



Artisan Value Income Fund

MONTHLY Commentary

Investor Class: APFWX | Advisor Class: APDWX As of 30 September 2024

Commentary

Top month-to-date contributors: MGM China Holdings Ltd; Lamar Advertising Co; WaFd Inc; Otis Worldwide Corp; Koninklijke Philips NV

Bottom month-to-date contributors: Samsung Electronics Co Ltd; Tyson Foods Inc; EOG Resources Inc; Texas Instruments Inc; Vail Resorts Inc

In this space, we discuss one top contributor (Otis Worldwide) and one bottom contributor (Samsung Electronics) from the recent month.

Otis Worldwide is the largest player in the elevator and escalator business and as such maintains a large installed elevator base of approximately two million globally. Shares were punished in July when the company lowered its growth outlook citing deterioration in the Chinese new equipment (NE) market. Shares recovered in September on the announcement of China's largest stimulus package since the pandemic. These reactions seem overdone. Otis has become less reliant on the Chinese business over time as China NE is now only 9%–10% of total sales, and the overall business is generally one of steady growth. Revenues are recurring and relatively predictable, given the maintenance and regulatory constraints with which building owners must comply. Otis uses technology—real-time monitoring and predictive analytics—to add value to the customer, which translates into a better margin structure. Management does well to balance capital allocation across dividends, debt reduction and share repurchases.

Samsung Electronics is a diversified technology company, manufacturing a wide array of consumer and industrial electronic equipment, such as semiconductors, mobile devices, PCs, TVs and home appliances. Shares have pulled back on concerns about the DRAM chip cycle due to muted smartphone and PC demand. We feel over the long term, the DRAM market is structurally sound and data growth is a massive secular tailwind that should smooth out cycles, making Samsung increasingly less cyclical over time. There is also growing skepticism about Samsung's technology edge in memory. Samsung has had a few development setbacks in HBM (high-bandwidth memory) chips that are used in graphics processing units (GPUs) for artificial intelligence. As a result, Samsung's stock hasn't participated in this year's AI chip stock rally. However, there are reports that Samsung's next-generation HBM chip HBM3E is nearing approval, with deliveries beginning as soon as Q4 2024. Currently, Samsung sells at just 11X earnings, making it one of the cheapest large-cap technology stocks. We believe the company remains well positioned in memory given its leading market position, substantial free cash flow and large net-cash position.

Portfolio Details

	APFWX	APDWX
Net Asset Value (NAV)	\$10.77	\$10.78
Inception	28 Feb 2022	28 Feb 2022
Expense Ratios (% Gross/Net)		
Semi-Annual Report 31 Mar 2024 ^{1,2,3}	8.78/1.20	4.01/1.10
Prospectus 30 Sep 2023 ^{2,3}	9.08/1.21	4.36/1.11

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)

Lamar Advertising Co (Real Estate)	3.8
Philip Morris International Inc (Consumer Staples)	3.3
Cable One Inc (Communication Services)	3.1
WaFd Inc (Financials)	2.9
Comcast Corp (Communication Services)	2.8
EOG Resources Inc (Energy)	2.5
Medtronic PLC (Health Care)	2.5
PPL Corp (Utilities)	2.3
Otis Worldwide Corp (Industrials)	2.2
Diageo PLC (Consumer Staples)	2.1
TOTAL	27.5%

Source: Artisan Partners/GICS.

Sector Diversification (% of portfolio securities)

	Fund	S&P 500 ¹
Communication Services	9.2	8.9
Consumer Discretionary	7.5	10.1
Consumer Staples	16.2	5.9
Energy	5.5	3.3
Financials	20.8	12.9
Health Care	7.8	11.6
Industrials	8.7	8.5
Information Technology	3.7	31.7
Materials	0.0	2.2
Real Estate	10.0	2.3
Utilities	10.6	2.5
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/S&P. Cash and cash equivalents represented 2.3% of the total portfolio. ¹S&P 500[®] Index.

Investment Results (%)

As of 30 September 2024	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFWX	1.88	10.84	14.13	26.05	—	—	—	5.75
Advisor Class: APDWX	1.90	10.86	14.18	26.27	—	—	—	5.85
S&P 500 [®] Index	2.14	5.89	22.08	36.35	—	—	—	13.02
Dow Jones US Select Dividend Index	2.01	13.13	18.82	30.90	—	—	—	8.01

Source: Artisan Partners/S&P/S&P DJI. Returns for periods less than one year are not annualized.

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	S&P 500 ¹
200.0+	6.7	55.1
140.0–200.0	10.9	9.6
90.0–140.0	6.3	9.2
60.0–90.0	13.3	7.7
30.0–60.0	10.0	10.8
15.0–30.0	23.7	6.1
5.0–15.0	16.5	1.4
0.0–5.0	10.3	0.0
Not Applicable	2.4	—
TOTAL	100.0%	100.0%

Source: Artisan Partners/S&P. ¹S&P 500[®] 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. There is no guarantee that the companies in which the portfolio invests will declare dividends in the future or that dividends, if declared, will remain at current levels or increase over time. 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.

S&P 500[®] Index measures the performance of 500 US companies focused on the large-cap sector of the market. The Dow Jones US Select Dividend Index measures the performance of the US's leading stocks by dividend yield. 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 Sep 2024: Koninklijke Philips NV 1.8%; MGM China Holdings Ltd 1.8%; Samsung Electronics Co Ltd 0.6%; Texas Instruments Inc 1.7%; Tyson Foods Inc 1.9%; Vail Resorts Inc 1.6%. 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.

The S&P 500[®] and Dow Jones US Select Dividend ("Indices") are products of S&P Dow Jones Indices LLC ("S&P DJI") and/or its affiliates and has been licensed for use. Copyright © 2024 S&P Dow Jones Indices LLC, a division of S&P Global, Inc. All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. S&P[®] is a registered trademark of S&P Global and Dow Jones[®] is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). None of S&P DJI, Dow Jones, their affiliates or third party licensors makes any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and none shall have any liability for any errors, omissions, or interruptions of any index or the data included therein.

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

Free Cash Flow is a measure of financial performance calculated as operating cash flow minus capital expenditures. **Price-to-Earnings (P/E)** is a valuation ratio of a company's current share price compared to its per-share earnings.

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.

10/4/2024 A24469L_vR