

# The Power of a Dynamic Approach

CALAMOS<sup>®</sup>  
INVESTMENTS

## Why does Calamos Hedged Equity Fund (CIHEX) favor dynamic vs. mechanical management?

Transcript of a video recorded on March 21, 2019

### **Markets are always in motion.**

And the velocity of those moves? Sometimes they can be a grind, and other times, they can be very volatile and have a lot of velocity. If you have a “set it and forget it” methodology—in other words, a mechanical methodology—you could miss out on taking advantage of those opportunities.

In options pricing, there’s something embedded in the price of that option. It’s called implied volatility. Our seasoned investment team has models to identify when these opportunities arise—in other words, when volatility’s high or when volatility’s low—and then we strategically position to potentially take advantage of that and reap those benefits.

Now, we do this because with this overstatement or understatement, we can buy options when they’re potentially inexpensive and sell options when they’re expensive. But we’re doing this based on volatility and not on price. This is why the Calamos Hedged Equity Fund takes an active approach versus a semi-passive mechanical approach.



**JOE CUSICK**  
Vice President,  
Portfolio Specialist

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Video recorded 3/21/19.

***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 1-800-582-6959. Read it carefully before investing.***

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Active management does not guarantee investment returns or eliminate the risk of loss. It should not be assumed that any securities mentioned in this recording will be profitable or experience equal performance in the future.

**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 Hedged Equity Fund** include: covered call writing risk, options risk, equity securities risk, correlation risk, mid-sized company risk, interest rate risk, credit risk, liquidity risk, portfolio turnover risk, portfolio selection risk, foreign securities risk, American depository receipts, and REITs risks.

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