



Artisan Value Fund

MONTHLY
Commentary

Investor Class: ARTLX | Advisor Class: APDLX As of 31 March 2018

Commentary

US equities were especially volatile in March, a dramatic turnabout from 2017 when markets were historically quiescent. Although concerns about potential inflationary pressures eased in recent weeks, markets proved vulnerable to headlines over trade wars, central bank tightening and controversies surrounding mega-cap tech names (i.e., FAANGs). In March, there were 10 days when the Russell 1000® Value Index gained or lost 1% or more, in contrast to just 9 for all of 2017.

Monthly returns were mixed across the market cap spectrum as large-cap stocks were down about 2%, whereas mid-cap stocks were mostly unchanged and small caps showed low single-digit gains. Returns by sector were similarly varied—energy, utilities and real estate gained, while materials, health care and consumer discretionary declined.

Our portfolio underperformed the Russell 1000® Value Index in March. Sector positioning was a headwind in March due to our low weighting in the bond proxies (utilities and REITs) as these groups rallied. Declining bond yields was a driver, but there was also likely interest in their perceived safety amid the volatility. We've avoided the bond proxies intentionally due to the outsized influence of rate movements and the generally unattractive valuations on offer.

Among our biggest individual detractors was Liberty Interactive QVC. Liberty Interactive QVC is a video and Internet commerce business that owns the QVC® network. In March, the company announced it will rename itself "Qurate Retail Group" while also transitioning from a complicated tracking-stock structure, which had proven a headwind to multiples, to an asset-backed security. Despite its recent price decline, the stock was still a positive contributor to our portfolio in Q1 as the stock price essentially round-tripped back to the mid-\$20s—close to its 2017-ending price. Overall, recent business performance has shown continued improvement, as well as further progress toward moving QVC closer to an omni-channel model.

In a reversal from February's relative weakness, our energy holdings were a source of strength in March led by double-digit gains in the shares of oil and gas companies Apache and Hess. We view much of the short-term price movements in the sector as noise. Longer term, we believe these businesses will benefit as fundamental supply and demand pressures in oil markets continue to rebalance.

Portfolio Details	ARTLX	APDLX
Net Asset Value (NAV)	\$13.88	\$13.82
Inception	27 Mar 2006	1 Apr 2015
Expense Ratios		
Annual Report 30 Sep 2017	1.01%	0.85%
Prospectus 30 Sep 2017 ¹	1.01%	0.85%

¹See prospectus for further details.

Top 10 Holdings (% of total portfolio)

Berkshire Hathaway Inc (Financials)	4.3
Alphabet Inc (Information Technology)	4.2
Citigroup Inc (Financials)	4.0
Apple Inc (Information Technology)	3.7
Hess Corp (Energy)	3.7
Air Lease Corp (Industrials)	3.5
LyondellBasell Industries NV (Materials)	3.5
Cie Generale des Etablissements Michelin SCA (Consumer Discretionary)	3.5
Nutrien Ltd (Materials)	3.3
Devon Energy Corp (Energy)	3.3
TOTAL	37.0%

Source: Artisan Partners/FactSet (GICS).

Sector Diversification (% of total portfolio equities)

	Fund	RIV ¹
Consumer Discretionary	15.1	6.8
Consumer Staples	0.0	8.1
Energy	14.5	10.7
Financials	24.2	27.1
Health Care	10.1	13.6
Industrials	5.7	8.2
Information Technology	17.5	9.3
Materials	11.0	2.9
Real Estate	1.9	4.6
Telecommunication Services	0.0	2.9
Utilities	0.0	5.9
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet (GICS)/Russell. Cash and cash equivalents represented 3.3% of the total portfolio. ¹Russell 1000® Value Index.

Investment Results (%)

As of 31 March 2018	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTLX	-2.94	-4.67	-4.67	6.64	8.18	9.00	7.33	6.92
Advisor Class: APDLX	-2.95	-4.62	-4.62	6.80	8.32	9.08	7.38	6.95
Russell 1000® Value Index	-1.76	-2.83	-2.83	6.95	7.88	10.78	7.78	6.83
Russell 1000® Index	-2.27	-0.69	-0.69	13.98	10.39	13.17	9.61	8.42

Source: Artisan Partners/Russell. Returns for periods less than one year are not annualized. Class inception: Investor (27 March 2006); Advisor (1 April 2015). 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.

Market Cap Distribution (% of total portfolio equities)

\$ in billions	Fund	RIV ¹
230.0+	19.0	18.7
100.0–230.0	14.4	21.1
40.0–100.0	18.7	21.1
15.0–40.0	24.7	20.2
0.0–15.0	23.1	18.9
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet/Russell. ¹Russell 1000® Value Index.

Team Leadership (Pictured left to right)



Portfolio Managers	Years of Investment Experience
James C. Kieffer, CFA	29
Thomas A. Reynolds IV	19
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.

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.

Russell 1000® Value Index measures the performance of US large-cap companies with lower price/book ratios and forecasted growth values. Russell 1000® Index measures the performance of roughly 1,000 US large-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 31 Mar 2018: Apache Corp 1.7%; Liberty Interactive Corp QVC Group 2.8%. 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.

This material is provided for informational purposes without regard to your particular investment needs. This material shall not be construed as investment or tax advice on which you may rely for your investment decisions. Investors should consult their financial and tax adviser before making investments in order to determine the appropriateness of any investment product discussed herein.

The Global Industry Classification Standard (GICS®) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's Financial Services, LLC (S&P). Neither MSCI, S&P, their affiliates, nor any of their third party providers ("GICS Parties") makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including warranties of accuracy, completeness, merchantability and fitness for a particular purpose. The GICS Parties shall not have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of such damages.

Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

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

Artisan Partners Funds offered through Artisan Partners Distributors LLC (APDLLC), member FINRA. APDLLC is a wholly owned broker/dealer subsidiary of Artisan Partners Holdings LP. Artisan Partners Limited Partnership, an investment advisory firm and adviser to Artisan Partners Funds, is wholly owned by Artisan Partners Holdings LP.

© 2018 Artisan Partners. All rights reserved.

4/4/2018 A18543L_vR