



Artisan International Small Cap Fund

MONTHLY
Commentary

Investor Class: ARTJX

As of 31 January 2017

Commentary

International small-cap stocks were up in January, augmented by a weaker dollar—a boon for USD-based investors—though gains were tepid in local currency terms. Volatility ticked up following President Trump's executive order on immigration, yet the prospect for heightened infrastructure spending, lower corporate taxes and looser regulations under the new administration has contributed to generally positive global market sentiment.

Our portfolio trailed the MSCI EAFE Small Cap Index. Relative to the index, we missed out on some of the currency lift, partly given our heavier dollar exposure. On a stock-specific basis, larger detractors included AA and Ginko International. AA is the UK's leading roadside assistance service with significant scale advantages. The company has a stable and profitable business model—roughly three quarters of its earnings derive from roadside assistance contracts, which historically generated 50% margins and renewal rates of roughly 80%. After suffering some execution missteps in recent years, the company has a capable new management team, and we have maintained our conviction. We also remain investors in Taiwan contact lens maker Ginko as we're still attracted to the company's market-share dominance in the fast-growing Chinese contact lens market—though we pared our position in Q4 as the company contends with heightened competition online.

Conversely, Wirecard and InterXion were both top monthly contributors, bouncing after losing ground in Q4. Wirecard fundamentals remain strong, and the company is bolstering its position in high-growth emerging markets. Ultimately, we see Wirecard as one of the best-positioned companies to participate in the secular growth of e-commerce globally.

InterXion is a European data center company. We're attracted to the secular growth in data center demand, driven by rising global data traffic levels, growth in cloud computing and the cost-saving advantages afforded by outsourcing data storage needs. We also believe InterXion could be considered for acquisition by North American data center companies seeking to expand into Europe.

Recognizing that we are in more of a cyclical growth environment, we continued to reduce our exposure to consumer nondurables, selling Royal Unibrew and Swedish confectionary company Cloetta. The sales gave us the opportunity to redeploy capital into holdings better positioned to benefit from a healthier macroeconomic backdrop, including global construction company Doosan Bobcat. As a leader in North America, we see Bobcat strongly positioned to capture new housing and infrastructure demand in the US.

Looking forward, we continue to believe that by investing in good quality companies with strong earnings growth and being disciplined about valuation, we will deliver superior results over the long term.

Portfolio Details

Net Asset Value (NAV)	\$20.36
ARTJX Inception	21 December 2001
Expense Ratios	
Annual Report 30 Sep 2016	1.51%
Prospectus 30 Sep 2016 ¹	1.52%

¹See prospectus for more information.

Top 10 Holdings (% of total portfolio)

Wirecard AG (Germany)	5.0
InterXion Holding NV (Netherlands)	4.9
Comet Holding AG (Switzerland)	4.6
Ginko International Co Ltd (Taiwan)	4.3
Takkt AG (Germany)	4.1
Aareal Bank AG (Germany)	3.4
Dignity PLC (United Kingdom)	3.4
Elis SA (France)	3.3
HomeServe PLC (United Kingdom)	3.0
Enav SpA (Italy)	3.0
TOTAL	39.0%

Source: Artisan Partners/FactSet (MSCI).

Sector Diversification (% of total portfolio equities)

	Fund	EAFE SC ¹
Consumer Discretionary	17.4	15.9
Consumer Staples	10.9	6.8
Energy	1.5	2.9
Financials	10.6	11.5
Health Care	9.7	6.9
Industrials	20.9	22.0
Information Technology	17.7	10.5
Materials	2.9	9.6
Real Estate	1.6	10.9
Telecommunication Services	5.5	1.1
Utilities	1.3	1.9
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet (GICS)/MSCI. Cash represented 6.9% of the total portfolio. ¹MSCI EAFE Small Cap Index.

Investment Results (%)

As of 31 January 2017	Average Annual Total Returns							
	MTD ¹	QTD ¹	YTD ¹	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTJX	2.83	2.83	2.83	-3.75	-3.63	7.11	3.36	11.02
MSCI EAFE Small Cap Index	3.53	3.53	3.53	14.82	3.82	9.57	3.09	9.86
MSCI EAFE Index	2.90	2.90	2.90	12.03	0.71	6.04	0.97	5.61

As of 31 December 2016								
	MTD ¹	QTD ¹	YTD ¹	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTJX	2.33	-9.31	-12.88	-12.88	-5.21	8.17	3.31	10.88
MSCI EAFE Small Cap Index	2.87	-2.86	2.18	2.18	2.10	10.56	2.95	9.67
MSCI EAFE Index	3.42	-0.71	1.00	1.00	-1.60	6.53	0.75	5.45

Source: Artisan Partners/MSCI. ¹Returns for periods less than one year are not annualized.

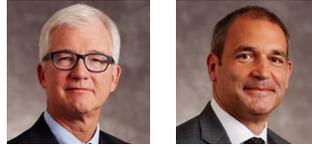
Past performance does not guarantee and is not a reliable indicator of future results. Investment returns and principal values will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. Call 800.344.1770 for current to most recent month-end performance.

Region/Country Allocation (% of total portfolio equities)

REGION	Fund	EAFE SC ¹
EUROPE	78.5	55.1
Germany	16.3	6.2
United Kingdom	15.6	17.5
France	11.5	4.2
Italy	8.6	3.8
Denmark	6.2	1.5
Spain	5.9	2.5
Netherlands	5.3	2.1
Switzerland	4.9	4.7
Sweden	4.1	5.1
EMERGING MARKETS	11.4	—
Taiwan	4.6	—
Korea	3.9	—
Russia	2.1	—
South Africa	0.7	—
PACIFIC BASIN	6.4	43.5
Singapore	3.0	1.7
Japan	2.3	31.6
Hong Kong	1.1	2.4
AMERICAS	3.7	—
Canada	3.7	—
MIDDLE EAST	—	1.4
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet (MSCI). ¹MSCI EAFE Small Cap Index. Countries held in the index, but not held in the portfolio, are not listed.

Team Leadership (Pictured left to right)



Portfolio Managers	Years of Investment Experience
Mark L. Yockey, CFA	36
Charles-Henri Hamker	27

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.

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. 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.

MSCI EAFE Small Cap Index measures the performance of small-cap companies in developed markets, excluding the US and Canada. MSCI EAFE Index measures the performance of developed markets, excluding the US and Canada. 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 2017: AA PLC 2.8%; Doosan Bobcat Inc 2.0%. 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.

All information in this report includes all classes of shares, except performance and expense ratio information and as otherwise indicated, and is as of the date shown in the upper right hand corner unless otherwise indicated. 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.

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.

Country exposure percentages reflect country designations as classified by MSCI as of the date shown. Securities not classified by MSCI reflect country designations as of the date the report was generated. Sector exposure percentages reflect sector designations as currently classified by GICS.

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.

© 2017 Artisan Partners. All rights reserved.

2/3/2017 A17515L_vR