



# Artisan Sustainable Emerging Markets Fund

MONTHLY  
Commentary

Investor Class: ARTZX | Advisor Class: APDEX

As of 31 January 2024

## Commentary

Emerging markets retreated as stocks were impacted by persistent economic challenges in China and ongoing geopolitical conflicts, particularly in the Middle East. China was the MSCI Emerging Markets Index's largest detractor, followed by Korea and Brazil, while India was the benchmark's main contributor. Our portfolio fared slightly better than the index but still posted negative returns.

Among our top relative contributors were Vista Energy and MercadoLibre. Vista Energy operates as an oil and gas exploration and production company in Argentina. Commencing shale operations in 2018, the company has rapidly become one of the country's largest producers. We anticipate Vista Energy will be a key domestic crude supplier and a major exporter for years to come. Investor sentiment improved on hopes for political stability and expectations of a more favorable economic trajectory under Argentina's new presidency.

MercadoLibre is the leading e-commerce platform in Latin America. The company continues to outperform, fueled by strong growth in both revenue and profitability. In addition to its geographic expansion across Latin America, the introduction of new services integrating e-commerce with fintech for vendors and consumers is enhancing user engagement and retention. We believe the company's robust liquidity position will enable investments to expand and fortify its competitive advantage.

Stocks in China experienced outsized price fluctuations due to the forced unwinding of China-focused structured financial products. Our primary relative detractors included Estun Automation and Wuxi Biologics. Estun is a leading domestic Chinese robot producer. Amid the recent decline in share price, the company has become the second-largest robot manufacturer in China, trailing only Japanese giant Fanuc. This achievement is notable, especially in a sector historically dominated by foreign manufacturers. We believe Estun is in a favorable position to capitalize on China's ongoing industrial modernization.

Wuxi Biologics is a Chinese pharmaceutical company that researches, develops and manufactures antibodies and biological drugs for customers worldwide. Wuxi's parent company, Wuxi Aptec, was among the companies targeted by a recent US draft bill intended to restrict Chinese biotechs from engaging with the US government. We believe associating Wuxi with China's People's Liberation Army is misguided. The company has identified errors in the bill, and we expect these issues will be resolved.

Volatility is to be expected in emerging markets, and it can be extreme at times—a natural part of what we believe is a superior growth opportunity over longer periods. We maintain our disciplined process and closely monitor positions—including engagement with management teams—to adjust valuations and position size as we believe appropriate.

## Investment Results (%)

As of 31 January 2024	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTZX	-4.21	-4.21	-4.21	1.68	-7.67	1.19	3.73	0.16
Advisor Class: APDEX	-4.16	-4.16	-4.16	1.78	-7.64	1.21	3.74	0.17
MSCI Emerging Markets Index	-4.64	-4.64	-4.64	-2.94	-7.50	0.99	2.86	1.06

As of 31 December 2023

Investor Class: ARTZX	3.18	7.92	18.41	18.41	-5.58	4.02	3.42	0.44
Advisor Class: APDEX	3.15	7.89	18.47	18.47	-5.56	4.03	3.43	0.45
MSCI Emerging Markets Index	3.91	7.86	9.83	9.83	-5.08	3.68	2.66	1.37

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (2 June 2008); Advisor (27 April 2022). 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

	ARTZX	APDEX
Net Asset Value (NAV)	\$15.46	\$15.44
Inception	2 Jun 2008	27 Apr 2022
Expense Ratios (% Gross/Net)		
Annual Report 30 Sep 2023 <sup>1,2</sup>	1.74/1.15	1.33/1.05
Prospectus 30 Sep 2023 <sup>1,2</sup>	1.75/1.16	1.34/1.06

<sup>1</sup>Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2025. <sup>2</sup>See prospectus for further details.

## Top 10 Holdings (% of total portfolio)

Taiwan Semiconductor Manufacturing Co Ltd (Taiwan)	10.4
Samsung Electronics Co Ltd (Korea)	7.2
MercadoLibre Inc (Argentina)	3.9
ICICI Bank Ltd (India)	3.9
MediaTek Inc (Taiwan)	3.2
Reliance Industries Ltd (India)	3.1
Alibaba Group Holding Ltd (China)	3.1
E Ink Holdings Inc (Taiwan)	3.0
Itau Unibanco Holding SA (Brazil)	2.4
Infosys Ltd (India)	2.3
<b>TOTAL</b>	<b>42.4%</b>

Source: Artisan Partners. Portfolio country classifications are defined by the investment team.

## Sector Diversification (% of portfolio securities)

	Fund	MSCI EM <sup>1</sup>
Consumer Goods	9.2	7.2
Extractives & Minerals Processing	10.0	11.0
Financials	19.7	22.9
Food & Beverage	2.1	5.0
Health Care	4.9	3.9
Infrastructure	3.6	5.4
Renewable Resources & Alternative Energy	0.0	0.8
Resource Transformation	6.4	5.1
Services	3.2	1.2
Technology & Communications	38.4	32.2
Transportation	2.5	5.2
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/SASB/MSCI. Cash and cash equivalents represented 2.8% of the total portfolio. <sup>1</sup>MSCI Emerging Markets Index.

## Average Annual Total Returns

As of 31 January 2024	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTZX	-4.21	-4.21	-4.21	1.68	-7.67	1.19	3.73	0.16
Advisor Class: APDEX	-4.16	-4.16	-4.16	1.78	-7.64	1.21	3.74	0.17
MSCI Emerging Markets Index	-4.64	-4.64	-4.64	-2.94	-7.50	0.99	2.86	1.06

As of 31 December 2023

Investor Class: ARTZX	3.18	7.92	18.41	18.41	-5.58	4.02	3.42	0.44
Advisor Class: APDEX	3.15	7.89	18.47	18.47	-5.56	4.03	3.43	0.45
MSCI Emerging Markets Index	3.91	7.86	9.83	9.83	-5.08	3.68	2.66	1.37

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (2 June 2008); Advisor (27 April 2022). 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.

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

REGION	Fund	MSCI EM <sup>1</sup>
<b>EMERGING ASIA</b>	<b>61.3</b>	<b>77.4</b>
Taiwan	17.0	16.6
China	13.8	24.9
Korea	12.7	12.2
India	11.3	18.0
Indonesia	2.4	1.9
Vietnam	2.1	—
Malaysia	1.4	1.4
Thailand	0.7	1.7
<b>LATIN AMERICA</b>	<b>21.4</b>	<b>9.4</b>
Brazil	7.3	5.7
Argentina	6.8	—
Mexico	3.1	2.8
Chile	1.9	0.5
Peru	1.7	0.3
Panama	0.5	—
<b>EUROPE, MIDDLE EAST AND AFRICA</b>	<b>11.1</b>	<b>13.2</b>
South Africa	3.9	3.0
Greece	2.7	0.5
Kazakhstan	1.8	—
United Arab Emirates	1.5	1.3
Romania	1.2	—
Russia	0.0	—
<b>DEVELOPED MARKETS</b>	<b>6.2</b>	<b>—</b>
Netherlands	3.9	—
Hong Kong	1.4	—
United States	0.6	—
Singapore	0.3	—
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/MSCI. <sup>1</sup>MSCI Emerging Markets Index. Countries held in the index, but not held in the portfolio, are not listed. Portfolio country classifications are defined by the investment team and may differ substantially from MSCI classifications; index country classifications reflect MSCI methodology. For the portfolio's country breakdown according to MSCI methodology, refer to the Fund's most recent portfolio holdings at [www.sec.gov](http://www.sec.gov).

## Investment Team (Pictured left to right)



Portfolio Manager	Years of Investment Experience
Maria Negrete-Gruson, CFA	32
<b>Analysts</b>	
Meagan Nace, CFA	31
Chen Gu, CFA	36
Nicolas Rodriguez-Brizuela	24
Gurpreet Pal	20
Jessica Lin, CFA	18
Javier Cervantes	8

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. Investments in which the team has determined to have sustainable growth characteristics may underperform other securities and may not achieve their sustainable growth potential. Non-diversified portfolios may invest larger portions of assets in securities of a smaller number of issuers and performance of a single issuer may have a greater impact to the portfolio's returns. 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. Such risks include new and rapidly changing political and economic structures, which may cause instability; underdeveloped securities markets; and higher likelihood of high levels of inflation, deflation or currency devaluations. 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.

MSCI Emerging Markets Index measures the performance of 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 Jan 2024: Estun Automation Co Ltd 1.6%; Vista Energy SAB de CV 1.5%; Wuxi Biologics Cayman Inc 1.7%. As of 3 Mar 2022, Russian holdings are valued at zero. 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.

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.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. This report is not approved or produced by MSCI.

The Sustainable Industry Classification System (SICS<sup>®</sup>) is the exclusive intellectual property of Sustainability Accounting Standards Board (SASB). SICS is intended to group companies based on their shared sustainability-related risks and opportunities.

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

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.