SERENITY **NOW**

THIRD QUARTER 2022

CALAMOS® INVESTMENTS

You do you

Investors are said to have a love-hate relationship with investing. (Last year we "loved" our tech stocks, this year we "hate" them.) Fueling the emotion is the media commentary, both traditional and social, which tends to amp up the intensity of what's happening on any given day in the markets.

2022 MAKES HISTORY—WITH 6 MONTHS TO GO

S&P 500 LARGEST DAILY PERCENTAGE CHANGES

Largest Gain	Largest Loss
↑ 2.99% on May 4	↓ -4.04% on May 18

Data as of 6/15/22. The **S&P 500 Index** is generally considered representative of the US stock market.

To be sure, both stocks and bonds are providing their share of excitement this year. But if you're working with an investment professional, most of that emotion is stress you don't need. The majority of financial commentators on television, Twitter or your favorite podcast are talking about their trading, i.e., the moves they're making in and out of stocks. They're either crushing it or getting crushed, all day every day.

But, that's not you. You're investing to fund long-term objectives—whether it's a college education, retirement, or a seat on the next rocket to outer space—with the help of a professional who's trained to anticipate periods like these. Relax, they've got you.

A chronic overreactor named Frank Costanza famously invoked the chant "Serenity now!" when life got stressful. Sadly, Frank failed to practice what he preached. If only he could have seen the charts on the following pages.

It is what it is

Let's not sugarcoat it: As of mid-June, with the S&P 500 down more than 20% from its peak in January, stocks are struggling for the third time in four years.

But take a step back and look at the recovery from those previous drawdowns (-35% in 2020 and -19% in 2018). As suggested by their V shape, 2018 and 2020 bounced back quickly. And, what's the first thing you notice? The market fell from a higher point in each case.

3 BEAR OR NEAR-BEAR MARKET DECLINES IN FOUR YEARS

S&P 500 Index 1/1/18-6/15/2022

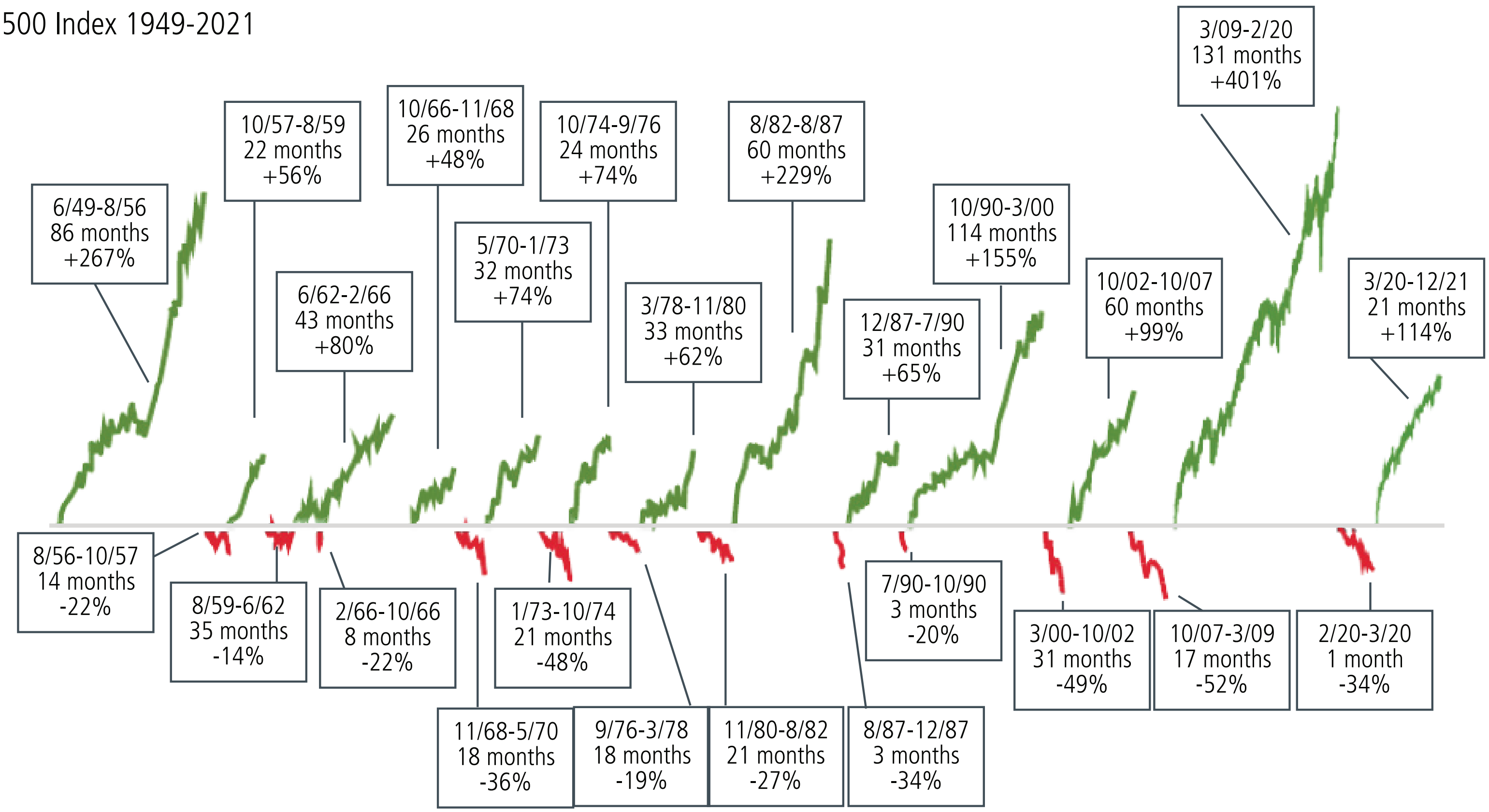
Past performance is no guarantee of future results. The **S&P 500 Index** is generally considered representative of the US stock market.

Zoom out

The market rises a lot, and falls a little. If your goal is the first part, then you need to expect the second part. One doesn't happen without the other.

THE STOCK MARKET RISES A LOT, AND FALLS A LITTLE

S&P 500 Index 1949-2021



Past performance is no guarantee of future results. Source: Capital IQ, Bloomberg. The **S&P 500 Index** is generally considered representative of the US stock market.

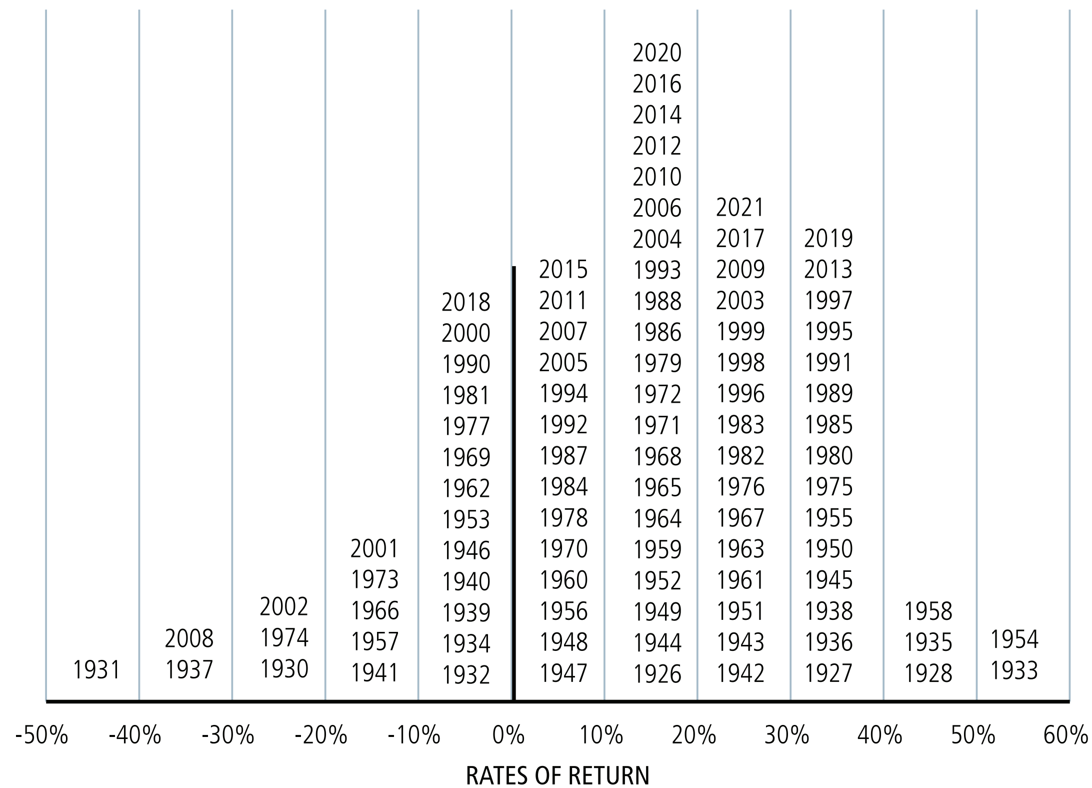
Stocks gain in most (not all) years

History has shown that there's no alternative to equities in providing better potential for capital growth over the long term. Every calendar year you're invested won't finish positive, but most have.

Over time, the market has overcome temporary setbacks of all kinds and proceeded to yield investment returns sufficient to fund the dreams of generations of investors.

HISTORICALLY, IT HAS PAID TO OWN STOCKS

Calendar year S&P 500 Index returns 1926-2021



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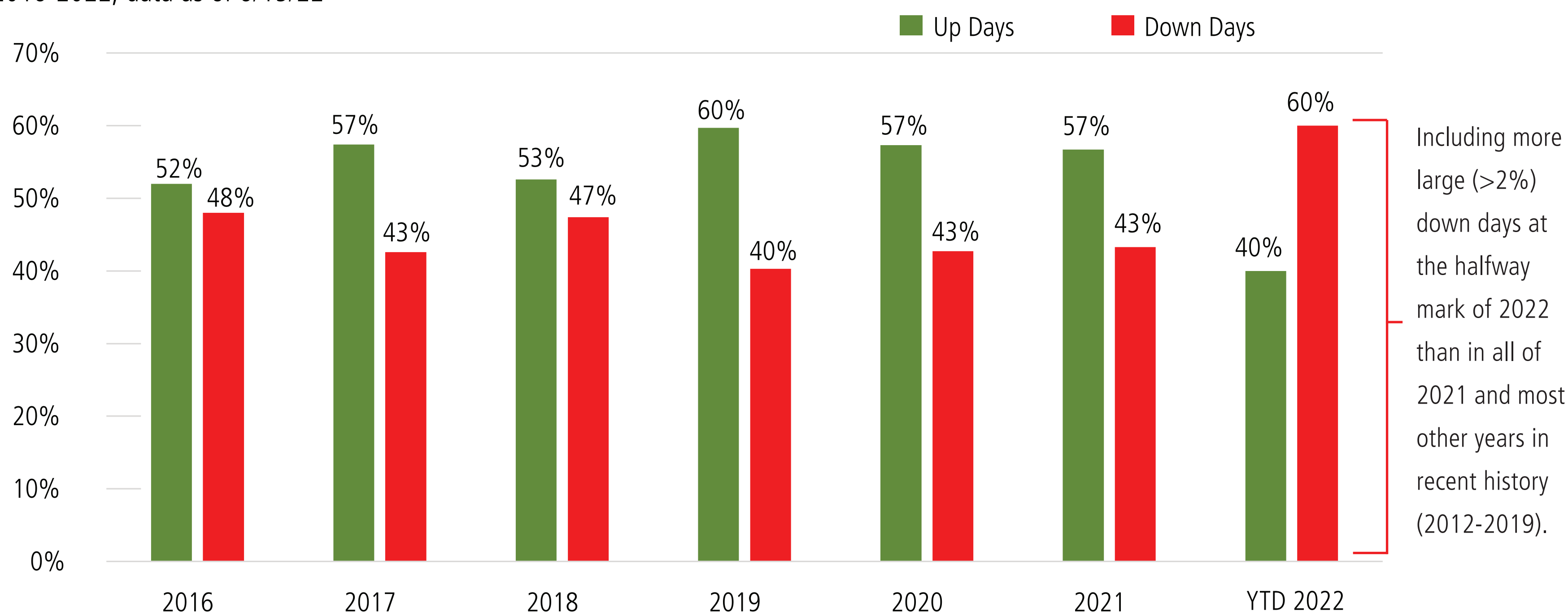
What's the deal with this year?

There have been periods (2021, anyone?) when it's looked easy. But investing involves risk—as this year is determined to remind us. It's not just that there have been more negative days than positive, the down days have been deep.

2022 HAS SEEN MORE DOWN DAYS YTD

Percentage positive and negative days, S&P 500 Index
2016-2022, data as of 6/15/22



Past performance is no guarantee of future results. Source: Crestmont Research. The **S&P 500 Index** is generally considered representative of the US stock market.

Keep it together now

The market is reacting to uncertainty. Let's power through a brief list of what's worrying investors:

» Inflation at its highest since 1981, including $5-plus gas nationwide.

» Interest rates climbing much higher as the Federal Reserve becomes increasingly aggressive about fighting inflation.

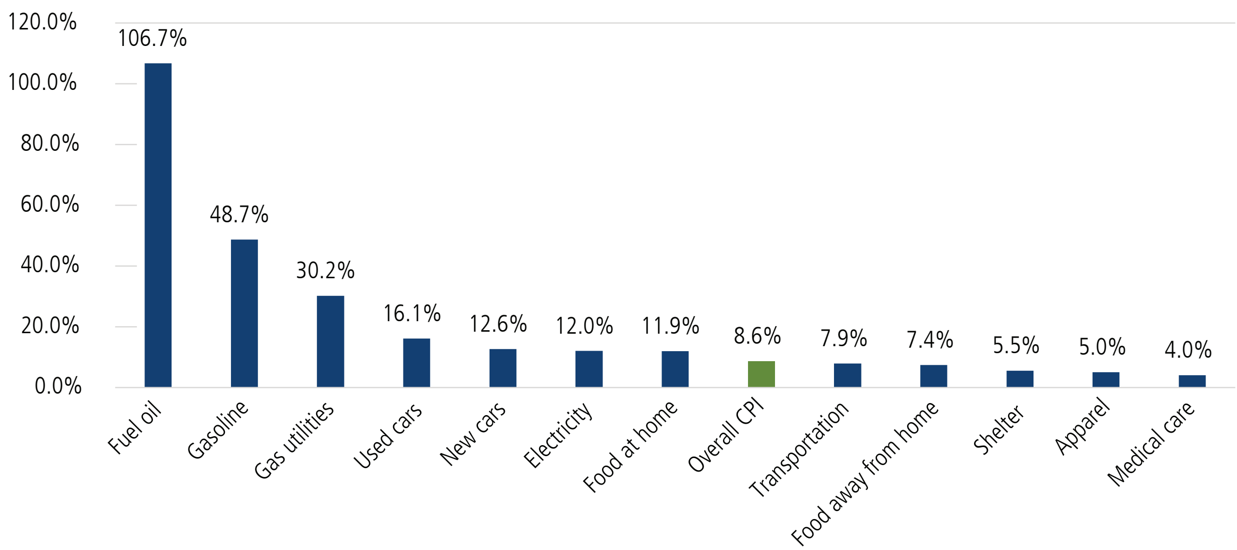
» Diminished prospects for borrowers, both commercial and consumer (especially including home buyers coping with 20% higher prices and 6% mortgage rates).

» The possibility that the desired slowdown in growth—the purpose of the Fed raising rates—will inadvertently result in a recession, leading to job loss and shrinking consumer demand for products and services, affecting company earnings.

Add to these the carryover of prior years' concerns about Covid, China, the Russian aggression toward Ukraine and supply chain disruptions.

PRICE HIKES ARE HITTING HOME

12-month percentage change, Consumer Price Index, selected categories, May 2022, not seasonally adjusted



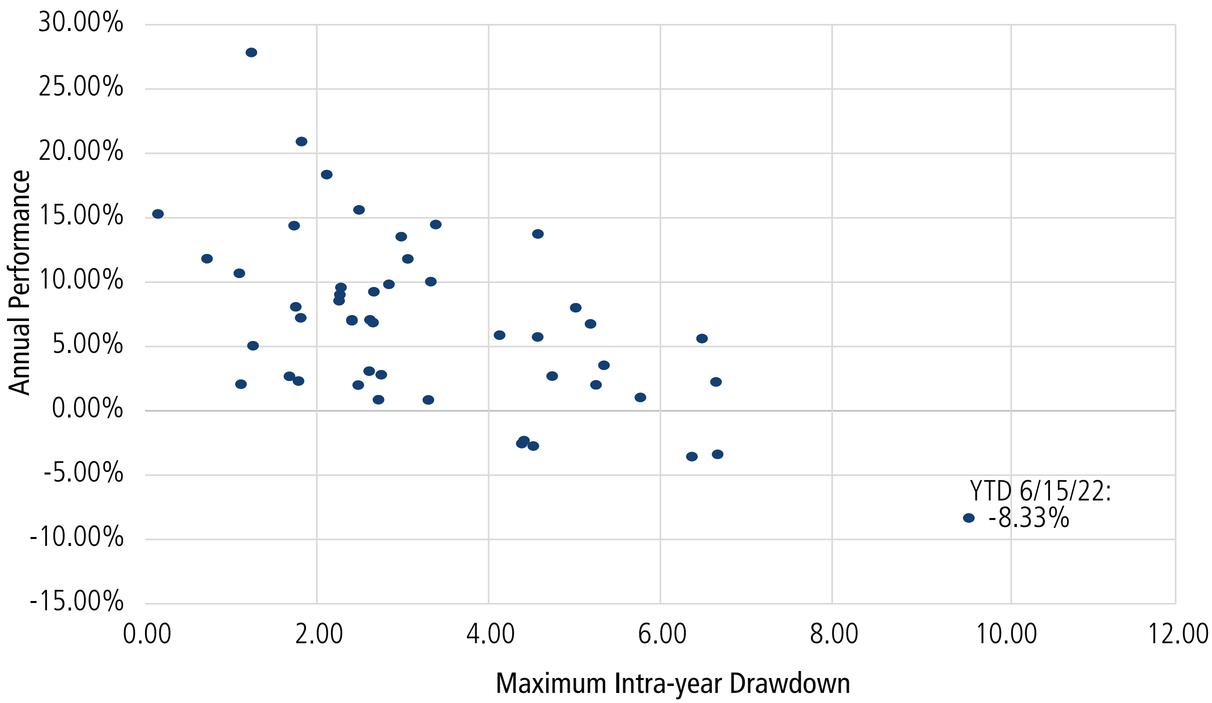
Source: US Bureau of Labor Statistics

This doesn't help. At all.

Oh and even government bonds—whose role in a portfolio has traditionally been to stabilize—have been no help this year. Treasuries in 2022 have experienced their deepest drawdown to date.

THE BLOOMBERG AGGREGATE TREASURY INDEX ANNUAL PERFORMANCE VS. MAXIMUM INTRA-YEAR DRAWDOWN

Data since 1974 and as of 6/15/22



Past performance is no guarantee of future results. The **Bloomberg Aggregate Treasury Index** measures the performance of public obligations of the US Treasury, including securities roll up to the US Aggregate, US Universal, and Global Aggregate Indices.

What will it take?

While some of what's concerning has to do with our current state, the stock market is mostly nervous about what's ahead, the future. Commentators anticipating recession, for example, are focused on something that could be several months, even a year away. At this point, it's a waiting (and worrying) game.

The National Bureau of Economic Research (NBER) is responsible for declaring recessions. While many believe that two consecutive quarters of negative Gross Domestic Product (GDP) change constitutes a recession, there are other ways to get there.

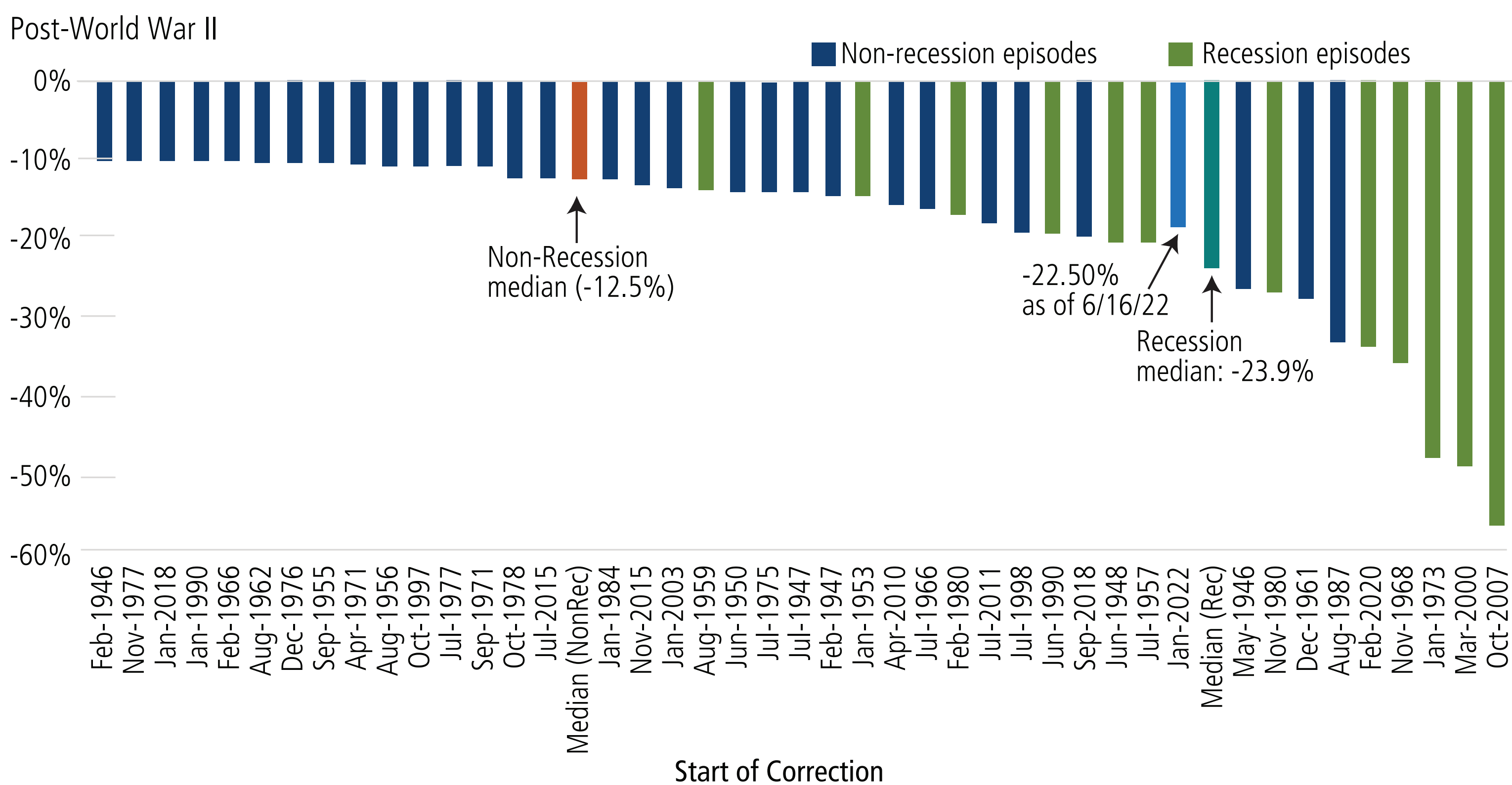
> "...A recession involves a significant decline in economic activity that is spread across the economy and lasts more than a few months. In our interpretation of this definition, we treat the three criteria—depth, diffusion, and duration—as somewhat interchangeable. That is, while each criterion needs to be met individually to some degree, extreme conditions revealed by one criterion may partially offset weaker indications from another."
>
> *National Bureau of Economic Research*

The R word

Is recession inevitable? As the market continues to struggle, it's seeming likelier. Then again, some believe our post-pandemic economy is strong enough to avoid or delay it. Expect to hear a lot about recession (and feel the "recessionary effects," too).

What's that saying? Ah, yes: Serenity now!

SIZE OF S&P 500 10%+ CORRECTIONS



Past performance is no guarantee of future results. Source: Macro-Ops, Shiller Data, Haver, Deutsche Bank Asset Allocation, Deutsche Bank. The **S&P 500 Index** is generally considered representative of the US stock market.

What market-timers miss

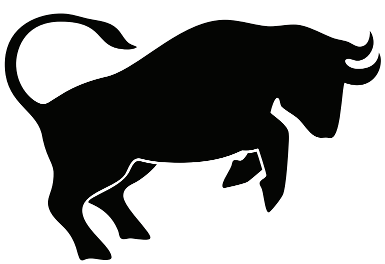
If you’re a long-term investor, bull/bear market labels may not matter so much.

At the completion of your investment plan, the value of what you’ve accumulated will be the result of your continuous participation over time.

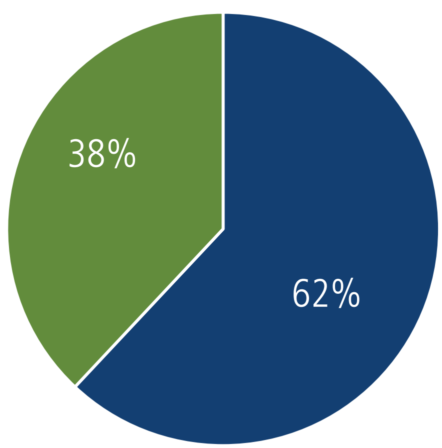
Just as the market rarely climbs straight up, bear markets rarely fall straight down. Selloffs can take place during bull markets and rebounds have been common in bear markets. Your final value will reflect gains made during both bull and bear markets. Sit out a bear market and you could miss most of the best days in the market.

SIT OUT A BEAR MARKET AND YOU COULD HAVE MISSED 62% OF THE MARKET’S BEST DAYS

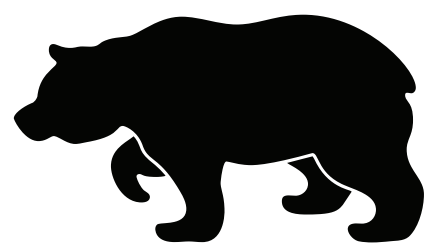
Based on the top 50 best trading days in the S&P 500 Index 6/17/02 – 6/16/22



And, 20% of the market’s best days took place in the first two months of a bull market—i.e., before it was clear that a bull market had begun.



62% of the market’s best days have taken place during a bear market.



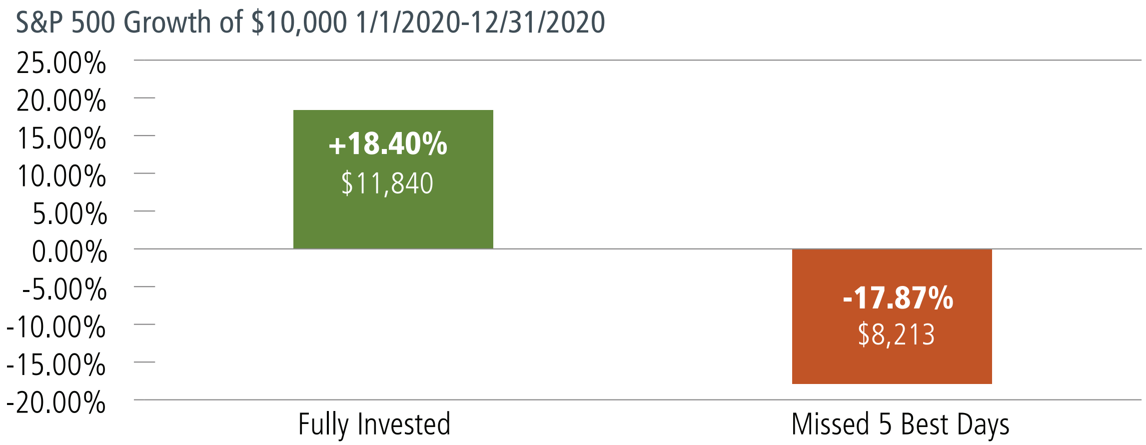
Past performance is no guarantee of future results. Source: Morningstar Direct, Calamos Investments. The **S&P 500 Index** is generally considered representative of the US stock market.

Who saw that coming?

For example, investors like to celebrate early. We saw that as recently as two years ago when the market rebounded from its collapse over the economy shutting down to fight Covid. Stocks reversed direction on March 24. That was months before a vaccine was shown to be effective and even a few days ahead of Congress' adoption of the economic stimulus package.

Unfortunately, there were some investors who'd left the market when it was off its highs and mis-calculated when to return. Missing just five days in the market in 2020 could have meant the difference between an 18% gain or an equal-size loss.

THE DIFFERENCE BETWEEN STAYING INVESTED AND MISSING OUT IN 2020



Performance data quoted represents past performance, which is no guarantee of future results.
The **S&P 500 Index** is generally considered representative of the U.S. stock market.

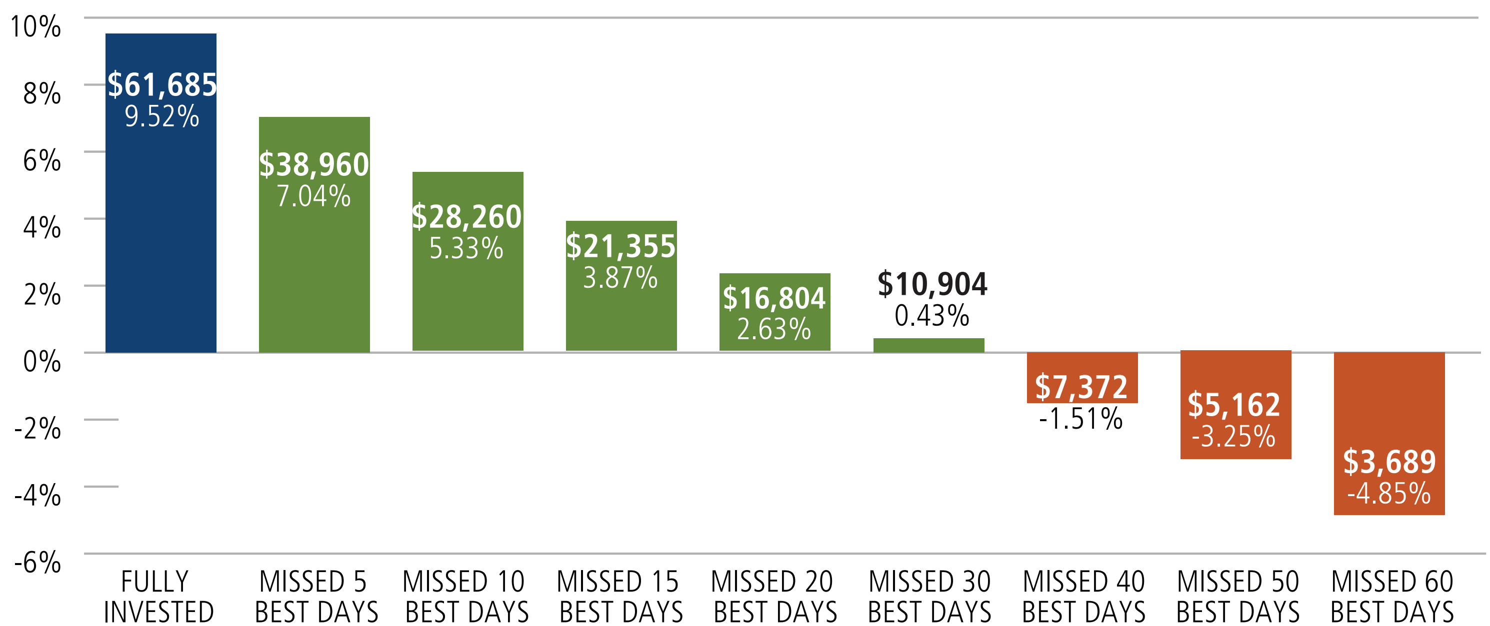
Stay where you are, please

Whatever you do, don't try to time this market.

To time the market is to assume that you're going to get two decisions correct: when to exit and when to return. More likely, you could get both moves wrong, and your portfolio will be the worse for wear. What happened in 2020 is typical over longer terms, too. If you had missed just 10 days over the most recent 20-year period, you would have reduced your return by more than half ($61,685 vs. $28,260). That's a heavy toll to pay.

STAYING INVESTED IS THE BEST LONG-TERM STRATEGY

S&P 500 ANNUALIZED RETURNS AND THE GROWTH OF $10,000 OVER 20 YEARS (2001-2021)



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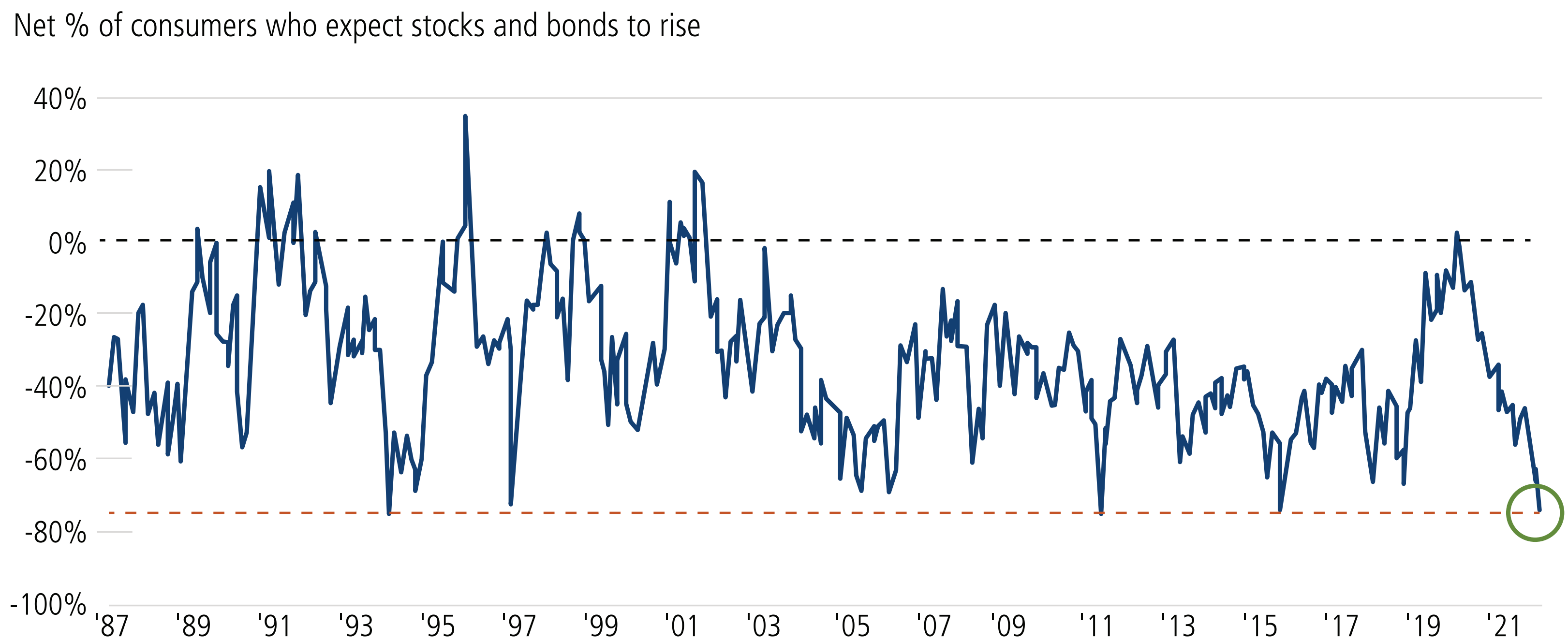
It's a mood...

The direction of future market moves is impossible for mere mortals to predict correctly consistently. Investors can have a bad reaction to good news and a good reaction to bad news.

Example: Consumers are sour on investing to a historic degree—but some prognosticators take that as a contrarian indicator that could be good for markets!

CONSUMER SENTIMENT TOWARD STOCKS AND BONDS IS AT A RECORD LOW



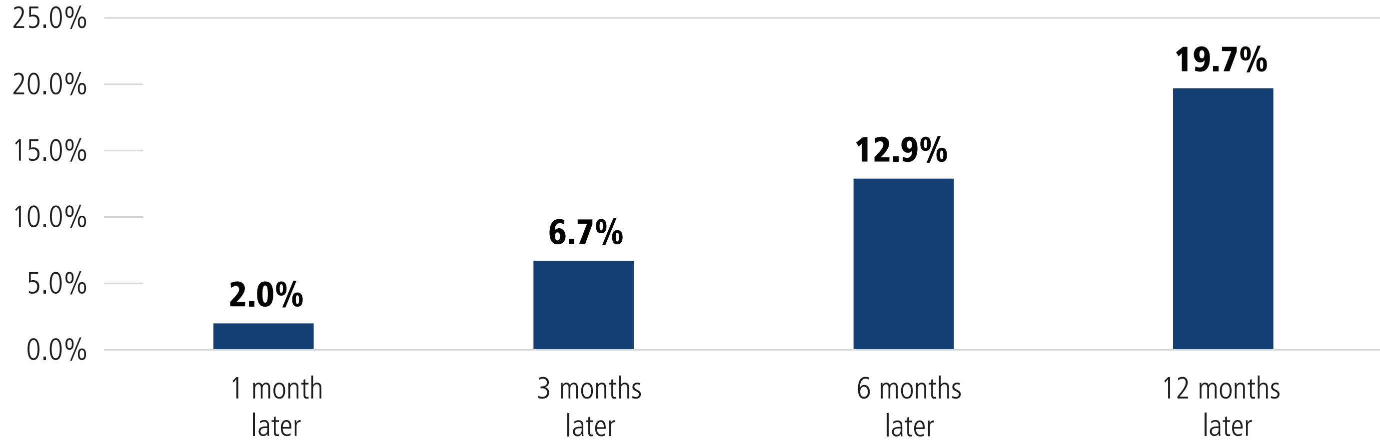
Source: SentimenTrader.com, Conference Board

…but maybe not for long

Check out what such low levels of sentiment have historically meant. Previously, when investors largely have lost that bullish feeling, stocks have surprised on the upside. Sometimes stocks' unpredictability can work in investors' favor.

NEGATIVE SENTIMENT CAN SIGNAL POSITIVE TIMES AHEAD

Average S&P 500 returns after the percentage of bullish investors dropped below 20%, American Association of Individual Investors Survey since 1987



	1 month later	3 months later	6 months later	12 months later
% of positive periods	68%	94%	97%	97%

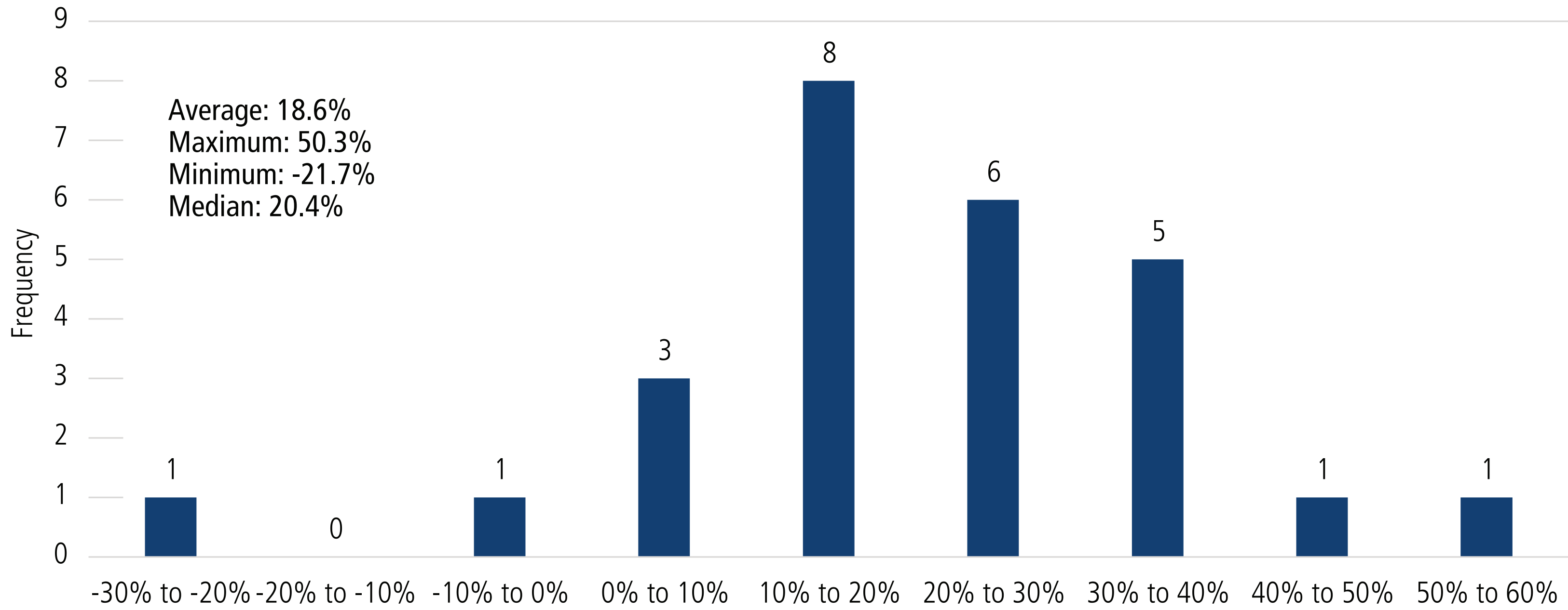
Past performance is no guarantee of future results. Source: Truist IAG, FactSet, AAII. **S&P 500 Index** is generally considered representative of the US stock market.

This, too, shall pass

In three out of four bear markets since 1950, according to *Barron's*, the S&P 500 has been higher one year later. The chart below shows you the distribution of what's happened after the market has been down more than 15% in five months.

STOCKS HAVE TENDED TO BOUNCE BACK

1-year forward S&P 500 price returns after a 5-month decline of >15%



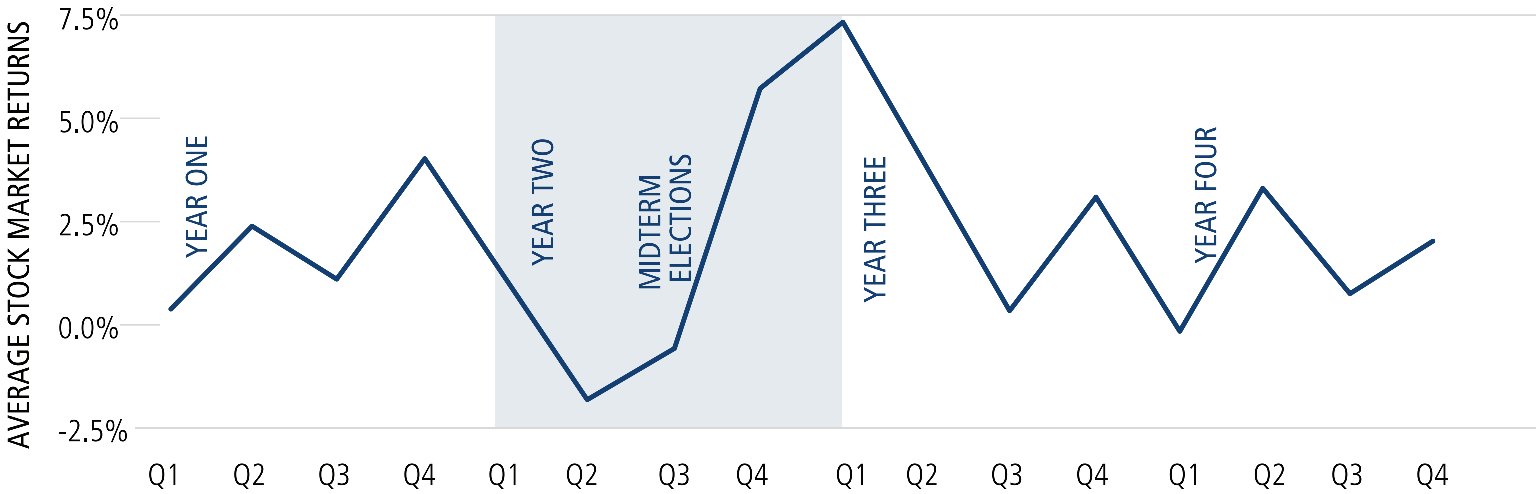
Past performance is no guarantee of future results. Source: S&P Dow Jones Indices. Based on monthly data March 4, 1957 to May 12, 2022. The **S&P 500 Index** is generally considered representative of the US stock market.

Vote for up

The second half of the year is sure to bring its own twists and turns. For one, there's the lead-up to the midterm elections and their aftermath. In general, the second year of a presidential term has been the worst year for the stock market, but note its strong finish.

STOCKS HAVE STRUGGLED LEADING UP TO THE MIDTERM ELECTIONS—AND THEN OUTPERFORMED

Based on data in mid-term election years since 1945



Isn’t it over yet?

We wish we could say that the worst is behind us. Who knows if it is? We hope so. As you can see below, the average bear market is 14 months long, with a lot of variability.

S&P 500 BEAR MARKETS

Defined by 20% peak to trough decline, 1929 – present
Recessions as declared by the National Bureau of Economic Research (NBER)

BEAR MARKET PERIOD	LENGTH OF BEAR MARKET (MONTHS)	NBER RECESSIONS	LENGTH OF RECESSION (MONTHS)	S&P 500 START	S&P 500 END	% CHANGE
Jan 2022 to ?	?	?		4819	3810	-21%
Feb 2020 to Mar 2020	1	Feb 2020 to Apr 2020	2	3394	2192	-35%
Sep 2018 to Dec 2018	3			2941	2347	-20%
May 2011 to Oct 2011	5			1371	1075	-22%
Oct 2007 to Mar 2009	17	Dec 2007 to Jun 2009	18	1576	667	-58%
Mar 2000 to Oct 2002	31	Mar 2001 to Nov 2001	8	1553	769	-51%
Jul 1998 to Oct 1998	3			1191	923	-22%
Jul 1990 to Oct 1990	3	Jul 1990 to Mar 1991	8	370	295	-20%
Aug 1987 to Oct 1987	2			338	216	-36%
Nov 1980 to Aug 1982	22	Jul 1981 to Nov 1982	16	142	102	-28%
Sep 1976 to Mar 1978	18			109	86	-20%
Jan 1973 to Oct 1974	21	Nov 1973 to Mar 1975	16	122	61	-50%
Dec 1968 to May 1970	17	Dec 1969 to Nov 1970	11	109	69	-37%
Feb 1966 to Oct 1966	8			95	72	-24%
Dec 1961 to Jun 1962	6			73	51	-29%
Aug 1956 to Oct 1957	14	Aug 1957 to Apr 1958	8	50	39	-21%
Jun 1948 to Jun 1949	12	Nov 1948 to Oct 1949	11	17	14	-21%
May 1946 to May 1947	12			19	14	-28%
Nov 1938 to Apr 1942	36			14	7	-46%
Mar 1937 to Mar 1938	12	May 1937 to Jun 1938	13	19	9	-54%
Jul 1933 to Mar 1933	20			12	8	-34%
Sep 1932 to Feb 1933	5	Aug 1929 to Mar 1933	43	9	6	-41%
Sep 1929 to Jun 1932	33	Aug 1929 to Mar 1933	43	32	4	-86%
Average All	14					-36%

Past performance is no guarantee of future results. Source: Charlie Bilello, Compound Advisors. The **S&P 500 Index** is generally considered representative of the US stock market.

Serenity within reach

You can't help but react when the market news is negative, and when you see those who used to be enthusiastic about investing now down in the dumps. But over-reacting is not a strategy. To over-react is to undermine well-considered plans. The financial news commentators you're listening to don't know your agenda (and for that matter, you don't know theirs).

If you're working with an investment professional, you've taken the most important step in moderating the risk of investing. Professionals rely on their specialized knowledge and risk management skills—including investments that lay people may not be aware of—to navigate the volatility that might otherwise jeopardize your tailormade plans and expectations.

Serenity now is a worthwhile goal, we're here to help you achieve it.

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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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CALAMOS®
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Calamos Advisors LLC
2020 Calamos Court | Naperville, IL 60563-2787
800.582.6959 | www.calamos.com | caminfo@calamos.com

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