



# Artisan Global Equity Fund

MONTHLY  
Commentary

Investor Class: ARTHX

As of 31 March 2017

## Commentary

Global equities rode the post-US election optimism into Q1 with all sectors notching gains except energy, 2016's standout performer. Returns for USD-based investors were augmented by a weaker dollar versus the euro and yen—perhaps reflecting expectations for tapering by central banks in Europe and Japan given new signs of growth. Indeed, inflation expectations are elevated from year-ago levels, and actual inflation ticked up across much of the world, though partly owing to energy prices. In the equities markets, growth outpaced value in Q1, a sharp rotation from value's strong 2016 outperformance.

Our portfolio performed roughly in line with the MSCI AC World Index in Q1. A number of our technology-theme holdings were top individual performers quarter to date, including Wirecard and Amazon.com. Global payments company Wirecard is successfully integrating accretive acquisitions in higher-growth Asian markets, and more recently in the US. Ultimately, we see Wirecard as one of the best-positioned companies to participate in the secular growth of e-commerce globally.

Although Amazon's revenue recently came in shy of lofty expectations, the company is generating exceptional top-line and bottom-line growth, partly owing to its successful Prime membership platform—which is driving customer loyalty, increased purchase frequency and cross-category shopping. Further, as the industry market leader, Amazon's enterprise cloud business is a major beneficiary of the widespread migration of data storage to the cloud.

Conversely, Ginko and Vallourec detracted in Q1. As of late, Taiwan-based contact lens maker Ginko—whose major market is China—has contended with FX headwinds from a weaker RMB. We're still attracted to Ginko's market-share dominance in the fast-growing Chinese market. Shares of Vallourec—a provider of tube products to the oil and gas industry—fell in February after the company guided for delayed pricing recovery in the offshore oil and gas market. We held our conviction and subsequently shares rallied strongly through the end of March.

We opened several new positions which we will discuss in more detail in our forthcoming quarterly commentary. Among our new holdings are ServiceNow, a US-based IT service management company; Harris Corp, a US-based communications equipment company; Samsung SDI, a Korean battery maker; Intercontinental Exchange or (ICE), a US exchanges operator; and Sealed Air, a US packaging company.

Looking forward, we think there are plenty of catalysts for ongoing earnings growth. For one, global growth appears to be broadening to more cyclical parts of the economy such as manufacturing, as well as across geographies outside of the US. However, we're also realistic about the potential for downside risk, especially at this later stage of the bull market. The political climate—including the outcome of elections in Europe and President Trump's political agenda—is an evolving landscape we can't endeavor to predict. Regardless of the outcomes, we will remain focused on factors inside of our control: finding companies with sustainable competitive advantages trading at reasonable valuations.

## Portfolio Details

Net Asset Value (NAV)	\$16.86
ARTHX Inception	29 March 2010
Expense Ratios	
Annual Report 30 Sep 2016	1.37%
Prospectus 30 Sep 2016 <sup>1</sup>	1.40%

<sup>1</sup>See prospectus for more information.

## Top 10 Holdings (% of total portfolio)

Alphabet Inc (United States)	4.4
Mastercard Inc (United States)	4.0
Wirecard AG (Germany)	3.9
Amazon.com Inc (United States)	3.6
Deutsche Boerse AG (Germany)	3.4
Celgene Corp (United States)	3.1
ING Groep NV (Netherlands)	3.1
Canadian Pacific Railway Ltd (Canada)	2.8
Comcast Corp (United States)	2.7
Facebook Inc (United States)	2.6
<b>TOTAL</b>	<b>33.6%</b>

Source: Artisan Partners/FactSet (MSCI).

## Sector Diversification (% of total portfolio equities)

	Fund	ACWI <sup>1</sup>
Consumer Discretionary	15.3	12.1
Consumer Staples	5.1	9.5
Energy	2.5	6.6
Financials	25.5	18.4
Health Care	8.7	11.1
Industrials	3.6	10.7
Information Technology	32.7	16.4
Materials	3.5	5.3
Real Estate	1.9	3.2
Telecommunication Services	0.0	3.4
Utilities	1.2	3.2
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/FactSet (GICS)/MSCI. Cash represented 1.8% of the total portfolio. <sup>1</sup>MSCI All Country World Index.

## Investment Results (%)

As of 31 March 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: ARTHX	2.49	7.05	7.05	11.14	3.15	10.11	—	10.43
MSCI All Country World Index	1.22	6.91	6.91	15.04	5.08	8.37	—	7.82

Source: Artisan Partners/MSCI. <sup>1</sup>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. Performance may reflect agreements to limit a Fund's expenses, which would reduce performance if not in effect. The Fund's investments in initial public offerings (IPOs) made a material contribution to the Fund's performance. IPO investments are not an integral component of the Fund's investment process and may not be available in the future.

## Region/Country Allocation (% of total portfolio equities)

REGION	Fund	ACWI <sup>1</sup>
<b>AMERICAS</b>	<b>54.1</b>	<b>56.4</b>
United States	51.2	53.2
Canada	2.9	3.2
<b>EUROPE</b>	<b>28.9</b>	<b>20.6</b>
Germany	12.5	3.1
Netherlands	5.7	1.1
France	5.4	3.3
Denmark	1.9	0.5
Italy	1.9	0.7
Switzerland	1.5	2.8
<b>EMERGING MARKETS</b>	<b>9.8</b>	<b>11.0</b>
Taiwan	4.0	1.3
China	2.4	3.0
Korea	1.5	1.7
Chile	1.2	0.1
Mexico	0.6	0.4
Thailand	0.1	0.2
<b>PACIFIC BASIN</b>	<b>7.2</b>	<b>11.7</b>
Japan	5.0	7.6
Australia	1.3	2.5
Hong Kong	0.9	1.1
<b>MIDDLE EAST</b>	<b>—</b>	<b>0.2</b>
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/FactSet (MSCI). <sup>1</sup>MSCI All Country World 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
Andrew J. Euretig	13

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 All Country World Index measures the performance of developed and 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 Mar 2017: Ginko International Co Ltd 2.0%; Harris Corp 1.5%; Intercontinental Exchange Inc 1.0%; Samsung SDI Co Ltd 1.5%; Sealed Air Corp 0.9%; ServiceNow Inc 2.0%; Vallourec SA 2.5%. 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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