

Nasdaq's Emergence in Autocallable ETFs

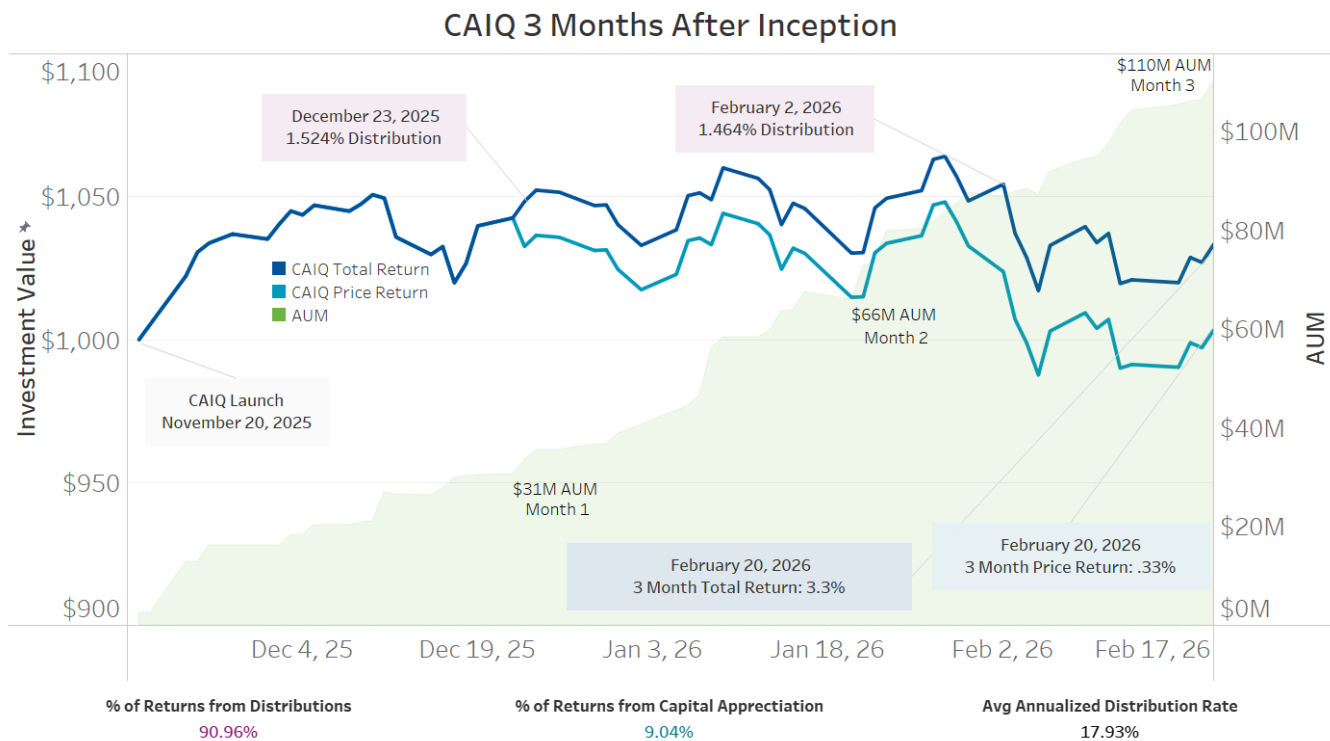
Examining the 3-Month Performance of CAIQ

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[Click here](#) to learn more about how autocallables and autocallable ETFs function.

Since late 2025, the autocallable ETF market has experienced robust growth, and the [Calamos Nasdaq® Autocallable Income ETF \(CAIQ\)](#) has distinguished itself as one of the industry's fastest growing funds. The high income potential, coupled with the exposure to innovative companies through the Nasdaq-100 Index® (NDX®), has attracted significant interest from investors. After 3 months in choppy markets, CAIQ has built an AUM exceeding \$110 million and achieved average monthly distributions of nearly 1.5%, all while largely maintaining principal. The following chart highlights these key metrics:

Figure 1: 3-Month Returns, Distributions, and AUM Growth for CAIQ



Source: Nasdaq Index Insights, Factset, Bloomberg. Fund distributions as of record dates. Data between 11/20/2025 and 2/20/2026.

Since its inception on November 20, 2025, CAIQ has issued two distributions to shareholders, accumulated AUM between \$30 and \$45 million each month, and achieved positive price and total returns throughout

this period. Given its income generating goals, 90% of the funds returns came through distributions that were made possible through the coupons generated by the 54 autocallables present in the fund (as of 2/20/2026). On an annualized basis, the two fund distributions of 1.524% and 1.464% compound to a distribution rate of 17.93%. So how does CAIQ manage to sustainably deliver annualized income approaching 18%?

CAIQ utilizes a ladder portfolio of autocallables, where a new autocallable tranche is added weekly. Each autocallable has the following terms:

Figure 2: CAIQ Autocallable Tranche Terms

Underlying Asset	Volatility	Decrement	Tenor	Observation Periods	Autocall Trigger	Non-Call Period	Downside Barrier	Coupon Barrier	Coupon Memory
Nasdaq-100	35% Volatility Target	6% Annual Decrement	5 years	Monthly	100% of initial value	12 months	70% of initial value	70% of initial value	No

Source: Nasdaq Index Insights, Calamos.

The primary driver of income comes from the style of the underlying asset used in this product. While Nasdaq-100 serves as the base, the addition of a 35% volatility target and 6% decrement used in the underlying asset both lead to a significantly enhanced income.

- [Volatility targeting](#) is a dynamic portfolio management strategy that aims to maintain a stable, predetermined level of risk by routinely adjusting index exposure. In this case, the Nasdaq-100® (NDX®) allocation is adjusted weekly to constantly target an implied volatility of 35%.
 - For example, if NDX implied volatility is calculated to be 20% during a period, CAIQ will hold approximately 1.75x leveraged NDX exposure ($35/20=1.75$). If volatility climbs to 50% during another period, CAIQ will then hold approximately 0.7x leveraged NDX exposure ($35/50=0.7$).
 - Historically, a 35% volatility target has historically provided mostly leveraged exposure to the Nasdaq-100, which has [held a realized volatility of ~23% between 2007 and 2025](#). Thus, targeting a high volatility increases upside potential at the expense of higher downside risk.
- A decrement is an index feature that deducts a fixed percentage of an index’s return on a daily basis. A 6% annual decrement would mean that 6% of the index return would be deducted over the course of a year.
 - The reason to do a decrement would be to structure a payoff such that there is more upside potential, given that deducting index returns would lead to more downside risk.

The combination of holding mostly leveraged NDX exposure and subsequently deducting returns is what provides the foundation for compensating investors with nearly 18% annualized income. Yet this number is still nearly 4% more than the Calamos Autocallable Income ETF (CAIE).

While there is belief that the Nasdaq-100 Index exposure is the reason for a difference in risk, the underlying indexes in CAIE and CAIQ both hold the same 35% volatility target and 6% decrement profile. Instead, the difference in income comes from the difference in coupon and downside barriers present in CAIQ vs CAIE: CAIQ’s barriers are set at 70% of initial value, while CAIE’s barriers are set at 60%. The higher barriers in CAIQ have been put in place due to NDX’s [history in recovering from drawdowns faster than the S&P 500](#), therefore reducing the probability of staying under an equally set barrier during a period.

To summarize the first quarter of CAIQ's live track record, it has delivered on the promise of high, sustainable income while providing investors with exposure to Nasdaq's ecosystem of innovative companies, all while growing past 100mm in AUM. Looking forward, investors should continue to [monitor distribution rates and principal retention across autocallable tranches](#) as markets evolve.

To learn more about the Nasdaq-100® (NDX®) and CAIQ, check out the following resources: [Autocallable Guide](#) | [NDX Website](#) | [CAIQ Website](#) | [CAIQ Factsheet](#)

For weekly updates on the Nasdaq-100, sign up for the "Nasdaq-100 Weekly" email newsletter [here](#).

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