



Artisan Global Discovery Fund

MONTHLY
Commentary

Investor Class: APFDX | Advisor Class: APDDX As of 31 August 2024

Commentary

The MSCI AC World Small Mid Index returned 1.7% in August, bringing the QTD return to 6.7%. August economic data supported US soft-landing hopes as inflation continued to decelerate while the economy remained strong. From an inflation standpoint, July prices rose 0.2% month-over-month and 2.9% year-over-year, the first reading below 3.0% since early 2021. Meanwhile, a series of economic data—such as the Institute for Supply Management’s non-manufacturing index rising into expansion territory, retail sales figures rising 1.0% and an upward Q2 economic growth adjustment to 3.0% (from 2.8%)—pointed to a resilient economy.

Our portfolio performed in line with the MSCI AC World Small Mid Index in August but underperformed for the QTD period. Among our top detractors were Saia and Lattice Semiconductor. Saia operates in less-than-truckload shipping, a structurally attractive area of transportation that features several solid franchise characteristics supported by real estate assets and network advantages. Shares declined after the company reported disappointing earnings results. Most notably, operating ratio expectations were not met, in part due to higher-than-expected costs incurred to add more terminals. We remain invested due to industry pricing trends that remain rational, added capacity that should be accretive in the future, the bankruptcy of Yellow (a key competitor) in August 2023 that has left a void in the market and an attractive valuation.

Lattice shares struggled due to continued cyclical pressures, most notably within its industrial end market and a continued weak environment within the telecom business. We believe some of these headwinds are set to ease, but it now looks like it will take longer than expected. Lattice expects to return to growth at the end of 2024 or early 2025, partly fueled by the company’s steady flow of new product launches, which continues to drive market share gains. We are remaining patient.

Among our top contributors were Argenx and Tyler Technologies. Shares of Argenx have experienced strong recent performance due to multiple exciting developments. The company recently received approval from the FDA to use VYVGART® for chronic inflammatory demyelinating polyradiculoneuropathy (CIDP), which we expect to be the drug’s second blockbuster indication given this is the first meaningful advance for patients in decades. Meanwhile, VYVGART®’s first approved indication in myasthenia gravis continues to shine, with sales beating analyst expectations in Q2. Lastly, the company continues to invest in clinical trials studying VYVGART® in numerous other rare autoimmune disorders and is making good progress in advancing its second breakthrough medicine.

Tyler Technologies provides end-to-end information management solutions and services for local government offices. We believe the company will generate durable growth given its defensive end markets, the potential of its cloud subscription transition and the transformative acquisition of NIC (a leading digital government solutions and payments company) that allows for increased cross-sell opportunities. Shares rallied due to strong earnings results, including 23% growth in software as a service (SaaS) revenue and the announcement of its first statewide cloud conversion that we believe opens the door for more of these larger migrations. After the recent performance run, we trimmed the shares due to our valuation discipline.

Investment Results (%)

As of 31 August 2024	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFDX	1.72	5.01	10.43	14.64	-3.47	10.69	—	12.07
Advisor Class: APDDX	1.76	5.04	10.44	14.77	-3.39	10.78	—	12.13
MSCI All Country World Small Mid Index	1.70	6.67	9.69	16.90	1.03	9.12	—	7.53
MSCI All Country World Index	2.54	4.19	15.97	23.44	5.77	12.14	—	10.38

As of 30 June 2024	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFDX	-0.21	-2.99	5.16	11.79	-2.70	9.45	—	11.59
Advisor Class: APDDX	-0.21	-2.98	5.14	11.87	-2.62	9.53	—	11.65
MSCI All Country World Small Mid Index	-1.14	-2.06	2.83	10.71	-0.34	7.07	—	6.72
MSCI All Country World Index	2.23	2.87	11.30	19.38	5.43	10.76	—	9.99

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (21 August 2017); Advisor (3 February 2020). For the period prior to inception, Advisor Class performance is the Investor Class’s return for that period (“Linked Performance”). Linked Performance has not been restated to reflect expenses of the Advisor Class and the share class’s returns during that period would be different if such expenses were reflected.

Past performance does not guarantee and is not a reliable indicator of future results. Investment returns and principal values will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. Call 800.344.1770 for current to most recent month-end performance. Performance may reflect agreements to limit a Fund’s expenses, which would reduce performance if not in effect.

Portfolio Details

	APFDX	APDDX
Net Asset Value (NAV)	\$20.12	\$20.20
Inception	21 Aug 2017	3 Feb 2020
Expense Ratios (% Gross/Net)		
Semi-Annual Report 31 Mar 2024 ^{1,2,3}	1.44/1.40	1.42/1.30
Prospectus 30 Sep 2023 ^{2,3}	1.44/1.41	1.42/1.31

¹Unaudited, annualized for the six-month period. ²Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2025. ³See prospectus for further details.

Top 10 Holdings (% of total portfolio)

Tyler Technologies Inc (United States)	4.1
Argenx SE (Belgium)	4.0
London Stock Exchange Group PLC (United Kingdom)	3.4
MACOM Technology Solutions Holdings Inc (United States)	3.0
adidas AG (Germany)	2.8
Techtronic Industries Co Ltd (Hong Kong)	2.5
Spotify Technology SA (United States)	2.4
Clearwater Analytics Holdings Inc (United States)	2.3
West Pharmaceutical Services Inc (United States)	2.3
Ascendis Pharma A/S (Denmark)	2.3
TOTAL	29.3%

Source: Artisan Partners/MSCI.

Sector Diversification (% of portfolio securities)

	Fund	ACWI SMID ¹
Communication Services	6.8	4.0
Consumer Discretionary	8.4	11.2
Consumer Staples	1.2	4.9
Energy	0.0	4.1
Financials	6.6	15.0
Health Care	21.6	9.1
Industrials	21.1	19.2
Information Technology	33.1	12.7
Materials	1.2	7.7
Real Estate	0.0	7.4
Utilities	0.0	4.6
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 6.0% of the total portfolio. ¹MSCI All Country World Small Mid Index.

Region/Country Allocation (% of portfolio securities)

REGION	Fund	ACWI SMID ¹
AMERICAS	60.0	55.9
United States	60.0	52.7
EUROPE	33.8	15.6
United Kingdom	10.2	4.0
Germany	10.1	1.7
Belgium	4.3	0.4
Denmark	3.7	0.6
Switzerland	2.5	1.6
Sweden	2.0	1.5
Italy	1.0	1.0
PACIFIC BASIN	4.1	13.7
Hong Kong	2.7	0.6
Singapore	1.4	0.6
MIDDLE EAST	1.1	0.9
Israel	1.1	0.9
EMERGING MARKETS	1.0	13.8
Brazil	1.0	0.6
TOTAL	100.0%	100.0%

Source: Artisan Partners/MSCI. ¹MSCI All Country World Small Mid Index. Countries held in the index, but not held in the portfolio, are not listed.

Team Leadership (Pictured left to right)



Portfolio Managers	Years of Investment Experience
Jason White, CFA (Lead)	24
James Hamel, CFA	27
Matthew Kamm, CFA	24
Craig Cepukenas, CFA	35
Jay Warner, CFA	22

Carefully consider the Fund's investment objective, risks and charges and expenses. This and other important information is contained in the Fund's prospectus and summary prospectus, which can be obtained by calling 800.344.1770. Read carefully before investing.

Current and future portfolio holdings are subject to risk. The value of portfolio securities selected by the investment team may rise or fall in response to company, market, economic, political, regulatory or other news, at times greater than the market or benchmark index. A portfolio's environmental, social and governance ("ESG") considerations may limit the investment opportunities available and, as a result, the portfolio may forgo certain investment opportunities and underperform portfolios that do not consider ESG factors. International investments involve special risks, including currency fluctuation, lower liquidity, different accounting methods and economic and political systems, and higher transaction costs. These risks typically are greater in emerging and less developed markets, including frontier markets. Securities of small- and medium-sized companies tend to have a shorter history of operations, be more volatile and less liquid and may have underperformed securities of large companies during some periods. Growth securities may underperform other asset types during a given period.

MSCI All Country World Small Mid Index measures the performance of small- and mid-cap companies in developed and emerging markets. MSCI All Country World Index measures the performance of developed and emerging markets. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. The discussion of portfolio holdings does not constitute a recommendation of any individual security. These holdings comprise the following percentages of the Fund's total net assets as of 31 Aug 2024: Lattice Semiconductor Corp 2.0%; Saia Inc 1.5%. Securities named in the Commentary, but not listed as a Top Ten Holding or not listed here are not held in the Fund as of the date of this report. The portfolio managers' views and portfolio holdings are subject to change and the Fund disclaims any obligation to advise investors of such changes.

Unless otherwise indicated, all information in this report includes all classes of shares, except performance and expense ratio information, and is as of the date shown in the upper right hand corner. Totals may not sum due to rounding.

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Country exposure percentages reflect country designations as classified by MSCI as of the date shown. Securities not classified by MSCI reflect country designations as of the date the report was generated. Sector exposure percentages reflect sector designations as currently classified by GICS.

Our capital allocation process is designed to build position size according to our conviction. Portfolio holdings develop through three stages: GardenSM, CropSM and HarvestSM. GardenSM investments are situations where we believe we are right, but there is not clear evidence that the profit cycle has taken hold, so positions are small. CropSM investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. HarvestSM investments are holdings that have exceeded our estimate of intrinsic value or holdings where there is a deceleration in the company's profit cycle. HarvestSM investments are generally being reduced or sold from the portfolios.

Operating ratio is a company's operating expenses as a percentage of revenue.

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