



# Artisan International Value Fund

MONTHLY  
Commentary

Investor Class: ARTKX | Advisor Class: APDKX

As of 31 January 2017

## Commentary

The MSCI EAFE Index increased 0.1% in local currency and 2.9% in USD during January. The G7 markets led the advance, increasing 1.3% in local currency and 2.2% in USD. Far East markets also performed well, increasing 1.2% in local currency and 4.4% in USD. European markets were down 0.3% in local currency but up 2.1% in USD. During the month, the yen, euro and pound sterling all strengthened against the USD by 3.5%, 2.6% and 2.1%, respectively.

The top contributors to performance were Samsung Electronics, ABB and Richemont. Samsung reported strong earnings during the month, benefiting from rising memory prices. The company also announced an additional buyback of KRW 8.5T, reaffirming its commitment to return 50% of free cash flow to shareholders through buybacks and dividends. After lagging its industrial peers toward the end of the year, ABB's share price rose with recent order wins, stable commodity prices and optimism for an economic recovery in its key markets. Richemont reported good quarterly results during the month, with the business returning to positive sales growth.

The bottom three contributors were Compass Group, Tesco and Imperial Oil. Compass underperformed as investors favored cyclical stocks on post-US election optimism regarding an uptick in economic activity. Tesco's share price fell with the resignation of a respected board member ahead of a significant M&A transaction, announced a few weeks later. Imperial Oil's share price was weak on political uncertainty surrounding potential changes in US energy policy.

## Portfolio Details

	ARTKX	APDKX
Net Asset Value (NAV)	\$33.50	\$33.49
Inception	23 Sep 2002	1 Apr 2015
Expense Ratios		
Annual Report 30 Sep 2016 <sup>1</sup>	1.18%	1.02%
Prospectus 30 Sep 2016 <sup>2</sup>	1.23%	1.07%

<sup>1</sup>Excluding Acquired Fund Fees & Expenses as described in the prospectus. <sup>2</sup>See prospectus for more information.

## Top 10 Holdings (% of total portfolio)

Samsung Electronics Co Ltd (Korea)	5.4
UBS Group AG (Switzerland)	4.8
Arch Capital Group Ltd (United States)	4.4
ABB Ltd (Switzerland)	4.2
Compass Group PLC (United Kingdom)	4.2
Baidu Inc (China)	4.0
ING Groep NV (Netherlands)	3.9
Royal Bank of Scotland Group PLC (United Kingdom)	3.1
TE Connectivity Ltd (United States)	3.0
Telefonica Brasil SA (Brazil)	3.0
<b>TOTAL</b>	<b>40.0%</b>

Source: Artisan Partners/FactSet (MSCI).

## Sector Diversification (% of total portfolio equities)

	Fund	EAFE <sup>1</sup>
Consumer Discretionary	12.7	12.4
Consumer Staples	9.2	11.1
Energy	2.9	5.2
Financials	27.8	21.3
Health Care	5.9	10.5
Industrials	18.5	14.2
Information Technology	19.6	5.6
Materials	0.0	8.2
Real Estate	0.0	3.7
Telecommunication Services	3.5	4.5
Utilities	0.0	3.3
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/FactSet (GLCS)/MSCI. Cash represented 14.3% of the total portfolio. <sup>1</sup>MSCI EAFE Index.

## Investment Results (%)

As of 31 January 2017	Average Annual Total Returns							
	MTD <sup>1</sup>	QTD <sup>1</sup>	YTD <sup>1</sup>	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTKX	3.33	3.33	3.33	14.80	3.19	10.40	5.76	12.85
Advisor Class: APDKX	3.33	3.33	3.33	14.95	3.30	10.47	5.80	12.88
MSCI EAFE Index	2.90	2.90	2.90	12.03	0.71	6.04	0.97	7.52
MSCI EAFE Value Index	2.46	2.46	2.46	17.14	-0.14	5.72	-0.04	7.58

As of 31 December 2016

Investor Class: ARTKX	1.98	-0.29	5.50	5.50	1.00	10.55	5.39	12.67
Advisor Class: APDKX	2.01	-0.22	5.67	5.67	1.11	10.62	5.42	12.70
MSCI EAFE Index	3.42	-0.71	1.00	1.00	-1.60	6.53	0.75	7.35
MSCI EAFE Value Index	4.58	4.17	5.02	5.02	-2.14	6.28	-0.22	7.45

Source: Artisan Partners/MSCI. <sup>1</sup>Returns for periods less than one year are not annualized. Advisor Class performance is that of the Investor Class from 23 September 2002 through the inception of the Advisor Class on 1 April 2015, and actual Advisor Class performance thereafter. Performance has not been adjusted to reflect the expenses of the Advisor Class for the period prior to the Class's inception, and Advisor Class performance results would differ 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 total portfolio equities)

REGION	Fund	EAFE <sup>1</sup>
<b>EUROPE</b>	<b>61.2</b>	<b>62.6</b>
United Kingdom	22.8	18.0
Switzerland	21.1	8.8
Netherlands	5.2	3.3
Denmark	5.2	1.7
Belgium	2.7	1.1
France	2.5	9.9
Norway	1.6	0.7
<b>AMERICAS</b>	<b>17.1</b>	<b>—</b>
United States	15.1	—
Canada	2.0	—
<b>EMERGING MARKETS</b>	<b>16.8</b>	<b>—</b>
Korea	7.0	—
China	4.7	—
Brazil	3.5	—
India	1.7	—
<b>PACIFIC BASIN</b>	<b>4.9</b>	<b>36.7</b>
Japan	4.9	24.3
<b>MIDDLE EAST</b>	<b>—</b>	<b>0.7</b>
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/FactSet (MSCI). <sup>1</sup>MSCI EAFE Index. Countries held in the index, but not held in the portfolio, are not listed. Stocks classified as U.S. are incorporated outside of the U.S.

## Team Leadership (Pictured left to right)



### Portfolio Managers

### Years of Investment Experience

N. David Samra (Lead)	24
Daniel J. O'Keefe	24

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. Value securities may underperform other asset types during a given period.

MSCI EAFE Index measures the performance of developed markets, excluding the US and Canada. MSCI EAFE Value Index measures the performance of developed markets companies, excluding the US and Canada, that exhibit value style characteristics according to MSCI. 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: Cie Financiere Richemont SA 2.4%; Imperial Oil Ltd 1.7%; Tesco PLC 2.6%. 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.

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.

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**Free Cash Flow** is a measure of financial performance calculated as operating cash flow minus capital expenditures.

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