



# Artisan Value Fund

MONTHLY  
Commentary

Investor Class: ARTLX | Advisor Class: APDLX

As of 31 October 2024

## Commentary

Top month-to-date contributors: Booking Holdings Inc; Philip Morris International Inc; Morgan Stanley; Fiserv Inc; Comcast Corp

Bottom month-to-date contributors: Koninklijke Philips NV; Humana Inc; Arch Capital Group Ltd; Diageo PLC; The Cigna Group

In this space, we discuss one top contributor (Morgan Stanley) and one bottom contributor (Philips) from the recent month.

Morgan Stanley, a leading global financial services company, is experiencing broad-based growth across its business lines, with its markets, investment banking, wealth management and investment management businesses each contributing to better-than-expected operating results. Management noted that its investment banking pipelines look healthy and believes a multiyear capital markets recovery has begun. Under former CEO James Gorman, who led the company for over a decade before handing the reins to his successor at the end of 2023, Morgan Stanley was transformed from being heavily reliant on investment banking into a less volatile, more balanced financial company. Besides being well managed, the company's balance sheet is in good shape, and the stock looks attractively valued.

After rallying in the months following its legal settlement in the US, Philips' shares pulled back after the company reported worsening demand in China, particularly in the personal health division, causing Philips to lower its FY24 sales growth guidance. Peers have since reported similar deterioration in China. Though growth has been slow on the top line, pockets of strength remain, including in North America, and margins continued to improve across business lines. With litigation completed, management should be able to better focus on the fundamentals of the underlying businesses, while fulfilling its requirements under the consent decree with the US government. Though near-term growth has been impacted by China, progress is still being made on gross margin improvement driven by product innovation, and valuation looks attractive on our estimates of normalized earnings.

## Portfolio Details

	ARTLX	APDLX
Net Asset Value (NAV)	\$15.44	\$15.35
Inception	27 Mar 2006	1 Apr 2015
Expense Ratios (% Gross/Net)		
Semi-Annual Report 31 Mar 2024 <sup>1,2,3</sup>	1.07/0.98	0.96/0.88
Prospectus 30 Sep 2023 <sup>2,3</sup>	1.10/1.07 <sup>4</sup>	0.97/0.88

<sup>1</sup>Unaudited, annualized for the six-month period. <sup>2</sup>Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2025. <sup>3</sup>See prospectus for further details. <sup>4</sup>There was no expense limit prior to July 1, 2023. Effective July 1, 2023, expense limit was 0.98%.

## Top 10 Holdings (% of total portfolio)

Meta Platforms Inc (Communication Services)	4.2
Alphabet Inc (Communication Services)	3.7
PayPal Holdings Inc (Financials)	3.4
United Parcel Service Inc (Industrials)	3.4
Philip Morris International Inc (Consumer Staples)	3.4
Kerry Group PLC (Consumer Staples)	3.3
Diageo PLC (Consumer Staples)	3.0
Booking Holdings Inc (Consumer Discretionary)	3.0
The Goldman Sachs Group Inc (Financials)	3.0
Comcast Corp (Communication Services)	2.9
<b>TOTAL</b>	<b>33.3%</b>

Source: Artisan Partners/GICS.

## Sector Diversification (% of portfolio securities)

	Fund	R1V <sup>1</sup>
Communication Services	14.8	4.3
Consumer Discretionary	7.3	6.1
Consumer Staples	15.7	7.9
Energy	4.8	6.8
Financials	30.3	22.0
Health Care	13.1	15.0
Industrials	8.9	14.7
Information Technology	5.3	9.0
Materials	0.0	4.5
Real Estate	0.0	4.8
Utilities	0.0	4.8
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/GICS/Russell. Cash and cash equivalents represented 0.8% of the total portfolio. <sup>1</sup>Russell 1000<sup>®</sup> Value Index.

## Investment Results (%)

As of 31 October 2024	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTLX	-0.77	-0.77	12.21	25.91	8.60	12.87	10.14	8.41
Advisor Class: APDLX	-0.78	-0.78	12.37	26.01	8.78	13.05	10.30	8.50
Russell 1000 <sup>®</sup> Value Index	-1.10	-1.10	15.40	30.98	6.85	10.14	8.87	7.80
Russell 1000 <sup>®</sup> Index	-0.70	-0.70	20.33	38.07	8.12	15.00	12.75	10.37

As of 30 September 2024

Investor Class: ARTLX	0.52	6.65	13.08	24.10	10.18	13.67	10.11	8.50
Advisor Class: APDLX	0.59	6.69	13.25	24.29	10.37	13.85	10.28	8.58
Russell 1000 <sup>®</sup> Value Index	1.39	9.43	16.68	27.76	9.03	10.69	9.23	7.90
Russell 1000 <sup>®</sup> Index	2.14	6.08	21.18	35.68	10.83	15.64	13.10	10.46

Source: Artisan Partners/Russell. Returns for periods less than one year are not annualized. Class inception: Investor (27 March 2006); Advisor (1 April 2015). 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.

Market Cap Distribution (% of portfolio securities)

\$ in billions	Fund	RIV <sup>1</sup>
204.0+	22.7	24.9
114.0–204.0	24.0	17.9
50.0–114.0	34.1	22.7
21.0–50.0	9.4	17.5
0.0–21.0	9.8	17.0
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/Russell. <sup>1</sup>Russell 1000® Value Index.

Team Leadership (Pictured left to right)



Portfolio Managers	Years of Investment Experience
Thomas A. Reynolds IV	25
Daniel L. Kane, CFA	26
Craig Inman, CFA	25

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. Value securities may underperform other asset types during a given period.

Russell 1000® Value Index measures the performance of US large-cap companies with lower price/book ratios and forecasted growth values. Russell 1000® Index measures the performance of roughly 1,000 US large-cap companies. 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 Oct 2024: Arch Capital Group Ltd 2.9%; Fiserv Inc 2.5%; Humana Inc 2.3%; Koninklijke Philips NV 2.0%; Morgan Stanley 2.5%; The Cigna Group 2.4%. 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.

The Global Industry Classification Standard (GICS®) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's Financial Services, LLC (S&P). Neither MSCI, S&P, their affiliates, nor any of their third party providers ("GICS Parties") makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including warranties of accuracy, completeness, merchantability and fitness for a particular purpose. The GICS Parties shall not have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of such damages.

This material is provided for informational purposes without regard to your particular investment needs and shall not be construed as investment or tax advice on which you may rely for your investment decisions. Investors should consult their financial and tax adviser before making investments in order to determine the appropriateness of any investment product discussed herein.

Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

Sector exposure percentages reflect sector designations as currently classified by GICS.

Source: Artisan Partners/FactSet. Contribution to Return includes the securities with the highest positive and negative contribution to the portfolio's return and is calculated by multiplying a security's portfolio weight by its in-portfolio return for the period. Purchases/sales are accounted for by using end of the day prices, which may or may not reflect the actual purchase/sale price realized by the portfolio. Contribution to return is not exact, but should be considered an approximation.

Artisan Partners Funds offered through Artisan Partners Distributors LLC (APDLLC), member FINRA. APDLLC is a wholly owned broker/dealer subsidiary of Artisan Partners Holdings LP. Artisan Partners Limited Partnership, an investment advisory firm and adviser to Artisan Partners Funds, is wholly owned by Artisan Partners Holdings LP.

© 2024 Artisan Partners. All rights reserved.

11/6/2024 A24525L\_vR