



Artisan Emerging Markets Fund

MONTHLY
Commentary

Investor Class: ARTZX

As of 30 September 2018

Commentary

September may have been relatively less volatile than August, but it remained a difficult quarter for emerging markets. On a total return basis, Turkey, Greece and China were the worst QTD performers in the MSCI EM Index.

Our portfolio trailed the MSCI Emerging Markets Index over the third quarter. At the sector level, financials were the most notable drag on relative performance. Ex-index positions in Turkish bank Turkiye Sinai Kalkinma Bankasi and Argentine bank Grupo Supervielle were among the largest negative relative contributors as the financial sector often suffers first from sharp macro dislocations.

In the face of potential tax increases, Chinese wealth manager Noah Holdings sold off, weighing on our relative returns. We continue to like this firm's up side as it remains a well-branded, market-leading provider of financial services to China's rising high net worth families, and we added to the position on the weakness.

Also among our bottom individual relative contributors QTD was health care company Sino Biopharm. The stock sold off sharply, in line with the sector, as the government announced a pilot program aimed at lowering costs through a single-payer approach. The market expects drug companies may face significant top line pressures as a result. But, they may also be able to lower their selling costs, which we believe may mean the bottom line could be less affected than the market assumes.

The portfolio benefited from our exposure in communication services and technology QTD, both in terms of what we owned as well as what we didn't—namely, Tencent, which has declined on the back of ongoing macroeconomic, trade-related and regulatory concerns in China. Our exposure to Taiwan Semiconductor was a top relative contributor QTD.

Also among our top individual relative contributors was Zhuzhou, a manufacturer of train-borne electrical systems for China's railway industry, which benefited from renewed commitments by state planners to build and improve rail infrastructure.

Volatility is to be expected when investing in emerging markets—it's a natural part of what we believe is a superior growth opportunity over longer periods. As such, we will continue with our disciplined process and closely monitor positions—including on-the-ground visits to affected countries—to adjust valuations with updated country-risk assessments.

Portfolio Details

Net Asset Value (NAV)	\$15.08	
ARTZX Inception	2 June 2008	
Expense Ratios	Gross	Net ¹
Semi-Annual Report 31 Mar 2018 ^{2,3}	1.77%	1.46%
Prospectus 30 Sep 2017 ³	2.15%	1.35%

¹Reflects a contractual expense limitation agreement in effect through 31 Jan 2019. ²Unaudited, annualized for the six-month period and reflects a change in the Fund's management fee and expense limit, 1.50% lowered to 1.35%, effective 21 Feb 2018. ³See prospectus for further details.

Top 10 Holdings (% of total portfolio)

Samsung Electronics Co Ltd (Korea)	6.6
Taiwan Semiconductor Manufacturing Co Ltd (Taiwan)	6.2
Alibaba Group Holding Ltd (China)	5.6
Reliance Industries Ltd (India)	2.7
Naspers Ltd (South Africa)	2.6
Zhuzhou CRRC Times Electric Co Ltd (China)	2.4
LUKOIL PJSC (Russia)	2.1
Sberbank of Russia PJSC (Russia)	2.1
Samsung Biologics Co Ltd (Korea)	2.1
Baidu Inc (China)	2.0
TOTAL	34.5%

Source: Artisan Partners. Portfolio country classifications are defined by the investment team.

Sector Diversification (% of total portfolio equities)

	Fund	MSCI EM ¹
Communication Services	9.9	14.1
Consumer Discretionary	14.4	10.6
Consumer Staples	1.7	6.6
Energy	8.0	8.2
Financials	20.4	23.2
Health Care	9.2	3.0
Industrials	9.2	5.4
Information Technology	17.9	15.8
Materials	6.7	7.9
Real Estate	1.4	2.8
Utilities	1.4	2.4
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet (GICS)/MSCI. Cash and cash equivalents represented 2.7% of the total portfolio. ¹MSCI Emerging Markets Index.

Investment Results (%)

As of 30 September 2018	Average Annual Total Returns								Linked Inception ²
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception	
Investor Class: ARTZX	-1.05	-2.77	-10.18	-2.70	15.66	4.72	3.87	-0.64	
Linked Institutional and Investor Class ¹									4.47
MSCI Emerging Markets Index	-0.53	-1.09	-7.68	-0.81	12.36	3.61	5.40	1.06	5.83

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. ¹Linked performance data shown relates to the Investor Shares from 2 June 2008 forward and for Institutional Shares prior to 2 June 2008. ²Institutional Class inception: 26 June 2006.

Performance of the Institutional Shares does not reflect higher expenses associated with the Investor Shares, and if reflected, would reduce the performance quoted. 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	MSCI EM ¹
EMERGING ASIA	63.0	74.6
China	23.3	31.0
Korea	14.8	14.9
Taiwan	10.9	12.3
India	8.0	8.5
Indonesia	3.9	2.0
Thailand	0.9	2.5
Malaysia	0.7	2.4
Vietnam	0.5	—
EUROPE, MIDDLE EAST AND AFRICA	20.6	14.1
Russia	7.7	3.7
South Africa	5.1	6.1
Turkey	2.5	0.6
Greece	1.6	0.3
Czech Republic	1.0	0.2
United Arab Emirates	0.9	0.7
Georgia	0.7	—
Poland	0.5	1.2
Nigeria	0.5	—
LATIN AMERICA	14.8	11.3
Brazil	7.1	6.2
Chile	1.9	1.1
Argentina	1.7	—
Peru	1.6	0.4
Mexico	1.1	3.2
Colombia	0.8	0.5
Panama	0.6	—
DEVELOPED MARKETS	1.7	—
Hong Kong	1.7	—
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet (MSCI). ¹MSCI Emerging Markets Index. Countries held in the index, but not held in the portfolio, are not listed. Portfolio country classifications are defined by the investment team and may differ substantially from MSCI classifications; Index country classifications reflect MSCI methodology. For the portfolio's country breakdown according to MSCI methodology, refer to the Fund's most recent portfolio holdings at www.sec.gov.

Team Leadership



Portfolio Manager	Years of Investment Experience
Maria Negrete-Gruson, CFA	27

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. Such risks include new and rapidly changing political and economic structures, which may cause instability; underdeveloped securities markets; and higher likelihood of high levels of inflation, deflation or currency devaluations. 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.

MSCI Emerging Markets Index measures the performance of 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 2018: Grupo Supervielle SA 0.8%; Noah Holdings Ltd 1.7%; Sino Biopharmaceutical Ltd 1.9%; Turkiye Sinai Kalkinma Bankasi AS 0.9%. 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.

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

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10/3/2018 A18723L_vR