

CALAMOS GLOBAL FUNDS PLC

# Emerging Markets Fund Fourth Quarter 2017 Report

CALAMOS<sup>®</sup>  
INVESTMENTS

## OVERVIEW

The fund invests in growth companies globally, emphasising companies with revenue streams derived within or from emerging markets. The fund is designed to actively manage the risk profile over full market cycles.

## KEY FEATURES

- » **Active risk management** with an aim of generating alpha and less downside risk than the benchmark and peers
- » **Stress company fundamentals**, including strong and/or accelerating earnings growth and solid returns on invested capital
- » **Seek global growth companies** that may benefit from long-term secular themes in the emerging markets such as the rise of the EM consumer

## PORTFOLIO FIT

Because of its focus on risk management, the fund can serve as a long-term emerging market allocation.

## FUND INFORMATION

I Share U.S. \$ Acc. CUSIP: G17689368

I Share U.S. \$ Acc. ISIN: IE00B52B2V09

In Switzerland only, this document is available for retail distribution. In other countries, this document does not constitute an offer or solicitation to invest in the Fund. It is directed only at professional/sophisticated investors and it is for their use and information. This document should not be shown or given to retail investors. Any entity responsible for forwarding this material to other parties takes responsibility for ensuring compliance with the financial promotion rules.

## Key Drivers of Performance

- » The fund generated an attractive return in the quarter, but we trailed the return of the MSCI Emerging Markets Index while pursuing our risk-managed investment approach.
- » From a geographic perspective, fund holdings in Emerging Asia generated strong gains and performed ahead of positions in the index, while fund positions in Emerging Europe & South Africa and EM Latin America lagged.
- » The fund's relative security selection in telecom services detracted value from performance in the quarter. Specifically, positioning in the wireless telecom services and integrated telecom industries underperformed as investors rotated to more yield-oriented companies.
- » The fund's average underweight and relative selection in health care also hampered the return. In particular, holdings in the biotechnology industry underperformed due to security-specific factors.
- » The fund's relative security selection in information technology added the most to performance in the quarter. Specifically, positions in the data processing & outsourced services industry performed well.
- » The fund's overweight stance and relative selection in consumer discretionary also provided lift. Specifically, holdings in the restaurants and hotel, resorts and cruise industries performed well due to excellent growth fundamentals.

## Market Overview

- » Emerging markets delivered strong returns in the quarter, as the MSCI Emerging Markets Index gained 7.50%. For 2017, emerging market equities surged 37.75%, benefitting from strong earnings growth, appreciating currencies, bullish investor sentiment and capital inflows.
- » China's economic data continued to be positive, showing both healthy domestic demand and increased exports.
- » India's asset prices rallied following a Moody's credit rating upgrade for the first time since 2004, due to progress on a series of economic reforms.
- » Brazil continues to move out of recession as it implements aggressive monetary easing to reduce borrowing costs and stimulate a rebound in consumer spending.

## PERFORMANCE DATA

	QTD	1-YEAR	3-YEAR	5-YEAR	SINCE INCEPTION (15/2/11)
<b>Calamos Emerging Markets Fund</b>					
I shares - U.S. \$ Acc.	5.99%	38.42%	6.62%	4.48%	2.52%
A shares - U.S. \$ Acc.	5.82	37.50	5.94	3.81	1.86
<b>MSCI Emerging Markets Index</b>	7.50	37.75	9.50	4.73	3.54

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 information" on the last page for more information.

All values are in USD terms unless otherwise indicated.

## Calamos Emerging Markets Fund Fourth Quarter 2017 Report

**FUND HOLDINGS – CONTRIBUTORS**

FIRM NAME	% OF FUND	FIRM PROFILE	ANALYSIS
Ping An Insurance Group Company of China, Ltd.	2.1%	Ping An Insurance Group provides a variety of insurance services across property, casualty and life insurance. The company also offers a selection of financial services.	The stock generated strong gains thanks to upside in the company's financials. Ping An reported a 17% increase in nine-month net income with even stronger 41% underlying pro-forma growth reflecting positive results across business segments.
Vakrangee Ltd.	1.0%*	Based in India, Vakrangee develops computer software and services for corporations and government uses.	Shares notably outperformed in the quarter in response to strong financial results, as the company delivered excellent growth in revenue and cash flow versus the prior year.

**FUND HOLDINGS – DETRACTORS**

FIRM NAME	% OF FUND	FIRM PROFILE	ANALYSIS
X5 Retail Group, NV	0.8%*	X5 Retail Group is a food retailer based in Moscow, Russia.	Shares declined in the period as quarterly financial results missed expectations due to gross margin declines brought on by higher promotional costs. The company's long-term growth prospects and market opportunity remain attractive in our view.
Sunny Optical Technology Group Company, Ltd.	0.8%*	Based in China, Sunny Optical is a leading manufacturer of optical and optic-related components for an array of devices.	Shares underperformed in response to a slowdown in components shipments. Market rotation and profit taking also affected the shares and we sold the position during the period.

\*as of 30/11/17

# Calamos Emerging Markets Fund Fourth Quarter 2017 Report

## Positioning

Our positioning favors economies benefiting from domestic demand trends, pro-growth fiscal reforms, and a blend of secular growth and more cyclical opportunities. We favor investments in Emerging Asia with China and India being our two largest market weights. We also see opportunities in South Korea, Taiwan, Brazil, South Africa, Russia and Mexico. From a sector perspective, the largest portfolio weights are in technology, financials, consumer discretionary and staples, while the portfolio has an underweight stance in utilities, health care and telecom services versus the index. We maintained relatively stable sector weights during the quarter, making changes at the margin driven mainly by bottom-up security rationale. We added weight modestly to consumer discretionary and financials, while trimming exposure in real estate and health care reflecting our top-down view and positioning.

## Outlook

We have a positive view of investment opportunities in emerging markets. A coordinated pickup in global growth conditions, positive capital flows and higher corporate earnings are supporting emerging market assets. Emerging market valuations and growth characteristics are favorable and offer the potential to benefit from an enhanced focus on the quality of company fundamentals. While we do not expect a rapid acceleration in economic growth, we see improving trends in emerging market data and a greater appreciation of the more divergent conditions among economies. We have also seen notable improvements in current accounts, fiscal deficits and currencies across many EM economies, resulting in reduced vulnerability to higher global interest rates and capital flows.

SECTOR POSITIONING	SECTOR WEIGHTINGS AS OF 31/12/17	OVER/UNDERWEIGHT VS. MSCI EMERGING MARKETS INDEX	QUARTER TO QUARTER CHANGE
Information Technology	27.6	0.0	-2.2
Financials	24.3	0.9	0.2
Consumer Discretionary	13.9	3.7	1.1
Industrials	9.8	4.5	2.3
Materials	7.0	-0.4	1.2
Energy	6.1	-0.6	1.6
Consumer Staples	5.6	-0.9	0.2
Real Estate	4.9	2.1	-0.3
Telecom Services	1.3	-3.5	-2.8
Health Care	0.6	-2.1	-1.2
Utilities	0.0	-2.4	0.0

Sector weightings exclude cash or cash equivalents, any government/sovereign bonds or instruments on broad indexes the portfolio may hold. Holdings and weightings are subject to change daily. You can obtain a complete list of holdings by visiting [www.calamos.com](http://www.calamos.com). Please see additional disclosures on last page.

# Calamos Emerging Markets Fund Fourth Quarter 2017 Report

## Fund Quarterly Attribution

	CONSUMER DISCRETIONARY	CONSUMER STAPLES	ENERGY	FINANCIALS	HEALTH CARE	INDUSTRIALS	INFORMATION TECHNOLOGY	MATERIALS	REAL ESTATE	TELECOM SERVICES	UTILITIES
EMERGING MARKETS FUND VERSUS MSCI EMERGING MARKETS INDEX (%)											
Value Added from Sector	0.05	0.00	0.00	0.00	-0.16	-0.06	0.06	0.03	-0.04	-0.12	0.16
Value Added from Selection & Interaction	0.66	-0.01	-0.05	-0.32	-0.19	0.14	0.66	-0.08	-0.13	-0.40	0.00
Total Added Value	0.71	-0.01	-0.05	-0.32	-0.35	0.08	0.72	-0.05	-0.17	-0.52	0.16

### SECTOR WEIGHTS (AVERAGE % WEIGHT DURING THE QUARTER)

Emerging Markets Fund	13.03	5.15	5.23	23.07	0.77	7.64	24.86	5.96	3.96	7.27	0.00
MSCI Emerging Markets Index	10.27	6.39	6.80	23.21	2.42	5.30	28.30	7.19	2.79	4.87	2.46
Over/underweight	2.76	-1.24	-1.57	-0.14	-1.65	2.34	-3.44	-1.23	1.17	2.40	-2.46

### SECTOR RETURNS (%)

Emerging Markets Fund	13.64	6.76	7.23	6.69	4.50	5.30	9.70	7.31	1.45	-1.69	0.00
MSCI Emerging Markets Index	8.65	7.50	7.88	8.09	16.76	3.60	7.20	8.62	3.12	3.05	1.02
Relative Return	4.99	-0.74	-0.65	-1.40	-12.26	1.70	2.50	-1.31	-1.67	-4.74	-1.02

Calculations may be subject to rounding.

Calamos Emerging Markets Fund is a sub-fund of Calamos Global Funds PLC, an investment company with variable capital incorporated with limited liability in Ireland (registered number 444463), and is authorised and regulated by the Irish Financial Regulator as an Undertaking for Collective Investment in Transferable Securities ("UCITS"). The Company is a recognised scheme in the UK for the purposes of the Financial Services and Markets Act 2000, but is not authorised under such Act and therefore investors will not be entitled to compensation under the UK Financial Services Compensation Scheme. Calamos Global Funds PLC has been established as an umbrella fund with segregated liability between subfunds and is authorised pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2003 as amended. Calamos Investments LLP, is authorised and regulated by the Financial Conduct Authority, and is the distributor of the Calamos Global Funds PLC.

**Important Information.** 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. Average annual total return measures net investment income and capital gain or loss from portfolio investments as an an-

nualised average. All performance shown assumes reinvestment of dividends and capital gains distributions.

Returns net of fees include the investment advisory fee charged by Calamos Advisors LLC. Returns greater than 12 months are annualised. All performance shown assumes reinvestment of dividends and capital gains distributions.

Sources for performance data: Calamos Advisors LLC, RBC, Morningstar and BNY Mellon Performance & Risk Analytics, LLC.

The Fund is offered solely to non-U.S. investors under the terms and conditions of the fund's current prospectus. The prospectus contains important information about the Fund and should be read carefully before investing. A copy of the full and simplified prospectus for the Fund may be obtained by visiting [www.calamos.com/global](http://www.calamos.com/global), or by contacting the local Paying Agent listed by jurisdiction at [www.calamos.com/global](http://www.calamos.com/global), or through the fund's Transfer Agent, RBC Investor Services Ireland Limited.

In Switzerland, all important information such as the constituents documents, the sales prospectus, the Key Investor Information Document ("KIID") and the annual or semi-annual report can be obtained free of charge from the Swiss representative.

The Swiss representative is Acolin Fund Services AG, Affolternstrasse 56, 8050 Zürich. The Swiss paying agent is NPB Neue Privat Bank AG, Limmatquai 1/äm Bellevue, CH-8022 Zürich.

The MSCI Emerging Markets Index is a free float-adjusted market capitalisation index that is designed to measure equity market performance of emerging markets. The index is calculated without dividends, with net or with gross dividends reinvested, in both U.S. dollars and local currencies. Unmanaged index returns assume reinvestment of any and all distributions and do not reflect any fees, expenses or sales charges. Investors cannot invest directly in an index.

Calamos Investments LLP Distributor

**CALAMOS**  
INVESTMENTS

Calamos Investments LLP  
62 Threadneedle Street | London EC2R 8HP  
Tel: +44 (0)20 3744 7010 | [www.calamos.com/global](http://www.calamos.com/global)

Calamos Investments LLC  
2020 Calamos Court | Naperville, IL 60563-2787  
Tel: 877.663.8056 | [www.calamos.com](http://www.calamos.com)

Calamos Global Funds PLC  
c/o 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)

© 2018 Calamos Investments LLC. All Rights Reserved.  
Calamos® and Calamos Investments® are registered trademarks of Calamos Investments LLC.

CGFEMCOM 8296 1217 IO