

CAIE

Calamos Autocallable Income ETF

Fund Description

CAIE is actively managed, using total return swaps based on a US Large-Cap laddered portfolio of autocallable yield notes. The fund aims to provide a high monthly income, but not guaranteed, along with some downside cushion.

FactSet Analyst Report

CAIE is a complex alternative investment. Investors need to dig into the details to understand aspects such as observation periods, performance caps, limitations to the downside, and counterparty risk. CAIE is a non-diversified, actively managed ETF investing in total return swaps based on Autocallable Index exposure, yet not replicating or tracking it. The fund aims to make monthly distributions tied to the performance of the MerQube US Large Cap Vol Advantage Index. An index that is designed to reflect the performance of a theoretical portfolio of 50-260 synthetic autocallables arranged in a ladder structure with staggered entry points. If on a specified monthly observation date, the index has reached or exceeded a certain level the note is called, and the distribution may not be paid. If the index has fallen below a preset limit, investors are exposed to further losses on a 1:1 basis. The active management aims to diversify the exposure, minimize timing risks, counterparty exposure and creditworthiness. The fund invests in US Treasury securities, cash, equivalents, and derivatives, using a Cayman Islands Subsidiary for tax purposes.