



Artisan Mid Cap Value Fund

MONTHLY
Commentary

Investor Class: ARTQX | Advisor Class: APDQX As of 30 September 2017

Commentary

Our portfolio outperformed the Russell Midcap® Value Index in September, finishing ahead in Q3. Energy holdings Hess and Devon rebounded along with oil prices this month, overcoming early-quarter weakness to deliver positive relative and absolute results for our energy exposure in Q3. We continue to believe our energy holdings are high-quality names selling at undemanding valuations.

Materials holding Celanese, a globally integrated producer of chemicals and advanced materials, also aided results. The company is executing well, realizing cost efficiencies and productivity gains despite a challenging operating environment. In our view, its management team is one of the best in the industry, and its balance sheet is solid. We believe the company exemplifies a quality business taking the right actions in the face of a challenging macroeconomic environment.

Regulated electric gas utility SCANA weighed on results. At the end of July, SCANA and partner Santee Cooper announced they would halt construction on their nuclear project after nine years of progress. When SCANA initially agreed to embark on the project, they were guaranteed under the BLRA (Base Load Review Act) that they would get paid for prudent expenses should the project fall through. However, politicians are threatening to fight the BLRA in an attempt to appeal to their constituents concerns over lost jobs and increased electric bills, potentially altering SCANA's ability to recoup costs. The outcome is uncertain at this point, and we are closely monitoring the situation. At present, we believe the stock is pricing in a wide range of negative outcomes.

We had no new purchases or sales in September, but exited our position in thermal-imaging systems maker FLIR Systems at the end of August as shares hit our target price range.

Portfolio Details

	ARTQX	APDQX
Net Asset Value (NAV)	\$23.98	\$23.94
Inception	28 Mar 2001	1 Apr 2015
Expense Ratios		
Semi-Annual Report 31 Mar 2017 ¹	1.19%	1.06%
Prospectus 30 Sep 2016 ²	1.16%	1.06%

¹Unaudited, annualized for the six month period. ²See prospectus for more information.

Top 10 Holdings (% of total portfolio)

Air Lease Corp (Industrials)	4.1
Celanese Corp (Materials)	3.3
Devon Energy Corp (Energy)	3.0
AutoNation Inc (Consumer Discretionary)	2.9
Alleghany Corp (Financials)	2.7
Hess Corp (Energy)	2.7
Fifth Third Bancorp (Financials)	2.5
Torchmark Corp (Financials)	2.5
Liberty Interactive Corp QVC Group (Consumer Discretionary)	2.5
Arch Capital Group Ltd (Financials)	2.4
TOTAL	28.6%

Source: Artisan Partners/FactSet (GICS).

Sector Diversification (% of total portfolio equities)

	Fund	RMCV ¹
Consumer Discretionary	16.7	11.8
Consumer Staples	2.0	3.8
Energy	14.3	8.1
Financials	24.2	20.1
Health Care	2.0	6.6
Industrials	14.1	11.7
Information Technology	12.5	6.5
Materials	10.7	5.3
Real Estate	2.1	14.5
Telecommunication Services	0.0	0.8
Utilities	1.3	10.7
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet (GICS)/Russell. Cash represented 7.6% of the total portfolio. ¹Russell Midcap® Value Index.

Investment Results (%)

As of 30 September 2017	MTD ¹	QTD ¹	YTD ¹	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTQX	3.41	3.10	7.29	15.08	6.33	11.15	7.75	10.64
Advisor Class: APDQX	3.37	3.10	7.35	15.23	6.43	11.21	7.78	10.66
Russell Midcap® Value Index	2.73	2.14	7.43	13.37	9.19	14.33	7.85	10.27
Russell Midcap® Index	2.77	3.47	11.74	15.32	9.54	14.26	8.08	9.75

Source: Artisan Partners/Russell. ¹Returns for periods less than one year are not annualized. Advisor Class performance is that of the Investor Class from 28 March 2001 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.

Average Annual Total Returns

Market Cap Distribution (% of total portfolio equities)

\$ in billions	Fund	RMCV ¹
21.0+	13.1	19.1
14.0–21.0	26.0	23.7
9.5–14.0	11.9	19.6
5.7–9.5	20.6	19.1
0–5.7	28.4	18.5
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet/Russell. ¹Russell Midcap® Value Index.

Team Leadership (Pictured left to right)



Portfolio Managers

Years of Investment Experience

James C. Kieffer, CFA	28
Thomas A. Reynolds IV	18
Daniel L. Kane, CFA	19

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.

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.

Russell Midcap® Value Index measures the performance of US mid-cap companies with lower price/book ratios and forecasted growth values. Russell Midcap® Index measures the performance of roughly 800 US mid-cap companies. 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 30 Sep 2017: SCANA Corp 1.3%. 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.

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

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