

An inflationary boom regime is a boon for international equities

- Trends in inflation and economic fundamentals provide a simple but highly effective framework for understanding which investments are likely to enjoy the strongest tailwinds.
- From the ramp-up of stimulative policy around the world to gold crossing the \$5,000-an-ounce threshold, a wealth of data suggests the global economy is in the inflationary growth quadrant, an environment characterized by increasing inflation and improving economic fundamentals.
- Historically, this “inflationary boom” regime has favored emerging market and developed ex-US equity markets--a reflationary bias that’s also expressed in the positioning of the Calamos global and international strategies.
- Historically, market regimes can last for an extended period, supporting our view of the exciting long-term prospects for international markets as the Great Global Rebalancing continues.

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 suitable 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.

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 the potential for greater economic and political instability in less developed countries.

Market Regimes: A Framework for Identifying Sustained Opportunity

