



# Artisan Global Discovery Fund

MONTHLY  
Commentary

Investor Class: APFDX | Advisor Class: APDDX As of 30 November 2024

## Commentary

The MSCI AC World SMID Index returned 5.0% in November. As expected, the Federal Reserve cut interest rates by a quarter point in November. However, stronger-than-expected economic data, particularly in the labor market, led the Fed to adopt a more cautious stance on future rate cuts. While the central bank acknowledged progress in taming inflation, it also noted that the path forward was uncertain and that future policy decisions would depend on incoming economic data.

Our portfolio outperformed the MSCI AC World SMID Index in November and is ahead for the QTD period. Among our top contributors were Atlassian and Argenx. Atlassian is a provider of collaboration and productivity software tools—a large, structurally growing addressable market that is expanding from the core software developer market to a much larger “knowledge worker” market. Along with much of the software industry, the company has experienced a period of weakness as small and medium-sized businesses have pulled back spending due to macroeconomic concerns, and enterprise IT spending has shifted toward artificial intelligence (AI) projects at the expense of traditional cloud software offerings. However, shares rallied after earnings results beat expectations and showed signs of a turnaround, including higher-than-expected paid seat expansion.

Shares of Argenx have continued their year-to-date ascent due to multiple positive developments. The company recently received FDA approval to promote VYVGART® for chronic inflammatory demyelinating polyradiculoneuropathy (CIDP). We expect this to be the drug’s second blockbuster indication since it is the first meaningful advance in CIDP treatment in decades. Meanwhile, VYVGART®’s first approved indication in myasthenia gravis continues to shine. With sales beating analyst expectations, we believe the size of the myasthenia gravis opportunity will continue to yield upside longer term. Lastly, the company is investing in clinical trials studying VYVGART® in numerous other rare autoimmune disorders and is making good progress in advancing its second breakthrough medicine.

Among our top detractors were Adidas and Monolithic Power Systems. Adidas is emerging from a challenging operational period in which it grappled with elevated inventory levels and the termination of its Yeezy partnership. We believe the worst is now behind it with new CEO Bjorn Gulden, appointed in early 2023, being a change agent. The company preannounced its earnings results, including 14% revenue growth, and raised its full-year guidance. Despite the seemingly positive results, shares experienced weakness. We are remaining patient.

Monolithic Power Systems designs analog power-management chips for a wide variety of industrial and consumer devices. Shares experienced weakness after the company reported growth in its data center business that was strong but trailed even higher investor expectations, which had driven the stock up YTD. Our valuation discipline had led us to reduce the position earlier in the year, and now, from a more reasonable starting point, we have been adding back to our position.

## Investment Results (%)

As of 30 November 2024	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFDX	8.14	7.04	21.08	31.54	0.57	11.14	—	13.05
Advisor Class: APDDX	8.15	7.00	21.10	31.61	0.66	11.23	—	13.12
MSCI All Country World Small Mid Index	4.96	1.89	14.59	23.42	3.90	8.45	—	7.91
MSCI All Country World Index	3.74	1.41	20.34	26.12	7.68	11.36	—	10.57

As of 30 September 2024

Investor Class: APFDX	2.44	7.57	13.12	24.68	-1.24	11.11	—	12.30
Advisor Class: APDDX	2.48	7.64	13.18	24.85	-1.13	11.20	—	12.37
MSCI All Country World Small Mid Index	2.53	9.37	12.47	25.55	3.09	9.20	—	7.82
MSCI All Country World Index	2.32	6.61	18.66	31.76	8.09	12.19	—	10.61

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)	\$22.06	\$22.15
Inception	21 Aug 2017	3 Feb 2020
Expense Ratios (% Gross/Net)		
Annual Report 30 Sep 2024 <sup>1,2</sup>	1.44/1.40	1.41/1.30
Prospectus 30 Sep 2023 <sup>1,2</sup>	1.44/1.41	1.42/1.31

<sup>1</sup>Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2026. <sup>2</sup>See prospectus for further details.

## Top 10 Holdings (% of total portfolio)

Argenx SE (Belgium)	4.4
Tyler Technologies Inc (United States)	3.7
London Stock Exchange Group PLC (United Kingdom)	3.4
Ascendis Pharma A/S (Denmark)	2.8
MACOM Technology Solutions Holdings Inc (United States)	2.8
adidas AG (Germany)	2.6
Spotify Technology SA (Sweden)	2.4
West Pharmaceutical Services Inc (United States)	2.4
Melrose Industries PLC (United Kingdom)	2.3
Techtronic Industries Co Ltd (Hong Kong)	2.3
<b>TOTAL</b>	<b>29.0%</b>

Source: Artisan Partners/MSCI.

## Sector Diversification (% of portfolio securities)

	Fund	ACWI SMID <sup>1</sup>
Communication Services	8.0	3.9
Consumer Discretionary	7.2	11.2
Consumer Staples	1.9	4.8
Energy	0.0	4.3
Financials	5.6	15.7
Health Care	24.0	8.8
Industrials	19.8	19.6
Information Technology	30.4	12.4
Materials	1.3	7.6
Real Estate	1.8	7.0
Utilities	0.0	4.7
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 3.8% of the total portfolio. <sup>1</sup>MSCI All Country World Small Mid Index.

## Average Annual Total Returns

	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFDX	31.54	0.57	11.14	—	13.05
Advisor Class: APDDX	31.61	0.66	11.23	—	13.12
MSCI All Country World Small Mid Index	23.42	3.90	8.45	—	7.91
MSCI All Country World Index	26.12	7.68	11.36	—	10.57

## Region/Country Allocation (% of portfolio securities)

REGION	Fund	ACWI SMID <sup>1</sup>
<b>AMERICAS</b>	<b>57.4</b>	<b>59.3</b>
United States	55.6	56.2
Canada	1.8	3.1
<b>EUROPE</b>	<b>36.9</b>	<b>13.6</b>
United Kingdom	10.9	3.5
Germany	8.5	1.7
Belgium	4.6	0.3
Denmark	4.3	0.5
Sweden	3.8	1.3
Switzerland	3.2	1.5
Italy	0.9	0.9
Netherlands	0.7	0.7
<b>PACIFIC BASIN</b>	<b>4.2</b>	<b>12.8</b>
Hong Kong	2.3	0.7
Singapore	1.8	0.6
<b>EMERGING MARKETS</b>	<b>1.0</b>	<b>13.3</b>
China	1.0	1.9
<b>MIDDLE EAST</b>	<b>0.6</b>	<b>1.0</b>
Israel	0.6	1.0
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/MSCI. <sup>1</sup>MSCI 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	28
Matthew Kamm, CFA	25
Craig Cepukenas, CFA	36
Jay Warner, CFA	23

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 30 Nov 2024: Atlassian Corp 1.5%; Monolithic Power Systems Inc 1.1%. 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: Garden<sup>SM</sup>, Crop<sup>SM</sup> and Harvest<sup>SM</sup>. Garden<sup>SM</sup> 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. Crop<sup>SM</sup> investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. Harvest<sup>SM</sup> investments are holdings that have exceeded our estimate of intrinsic value or holdings where there is a deceleration in the company's profit cycle. Harvest<sup>SM</sup> investments are generally being reduced or sold from the portfolios.

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