

# Artisan Partners Launches Thematic Fund



## Artisan Thematic Fund

Managed by  
Artisan Partners Thematic Team

Portfolio Manager  
Christopher Smith

Inception  
24 April 2017

Investor Share Class  
ARTTX

**CHRISTOPHER SMITH**  
14 Years Investment Experience

## Investment Process Highlights

The team's investment approach is based on thematic idea generation, a systematic framework for analyzing companies and proactive risk management. Utilizing this approach, the team seeks to construct a focused portfolio designed to maximize alpha while limiting downside risk over the long term.

### Thematic Idea Generation

The team believes a key element in alpha generation is finding areas where the team's views on industry fundamentals differ from consensus estimates. In this pursuit, the team seeks to identify inflections in multi-year trends which may be caused by changes in supply/demand dynamics, societal behavior, market conditions, technology, laws/regulations and business models, among other variables. The team believes these inflections are often misunderstood by market participants, and can lead to powerful re-ratings of industries and companies. After identifying a theme, the team develops a focused universe of companies to analyze more thoroughly.

### Systematic Analytical Framework

The team applies a systematic framework for analyzing companies across sectors and themes, creating a repeatable and methodical decision-making process. The team's proprietary company models focus on multi-year earnings power differentiation, expected outcome scenario analysis, return on invested capital and discounted cash flow valuations. Visual outputs are then produced through the firm's internally developed technology solutions, allowing the team to consistently evaluate positions across the portfolio.

### Proactive Risk Management

The team incorporates risk management into all stages of its investment process. Metrics evaluated include crowding, correlation, volatility, stress tests, liquidity, factor analysis and macro drivers, all of which inform portfolio construction and position sizing. The team also uses various instruments, such as options, in an effort to magnify alpha and minimize downside.

## Top 5 Issuers\*

(% of net assets)

As of 31 Aug 2017	Theme	Weight
CDK Global Inc	Software	9.6
Northrop Grumman Corp	Defense	8.0
Comcast Corp	Broadband	7.1
Salesforce.com Inc	Software	5.8
Lamb Weston Holdings Inc	Turnaround	5.2
<b>Total</b>		<b>35.7%</b>

Source: Artisan Partners.



# Artisan Thematic Fund

as of 31 August 2017

## Sector Diversification\* (% of net assets)

Communications	14.1
Consumer Discretionary	17.6
Consumer Staples	5.2
Energy	0.0
Financials	10.5
Health Care	0.0
Industrials	19.1
Materials	7.1
Technology	25.7
Utilities	0.0
<b>Total</b>	<b>99.3%</b>

Source: Artisan Partners. Portfolio sector classifications are defined by the investment team and may differ substantially from the Bloomberg Industry Classification System (BICS) classifications. For the portfolio's sector breakdown according to BICS methodology, refer to the Fund's most recent portfolio holdings filed at [www.sec.gov](http://www.sec.gov).

## Investment Results (%)

As of 31 Aug 2017	QTD <sup>1</sup>	YTD <sup>1</sup>	Inception <sup>1,2</sup>
<b>Investor Class: ARTTX</b>	<b>9.98</b>	<b>—</b>	<b>15.70</b>
S&P 500® Index	2.37	—	4.91
As of 30 Jun 2017			
<b>Investor Class: ARTTX</b>	<b>—</b>	<b>—</b>	<b>5.20</b>
S&P 500® Index	—	—	2.48

Source: Artisan Partners/S&P. <sup>1</sup>Returns not annualized. <sup>2</sup>Fund Inception: 24 April 2017.

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. The Thematic Fund's investments in initial public offerings (IPOs) made a material contribution to performance. IPO investments may contribute significantly to a small portfolio's return, an effect that will generally decrease as assets grow. IPO investments may be unavailable in the future. The Fund's returns may vary greatly over shorter periods due to the limited operating period since inception.

## Portfolio Statistics\*

Number of Companies	27
Top 5 Issuers (% of net assets)	35.7%
Non-US Companies (% of net assets)	12.1%
Weighted Avg. Market Cap (Billions)	\$82.5
Weighted Avg. ROE	21.0%
Weighted Avg. LT EPS Growth Rate (3-5 yrs)	17.1%
Weighted Avg. P/E (FY2) <sup>1</sup>	22.3X
Active Share <sup>2</sup>	95.0%

Source: Artisan Partners/FactSet. <sup>1</sup>Harmonic. <sup>2</sup>Not delta-adjusted and includes cash, cash equivalents, ETFs and ETF options.

## Expense Ratios

	Gross	Net
Expense Ratio (as of 5 Mar 2017)	1.56%	1.50%

Net expenses reflect a contractual Fund expense reimbursement agreement in effect through 30 Jun 2018. Expense Ratio includes estimated expenses for the current fiscal year. See prospectus for more information.

## Portfolio Exposure by Theme\* (% of net assets)

Broadband	14.1
Data Monetization	18.3
Defense	16.6
Infrastructure	4.9
Software	22.4
Turnaround	14.9
Video Games	8.0
<b>Total</b>	<b>99.3%</b>

Source: Artisan Partners/Bloomberg. Theme classifications determined by investment team.

For more information: Visit [www.artisanpartners.com/ARTTX](http://www.artisanpartners.com/ARTTX) | Call 800.344.1770

\*% of net assets represents the Fund's exposures based on the economic value of investments and options are delta-adjusted. Cash and cash equivalents represented 1.5% of net assets. Statistics shown exclude ETFs and ETF options, which represented -1.0% and -4.6% of net assets, respectively.

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.

A non-diversified portfolio may invest a larger portion of assets in securities of a smaller number of issuers and performance of a single issuer may affect overall portfolio performance greater than in a diversified portfolio. Private placement and restricted securities are subject to strict restrictions on resale and may not be able to be easily sold and are more difficult to value. The use of derivatives may create investment leverage and increase the likelihood of volatility and risk of loss in excess of the amount invested. 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. 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 markets.

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All information in this report includes all classes of shares, except performance and expense ratio information and as otherwise indicated. Totals may not sum due to rounding or delta adjustment.

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All options positions are displayed on a delta-adjusted notional value basis. Delta adjustment is necessary to properly account for the sensitivity of options to changes in price of the underlying security as well as for making exposure comparisons to the underlying security (measuring options exposure as premium will understate the economic exposure and risk, while measuring exposure as notional value will overstate the economic exposure). Delta-adjusted exposure is a measure for the exposure on the equity market created by the options. This estimation of the equity exposure of a fund is only approximate. The delta-adjusted exposure changes over time and is a function of the size and the precise composition of the options portfolio.

**Market Cap** is the aggregate value of all of a company's outstanding equity securities. **Weighted Average** is the average of values weighted to the data set's composition. **Weighted Harmonic Average** is a calculation of weighted average commonly used for rates or ratios. **Price-to-Earnings Ratio (P/E Ratio)** measures how expensive a stock is. Earnings figures used for FY1 and FY2 are estimates for the current and next unreported fiscal years. **LT EPS Growth Rate** is the average of the 3-5 year forecasted EPS growth rate of a company.

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