



# Artisan Global Opportunities Fund

MONTHLY  
Commentary

Investor Class: ARTRX | Advisor Class: APDRX

As of 30 September 2017

## Commentary

Markets concluded another positive quarter in September, with most major indices in the black. Emerging markets led, and foreign developed markets modestly outperformed domestic. The Fed announced it will finally begin unwinding quantitative easing, allowing maturing debt to gradually roll off the balance sheet—news that markets met with indifference. Domestic growth led value modestly in the large- and mid-cap spaces, with small-cap growth and value in line. In foreign developed markets, the reverse was true.

Our portfolio was modestly ahead of the MSCI AC World Index in Q3 and remains solidly ahead YTD. Among our top Q3 contributors were Visa and Keyence. Visa is driving accelerating organic growth against a backdrop of rapidly increasing digital transactions thanks to several secular trends—including growing cross-border transactions, global travel, e-commerce and technological innovations that simplify cash transactions, such as the Square. Further, Visa continues deriving cost synergies from its Visa Europe acquisition.

Japan-based Keyence is benefiting from the powerful secular trend toward automation in manufacturing. This shift has been partly tied to the massive demand from smartphone producers—notably, Apple—but has also picked up steam as labor costs globally have risen. Further, large markets like China, which remain relatively less penetrated, are increasingly adopting automation, not only for smartphone production, but also in traditional goods manufacturing. We believe this powerful secular trend is in its early innings, setting up a long growth runway for well-positioned franchises like Keyence.

Among our bottom contributors in Q3 were DexCom and Regeneron. As the quarter concluded, DexCom received news the FDA approved Abbott's continuous glucose-monitoring (CGM) system—which represents a disruptive, low-price competitor to DexCom's CGM. While DexCom remains a strong franchise, competitors are closing the gap faster than we thought likely—as a result, we are paring our exposure while we evaluate the profit-cycle potential from here.

Regeneron's Dupixent® for atopic dermatitis is off to a solid launch, and the company reported strong results for the drug in its second indication, asthma. However, the drug's efficacy looked stronger in more severe patients than in those with more moderate disease—an outcome that weighed on shares. We remain confident in Regeneron's productive R&D organization and its strong scientific culture, both of which contribute to a promising pipeline.

We will discuss these and other holdings in more detail in our forthcoming quarterly commentary.

Our process is focused on identifying franchises exposed to accelerating profit cycles with reasonable valuations. It is our belief that owning companies with these characteristics should lead to outperformance over full market cycles. We will continue to be disciplined and methodical in our approach.

## Portfolio Details

	ARTRX	APDRX
Net Asset Value (NAV)	\$25.69	\$25.75
Inception	22 Sep 2008	1 Apr 2015
Expense Ratios		
Semi-Annual Report 31 Mar 2017 <sup>1</sup>	1.14%	1.03%
Prospectus 30 Sep 2016 <sup>2</sup>	1.18%	1.09%

<sup>1</sup>Unaudited, annualized for the six month period. <sup>2</sup>See prospectus for more information.

## Top 10 Holdings (% of total portfolio)

IHS Markit Ltd (United States)	6.8
Visa Inc (United States)	5.4
Boston Scientific Corp (United States)	3.8
Facebook Inc (United States)	3.4
Alphabet Inc (United States)	3.3
Genmab A/S (Denmark)	3.1
Treasury Wine Estates Ltd (Australia)	2.9
S&P Global Inc (United States)	2.9
State Street Corp (United States)	2.9
ASML Holding NV (Netherlands)	2.8
<b>TOTAL</b>	<b>37.3%</b>

Source: Artisan Partners/FactSet (MSCI).

## Sector Diversification (% of total portfolio equities)

	Fund	ACWI <sup>1</sup>
Consumer Discretionary	11.8	11.9
Consumer Staples	10.4	8.8
Energy	3.4	6.4
Financials	13.0	18.7
Health Care	14.3	11.2
Industrials	12.4	10.8
Information Technology	31.2	17.6
Materials	3.4	5.3
Real Estate	0.0	3.1
Telecommunication Services	0.0	3.2
Utilities	0.0	3.1
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/FactSet (GICS)/MSCI. Cash represented 6.5% of the total portfolio. <sup>1</sup>MSCI All Country World Index.

## Investment Results (%)

As of 30 September 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: ARTRX	0.67	5.29	25.75	18.36	12.01	13.26	—	11.70
Advisor Class: APDRX	0.66	5.32	25.86	18.53	12.13	13.33	—	11.74
MSCI All Country World Index	1.93	5.18	17.25	18.65	7.43	10.20	—	7.18

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 22 September 2008 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	ACWI <sup>1</sup>
<b>AMERICAS</b>	<b>52.4</b>	<b>55.3</b>
United States	52.4	52.1
<b>EUROPE</b>	<b>22.9</b>	<b>21.5</b>
United Kingdom	5.1	5.9
Netherlands	5.0	1.2
Germany	5.0	3.2
Denmark	3.4	0.6
Switzerland	2.2	2.7
France	1.4	3.6
Spain	0.9	1.1
<b>PACIFIC BASIN</b>	<b>17.6</b>	<b>11.5</b>
Japan	9.9	7.6
Australia	4.8	2.3
Hong Kong	2.9	1.1
<b>EMERGING MARKETS</b>	<b>7.2</b>	<b>11.6</b>
South Africa	2.1	0.7
China	2.1	3.4
India	2.0	1.0
Mexico	1.0	0.4
<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

James D. Hamel, CFA (Lead)	20
Matthew H. Kamm, CFA	17
Craigh A. Cepukenas, CFA	28
Jason L. White, CFA	17

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 30 Sep 2017: Keyence Corp 2.2%; DexCom Inc 0.5%; Regeneron Pharmaceuticals Inc 2.3%. 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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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.

Our capital allocation process is designed to build position size according to our conviction. Portfolio holdings develop through three stages: Garden<sup>SM</sup>, Crop<sup>SM</sup> and Harvest<sup>SM</sup>. Garden<sup>SM</sup> investments are situations where we believe we are right, but there is not clear evidence that the profit cycle has taken hold, so positions are small. Crop<sup>SM</sup> investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. Harvest<sup>SM</sup> investments are holdings that have exceeded our estimate of intrinsic value or holdings where there is a deceleration in the company's profit cycle. Harvest<sup>SM</sup> investments are generally being reduced or sold from the portfolios.

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