



Artisan Mid Cap Fund

MONTHLY
Commentary

Investor Class: ARTMX

Advisor Class: APDMX

As of 31 October 2024

Commentary

The Russell Midcap® Index returned -0.5% in October. The US macroeconomic narrative from Q3 shifted in October. From an inflation perspective, the September report was a bit concerning, as both the headline and core readings surprised to the upside. And from an economy perspective, the September jobs report was quite robust. The economy added 254,000 jobs versus 140,000 expectations, hourly earnings increased more than expected, and the unemployment rate fell to 4.1%. The inflation reading and labor market resilience have called into question the future trajectory of interest rate cuts.

Our portfolio underperformed the Russell Midcap® Growth Index in October. Among our top contributors were Argenx and Saia. 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.

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 experienced weakness in Q3, but we remained invested due to industry pricing trends that remained 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. Our patience was rewarded after the company reported strong results and shares rallied.

Among our top detractors were Monolithic Power Systems and Wingstop. Monolithic Power Systems designs analog power-management chips for a wide variety of industrial and consumer devices. Customers are converting their analog, digital and power semiconductor chips into the company's single-chip design, which is energy efficient and priced lower than peers. 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 think the small CropSM position is worth holding.

Wingstop is in the early stages of growing its store count domestically and internationally, which we believe is supported by attractive economics for franchisees and growing brand awareness. Shares have performed exceptionally well since we initiated a position in Q3 2023, which led us to trim our position down to a small GardenSM due to valuation concerns. Given its elevated expectations, shares sold off meaningfully after its earnings results, and we used it as an opportunity to add back to our position.

Portfolio Details

	ARTMX	APDMX
Net Asset Value (NAV)	\$37.02	\$37.81
Inception	27 Jun 1997	1 Apr 2015
Expense Ratios		
Semi-Annual Report 31 Mar 2024 ¹	1.19%	1.05%
Prospectus 30 Sep 2023 ²	1.20%	1.05%

¹Unaudited, annualized for the six-month period. ²See prospectus for further details.

Top 10 Holdings (% of total portfolio)

Argenx SE (Health Care)	5.1
Tyler Technologies Inc (Information Technology)	4.0
West Pharmaceutical Services Inc (Health Care)	3.8
Spotify Technology SA (Communication Services)	3.8
Ascendis Pharma A/S (Health Care)	3.0
Lattice Semiconductor Corp (Information Technology)	2.4
Atlassian Corp (Information Technology)	2.3
Saia Inc (Industrials)	2.2
Datadog Inc (Information Technology)	2.2
Tradeweb Markets Inc (Financials)	2.1
TOTAL	30.8%

Source: Artisan Partners/GICS.

Sector Diversification (% of portfolio securities)

	Fund	RMCG ¹
Communication Services	8.2	4.6
Consumer Discretionary	9.0	15.0
Consumer Staples	0.4	2.4
Energy	0.0	4.2
Financials	5.0	13.0
Health Care	23.5	13.1
Industrials	18.3	18.5
Information Technology	33.8	24.5
Materials	0.0	1.4
Real Estate	1.9	1.5
Utilities	0.0	1.8
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/Russell. Cash and cash equivalents represented -0.1% of the total portfolio. ¹Russell Midcap® Growth 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: ARTMX	-0.08	-0.08	6.44	24.98	-7.99	9.12	9.08	12.41
Advisor Class: APDMX	-0.08	-0.08	6.54	25.16	-7.86	9.27	9.24	12.47
Russell Midcap® Growth Index	1.75	1.75	14.88	38.67	0.61	11.46	11.19	9.34
Russell Midcap® Index	-0.54	-0.54	14.02	35.39	3.55	10.94	9.80	9.91

As of 30 September 2024

Investor Class: ARTMX	1.67	2.35	6.53	15.96	-6.08	9.40	9.58	12.46
Advisor Class: APDMX	1.69	2.38	6.62	16.14	-5.94	9.55	9.73	12.51
Russell Midcap® Growth Index	3.33	6.54	12.91	29.33	2.32	11.48	11.30	9.30
Russell Midcap® Index	2.23	9.21	14.63	29.33	5.75	11.30	10.19	9.96

Source: Artisan Partners/Russell. Returns for periods less than one year are not annualized. Class inception: Investor (27 June 1997); 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	RMCG ¹
41.4+	22.9	29.1
30.9–41.4	17.3	18.2
21.1–30.9	29.3	17.2
12.4–21.1	13.3	18.5
0.0–12.4	17.3	17.0
TOTAL	100.0%	100.0%

Source: Artisan Partners/Russell. ¹Russell Midcap® Growth Index.

Team Leadership (Pictured left to right)



Portfolio Managers

Years of Investment Experience

Matthew Kamm, CFA (Lead)	24
James Hamel, CFA	28
Jason White, CFA	24
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.

Russell Midcap® Growth Index measures the performance of US mid-cap companies with higher price/book ratios and forecasted growth values. Russell Midcap® Index measures the performance of roughly 800 US mid-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: Monolithic Power Systems Inc 1.3%; Wingstop Inc 0.5%. 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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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.

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