



Artisan International Small-Mid Fund

MONTHLY
Commentary

Investor Class: ARTJX | Advisor Class: APDJX As of 31 December 2018

Commentary

Non-US equities suffered further selling pressure in December as end-of-cycle ruminations centered around normalizing monetary policies, softening global growth and the US-China trade conflict. This led to the MSCI AC World ex USA Small Mid Index's worst quarter since Q3 2011. No regions were unscathed. Europe, Japan and the US were each down double-digit percentages. Emerging markets, which trailed developed markets through the first three quarters of 2018, held up better. They were down about 7% in Q4 but declined 14% for the full year, in line with non-US developed markets.

Fading global growth expectations also sent commodities prices, especially oil, lower. The price of WTI crude tumbled by 40% from mid-\$70s a barrel to mid-\$40s. In turn, the energy sector was the weakest performer followed by other cyclicals (industrials, technology and consumer discretionary). Defensives (consumer staples, health care) and interest rate plays (utilities, real estate) fared better to varying degrees.

On December 4, 2018, an update to the Fund's investment guidelines and name change took effect. These changes coincide with the hire of Rezo Kanovich as lead portfolio manager for the Fund (announced October 4, 2018). The Fund has been renamed Artisan International Small-Mid Fund and now experiences increased degrees of freedom, which aligns with the team's prior experience.

The investment team employs a long-term oriented and research-intensive, fundamental stock selection process seeking to build a portfolio of high-quality non-US small- and mid-cap companies exposed to structural growth themes acquired at attractive valuations in a contrarian fashion. Please stay tuned for the shareholder letter coming later this month, and the webcast planned for January 23rd (contact your Artisan representative for details).

Portfolio Details

	ARTJX	APDJX
Net Asset Value (NAV)	\$11.29	\$11.28
Inception	21 Dec 2001	4 Dec 2018
Expense Ratios		
Annual Report 30 Sep 2018	1.55% ^{1,2}	—
Prospectus 4 Dec 2018 ¹	1.36% ³	1.27% ⁴

¹See prospectus for further details. ²Excludes Acquired Fund Fees & Expenses as described in the prospectus. ³Restated to reflect a reduction in management fees, effective 1 Dec 2018. ⁴Includes estimated expenses for the current fiscal year.

Top 10 Holdings (% of total portfolio)

Nice Ltd (Israel)	2.5
SG Holdings Co Ltd (Japan)	2.1
Tecan Group AG (Switzerland)	2.1
Azbil Corp (Japan)	1.7
Davide Campari-Milano SpA (Italy)	1.6
SSP Group PLC (United Kingdom)	1.6
Obic Co Ltd (Japan)	1.5
Cree Inc (United States)	1.5
MellanoX Technologies Ltd (United States)	1.4
Britvic PLC (United Kingdom)	1.4
TOTAL	17.4%

Source: Artisan Partners/FactSet (MSCI).

Sector Diversification (% of total portfolio equities)

	Fund
Communication Services	3.2
Consumer Discretionary	8.7
Consumer Staples	8.5
Energy	0.0
Financials	5.1
Health Care	25.6
Industrials	19.4
Information Technology	26.8
Materials	2.7
Real Estate	0.0
Utilities	0.0
TOTAL	100.0%

Source: Artisan Partners/FactSet (GICS). Cash and cash equivalents represented 9.9% of the total portfolio.

Investment Results (%)

As of 31 December 2018	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTJX	-6.00	-18.19	-16.84	-16.84	-1.14	-1.14	9.68	10.21
Advisor Class: APDJX	-6.08	-18.26	-16.92	-16.92	-1.17	-1.16	9.67	10.21
MSCI All Country World ex USA SMID Index	-4.96	-13.97	-17.06	-17.06	3.84	1.75	8.84	8.29
MSCI All Country World ex USA Small Cap Index	-5.44	-14.43	-18.20	-18.20	3.82	1.96	10.02	9.07

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (21 December 2001); Advisor (4 December 2018). For the period prior to inception, Advisor Class performance is the Investor Class's return for that period ("Linked Performance"). Linked Performance has not been restated to reflect expenses of the Advisor Class and the share class's returns during that period would be different 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.

Region/Country Allocation (% of total portfolio equities)

REGION	Fund
EUROPE	56.2
United Kingdom	18.0
Switzerland	8.3
Germany	7.9
Denmark	5.2
Sweden	5.0
Netherlands	3.3
Italy	2.8
Finland	2.0
Spain	1.6
Belgium	1.3
France	0.6
Ireland	0.2
PACIFIC BASIN	22.3
Japan	21.1
Australia	1.2
AMERICAS	13.8
United States	10.2
Canada	3.6
MIDDLE EAST	4.0
Israel	4.0
EMERGING MARKETS	3.7
Brazil	2.8
India	0.9
TOTAL	100.0%

Source: Artisan Partners/FactSet (MSCI).

Team Leadership



Portfolio Manager	Years of Investment Experience
Rezo Kanovich	20

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 ex USA SMID Index measures the performance of small- and mid-cap companies in developed and emerging markets excluding the US. MSCI All Country World ex USA Small Cap Index measures the performance of small-cap companies in developed markets and emerging markets excluding the US. 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 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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