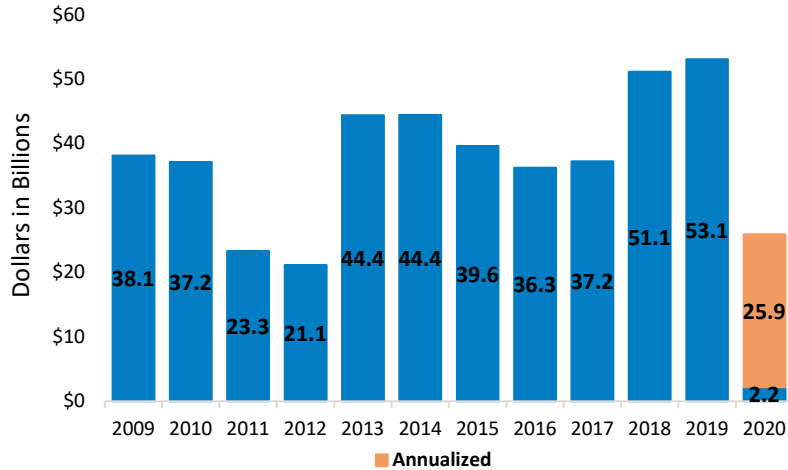
ANNUAL RETURNS



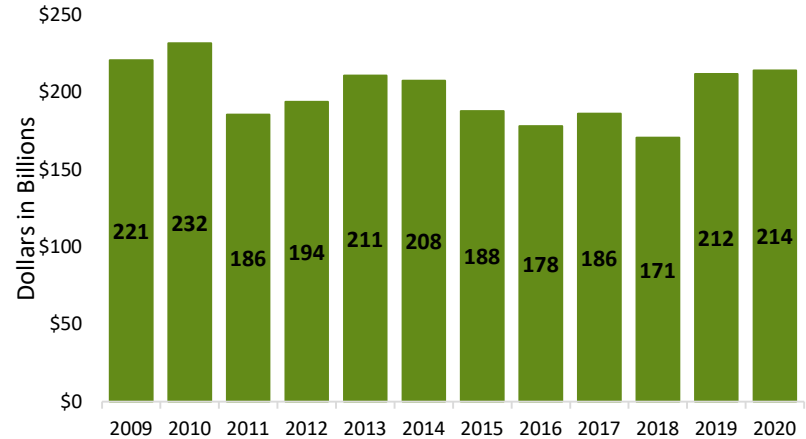
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U.S. Convertible Market

ISSUANCE



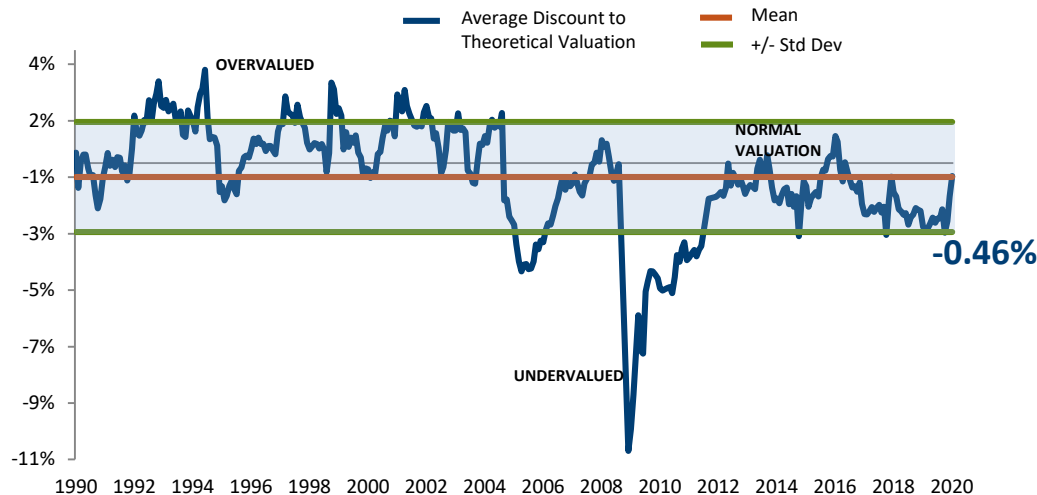
ASSETS



Data as of 1/31/20. Past performance is no guarantee of future results. Source: BofA Global Research, ICE Data Indices, LLC.

VALUATION OF THE CONVERTIBLE MARKET

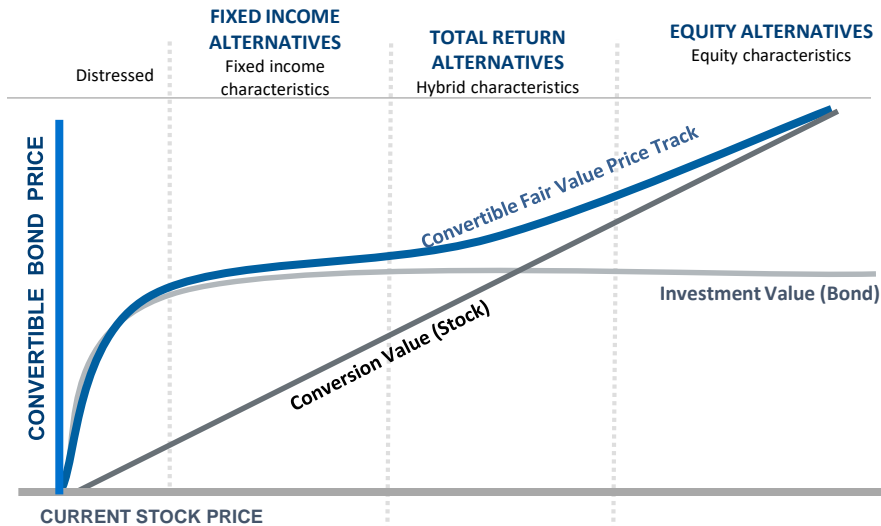
JANUARY 31, 1990 TO JANUARY 31, 2020



1990 1992 1994 1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020

Valuations are not an indication of how a fund will perform. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance quoted. Data is provided by ICE BofA and is based on the ICE BofA All U.S. Convertible Index.

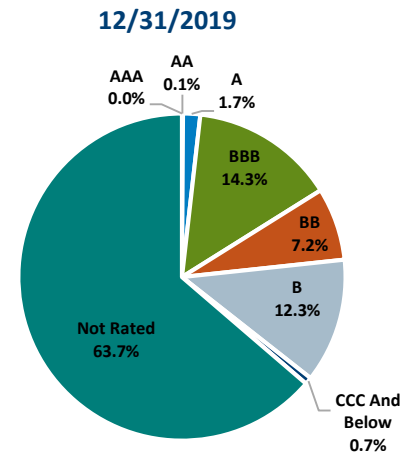
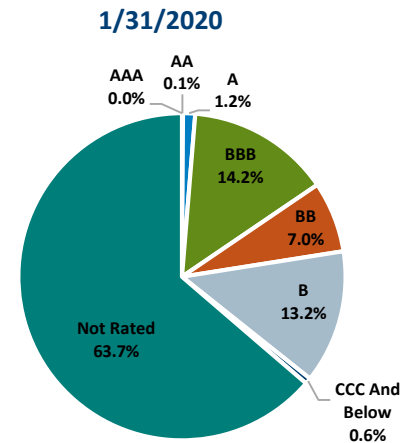
CONVERTIBLE MARKET COMPOSITION AS OF 1/31/20



	FIXED INCOME ALTERNATIVES	TOTAL RETURN ALTERNATIVES	EQUITY ALTERNATIVES
3/1/2000	19%	28%	53%
2/28/2009	67%	21%	12%
1/31/2020	30%	38%	32%
PREVIOUS MONTH			
12/31/2019	31%	41%	28%

Active management does not guarantee investment returns and does not eliminate the risk of loss. A convertible bond is a fixed income alternative with “fixed income characteristics” when it is valued at about the same level as a similar non-convertible bond and is not as sensitive to the underlying equity. A convertible bond is a total return alternative with “hybrid characteristics” when it has fixed income characteristics as previously explained but is becoming increasingly sensitive to changes in the underlying equity price. An equity alternative with “equity characteristics” represents a convertible bond that is highly sensitive to movements in the underlying equity. Percentages shown represent the proportion of convertible bonds in the ICE BofA All U.S. Convertibles Index (VXA0) that fall into each classification. Source: the ICE BofA All U.S. Convertibles Index (VXA0). Data as of 1/31/20.

CREDIT QUALITY ALLOCATION OF BONDS¹



¹Bond Credit Quality- Reflects the higher of the ratings of Standard & Poor’s Corporation; Moody’s Investors Service, Inc. or Fitch, Inc. Ratings are relative, subjective and not absolute standards of quality, represent the opinions of the independent Nationally Recognized Statistical Rating Organizations (NRSRO), and are adjusted to the Standard & Poor’s scale shown. Ratings are measured using a scale that typically ranges from AAA (highest) to D (lowest). The security’s credit rating does not eliminate risk. The table excludes equity securities, cash and cash equivalents. For more information about securities ratings, please see the Fund’s Statement of Additional Information at www.calamos.com. Additional information on ratings methodologies are available by visiting the NRSRO websites: www.standardandpoors.com, www.moodys.com, www.fitchratings.com.

**CONVERTIBLE
MARKET
STATISTICS**

	1/31/20 ICE BOFA ALL U.S. CONV. INDEX (VXA0)	12/31/19 ICE BOFA ALL U.S. CONV. INDEX (VXA0)
Average Current Yield	2.4%	2.4%
Average Conversion Premium	29.4%	28.9%
Average Investment Premium	39.8%	35.7%
Average Quality Rating	BB2	BB2

**NEW ISSUES
STATISTICS**

	1/31/20 ICE BOFA ALL U.S. CONV. INDEX - NEW ISSUES (VNEW)	12/31/19 ICE BOFA ALL U.S. CONV. INDEX - NEW ISSUES (VNEW)
Average Current Yield	2.3%	2.4%
Average Conversion Premium	29.5%	29.9%
Average Investment Premium	35.6%	33.9%
Average Quality Rating	BBB3	BBB3

Source: BofA Global Research, ICE Data Indices, LLC; VXA0 Index, VNEW Index.

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.

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.

The **S&P 500** Index is a market-value weighted index consisting of 500 stocks chosen for market size, liquidity, and industry group representation. It is widely regarded as the standard for measuring U.S. stock-market performance.

The **Russell 2000 Index** measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. You cannot invest directly in an index.

The **ICE BofA All U.S. Convertibles Index (VXA0)** comprises approximately 700 issues of only convertible bonds and preferreds of all qualities. Source ICE Data Indices, LLC, used with permission. ICE permits use of the ICE BofA 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 BofA 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.

The **ICE BofA All U.S. Convertibles Index - New Issues (VNEW)** tracks the U.S. convertible bonds issued in the last six months.

Average Quality Rating — Reflects the average credit rating assigned by BofA Global Research. Ratings are relative, subjective and not absolute standards of quality.

Conversion Premium is the amount by which the market price of a convertible bond or convertible preferred exceeds conversion value, expressed as a percentage. It is a gauge of equity participation.

Current Yield reflects the dividends and interest earned during the 30-day period ended as of the date stated above after deducting expenses for that same period.

Investment Premium is the amount that the market price of the convertible is above its investment value, expressed as a percent of the investment value.

Advisors, please talk to your Calamos Investment Consultant at 888-571-2567 or email caminfo@calamos.com for more information about convertibles or about our convertible-using funds across multiple asset classes.

Also, see the Calamos Global Convertible Market Snapshot at www.calamos.com/insights/convertiblebondstoday/

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**U.S. Convertible
Market Snapshot**



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