Emerging Economies Strategy Quarterly Commentary

CALAMOS INVESTMENTS

Summary

- For the quarter ended June 30, 2026, the portfolio returned 35.21% (gross of fees) and 34.88% (net of fees), strongly outperforming the 24.15% return of the MSCI Emerging Markets Index.
- The portfolio benefited from the industrials sector, as holdings in industrial conglomerates and heavy electrical equipment helped drive relative results. Security selection and an average overweight allocation within the real estate sector weakened returns.
- Security selection in Emerging Asia added value to portfolio performance. Specifically, India and South Korea were sources of strength. Contrarily, the portfolio's security selection and an average overweight position in the United States curbed relative returns.
- With geopolitical events likely to stoke elevated volatility for the foreseeable future, we believe that selectivity, applied within a thematically driven framework, will provide the best compass for navigating markets.

Market Environment

Emerging markets rallied sharply and outperformed global markets in the quarter, as measured by the MSCI Emerging Markets Index return of 24.15% (in USD terms) and 24.22% in local currency. Emerging markets experienced a broad range of returns, as investors evaluated tech leadership and strong earnings, alongside the impact of persistent geopolitical uncertainty and a stronger US dollar.

South Korean and Taiwanese equities generated strong returns in the second quarter and year to date, as companies benefited from robust demand for AI infrastructure, including semiconductors and memory providers.

Chinese equities declined in the second quarter, as captured by the MSCI China Index. China's recent PMI data showed moderate expansion in manufacturing and services activity, although business confidence and sentiment remained at low levels. In terms of policy, President Trump and Xi held a summit in China in May, alongside a group of influential business leaders. The sides discussed the need for greater stability in the relationship, although concrete policy outcomes were modest.

India's economy has seen positive but moderating growth across services and manufacturing PMI, although firms remained optimistic about output growth in the year ahead.

Among larger EM countries, the leaders in the second quarter included Korea (+87.62%) and Taiwan (+48.95%) in USD terms, while the laggards included Indonesia (-25.72%) and Brazil (-8.08%).

Performance Review

For the quarter ended June 30, 2026, the strategy returned 35.21% (gross of fees) and 34.88% (net of fees), strongly outperforming the 24.15% return of the MSCI Emerging Markets Index. The portfolio's sector positioning and security selection both added value, as holdings closely aligned with our key secular growth themes contributed significantly.

Positive Influences on Performance

Industrials. The portfolio benefited from the industrials sector, where holdings in industrial conglomerates and heavy electrical equipment helped drive relative results.

Information Technology. An average overweight allocation in information technology added to the portfolio's performance. The main contributors within this sector were electronic components and systems software companies.

Negative Influences on Performance

Real Estate. Security selection and an average overweight allocation within the real estate sector weakened returns. Holdings in real estate development notably fell short.

Materials. Security selection within the gold and diversified metals & mining industries of the materials sector lagged.

Geographic Performance

Security selection in Emerging Asia added significant value to the portfolio. Specifically, India and South Korea were sources of strength. Moreover, an average underweight allocation in Emerging Europe & South Africa also contributed to returns.

Contrarily, the portfolio's security selection and an average overweight position in the United States curbed relative returns. Moreover, an average overweight allocation in Canada dampened results.

Positioning and Portfolio Changes

In terms of portfolio positioning, we see a range of opportunities across areas of secular growth, cyclical growth, and select defensives. We are investing in companies aligned with our key secular themes that offer attractive earnings growth and supportive valuations.

From a sector perspective, we hold significant weights in technology, industrials, and financials. We own key industry positions in semiconductors, semi equipment, tech hardware, diversified banks, electronic components, industrial conglomerates, machinery, and wireless telecom. We have underweights in utilities, energy, health care, and consumer staples.

Allocations to information technology and industrials rose during the period with increased weights in electronic components and industrial conglomerates. By contrast, allocations to materials and communication services decreased over the period with reductions to gold and wireless telecommunication services.

From a regional perspective, the largest absolute weights are in Emerging Asia and Emerging Europe & South Africa. The smallest positions are found in Canada and Europe. We maintain overweight allocations to the United States and Europe, while the portfolio has an underweight stance in Emerging Asia and Emerging Latin America relative to the index. Allocations to Emerging Asia increased during the period with increased weights in South Korea. By contrast, allocations to Emerging Latin America decreased over the period with reductions in Brazil and Peru.

Outlook

Emerging markets continue to navigate a complex global backdrop. We are analyzing multiple market drivers, including the outlook for growth and inflation, AI innovation and capital expenditures, and global policy announcements. We believe that selectivity, applied within a thematically driven framework, will provide the best compass for navigating markets.

For additional information, please visit the strategy's profile page:
https://www.calamos.com/strategies/emerging-economies/

DATA AS OF 6/30/26

EMERGING ECONOMIES AVERAGE ANNUAL RETURNS (%)

	QTD	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE INCEPTION (12/08)
Emerging Economies (gross of fees)	35.21	57.64	28.88	8.73	12.85	11.59
Emerging Economies (net of fees)	34.88	56.05	27.55	7.59	11.70	10.39
MSCI Emerging Markets Index	24.15	44.18	23.62	7.69	10.52	9.95
MSCI Emerging Markets Index (Local)	24.22	50.90	25.73	10.56	12.25	11.54

Past performance does not guarantee or indicate future results. Current performance may be lower or higher than the performance quoted. 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.

For Institutional Use Only

The information portrayed is for the Calamos Emerging Economies Strategy. Representative holdings and portfolio characteristics are specific only to the portfolio shown at that point in time. Other portfolios will vary in composition, characteristics, and will experience different investment results. The representative portfolio shown has been selected by the advisor based on account characteristics that the advisor feels accurately represent the investment strategy as a whole.

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.

The information provided in this report should not be considered a recommendation to purchase or sell any industry, sector or particular security. There is no assurance that any industries, sector or security discussed herein will remain in a client's account at the time of reading this report or that industry, sectors or securities sold have not been repurchased. The industries, sectors, or securities discussed herein do not represent a client's entire account and, in the aggregate, may represent only a small percentage of an account's holdings.

It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

Returns and risk/reward presented reflect the **Calamos Emerging Economies Composite**, which is an actively managed composite that invests in a globally diversified portfolio of equity, convertible and debt securities. In general, at least 35% of constituent portfolio assets are invested in securities of issuers that are organized in emerging market countries. Investments in securities of developed market companies are generally limited to those companies which derive 20% or more of assets or revenues from emerging market countries. The Composite was created December 1, 2010, calculated with an inception date of December 1, 2008. The Composite results include all fully discretionary accounts, including those no longer with the Firm. Investments in overseas markets pose special risks, including currency fluctuation and political risks, and the strategy is expected to be more volatile than that of a US-only strategy. These risks are generally intensified for investments in emerging markets.

Foreign, Emerging Markets Risk: Investments in these types of securities have considerable risks. Risks associated with investing in foreign securities include fluctuations in the exchange rates of foreign currencies that may affect the US dollar value of a security, the possibility of substantial price volatility as a result of political and economic instability in the foreign country, less public information about the issuers of securities, different securities regulation, different accounting, auditing and financial reporting standards and less liquidity than in the US markets.

Emerging Market Country Risk: Some of the exchanges in which a strategy may invest may be less well-regulated than those in developed markets and may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the price at which a strategy may liquidate positions to meet redemption requests or other funding requirements. Investment in emerging markets may also give rise to currency risks. Emerging market countries involve risks such as immature economic structures, national policies restricting investments by foreigners, and different legal systems. The marketability of quoted shares in emerging market countries may be limited as a result of wide dealing spreads, the restricted opening of stock exchanges, a narrow range of investors and limited quotas for foreign investors. Therefore, a strategy may not be able to realize its investments at prices and times that it would wish to do so. Some emerging market countries may also have different clearance and settlement procedures, and in certain countries there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct transactions. Costs associated with transactions in developing country or emerging market country securities are generally higher than those associated with transactions in developed country securities.

Growth Investing Risks: Growth companies are generally more susceptible than established companies to market events and sharp declines in value. Additionally, growth stocks typically lack the dividend yield that can cushion stock prices in market downturns**.**

Equity Securities Risk: The securities markets are volatile, and the market prices of the securities may decline generally. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. If the market prices of the securities owned fall, the value of your investment will decline.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The index is calculated on a total return basis, which includes reinvestment of gross dividends before deduction of withholding taxes.

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.

Fees include the investment advisory fee charged by Calamos Advisors LLC. Returns greater than 12 months are annualized. Chart Data Source: Calamos Advisors LLC.

Average annual total return measures net investment income and capital gain or loss from portfolio investments as an annualized average assuming reinvestment of dividends and capital gains distributions.

Calamos Advisors LLC is a federally registered investment advisor. Form ADV Part 2A, which provides background information about the firm and its business practices, is available upon written request to:

Calamos Advisors LLC
2020 Calamos Court
Naperville, IL 60563-2787
Attn: Compliance Officer

Calamos Advisors, LLC
2020 Calamos Court | Naperville, IL 60563-2787
866.363.9219 | calamos.com | calamos.com/institutional

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