



Artisan Emerging Markets Fund

MONTHLY
Commentary

Investor Class: ARTZX

As of 31 January 2019

Commentary

Our portfolio outperformed the MSCI EM Index in January. After a difficult end to 2018, global markets surged in January amid easing trade tensions and the US Fed's commitment to remain patient regarding rate hikes in 2019. Emerging markets fared better than their developed counterparts in January, with most countries finishing the month in positive territory. India posted the benchmark's sole negative return, while China led.

Portfolio heavyweights Sino Biopharm and Alibaba, both Chinese holdings, were among our top relative contributors in January. Sino Biopharm, a pharmaceutical company with leading positions for hepatitis B virus and other liver diseases, secured two new product registration approvals, which are expected to boost revenues—in turn lifting shares. We believe the company's sustainable earnings growth profile remains attractive over the long run, and we have been building our position in Sino Biopharma since early January.

Shares of Alibaba, China's largest e-commerce platform, rose after the Chinese government introduced tax cuts, which will likely contribute to higher spending on durable goods like cars and home appliances. Investors expect the measures to propel online sales in general, and for Alibaba in particular, in China.

Among our bottom relative contributors in January were Medy-Tox and Godrej Consumer Products. Medy-Tox is a Korea-based biopharmaceutical company that manufactures botulinum toxins (similar to Allergan's Botox) and HA fillers, both of which are used in facial noninvasive rejuvenation treatment. Shares were pressured in the wake of news that a competitor received approval to market a low-cost biosimilar in the US. Medy-Tox contends the rival company stole proprietary information to develop its competing product—claims which Korean authorities are investigating. Regardless of the investigation's outcome, we believe the market's reaction was overdone and remain attracted to Medy-Tox's superior technology, global penetration potential and sustainable earnings.

Indian consumer goods company Godrej has struggled with sluggish sales—particularly in its household insecticides division. Low rainfall levels in India have depressed demand for insect repellants. In addition, a growing number of consumers have been using illicit incense sticks instead of products like Godrej's. However, we believe these challenges are short-term and maintain our conviction in the company's leading market position and strong product pipeline.

Volatility is to be expected in emerging markets—it's a natural part of what we believe is a superior growth opportunity over longer periods. As such, we will maintain our disciplined process and closely monitor positions—including on-the-ground visits—to adjust valuations and position size as we believe appropriate.

Portfolio Details

Net Asset Value (NAV)	\$15.44	
ARTZX Inception	2 June 2008	
Expense Ratios	Gross	Net ¹
Annual Report 30 Sep 2018 ^{2,3}	1.78%	1.41%
Prospectus 30 Sep 2018 ³	1.78%	1.35%

¹Reflects a contractual expense limitation agreement in effect through 31 Jan 2020.

²Reflects 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)	6.4
Alibaba Group Holding Ltd (China)	5.7
Taiwan Semiconductor Manufacturing Co Ltd (Taiwan)	4.9
Naspers Ltd (South Africa)	2.6
Reliance Industries Ltd (India)	2.6
Sino Biopharmaceutical Ltd (China)	2.4
Itau Unibanco Holding SA (Brazil)	2.2
Sberbank of Russia PJSC (Russia)	2.1
ICICI Bank Ltd (India)	1.9
LUKOIL PJSC (Russia)	1.9
TOTAL	32.9%

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

Sector Diversification (% of total portfolio equities)

	Fund	MSCI EM ¹
Communication Services	8.9	14.2
Consumer Discretionary	15.6	10.9
Consumer Staples	2.5	6.5
Energy	8.0	8.1
Financials	21.5	24.8
Health Care	8.6	2.7
Industrials	9.4	5.4
Information Technology	15.6	14.3
Materials	6.3	7.3
Real Estate	1.4	3.1
Utilities	2.1	2.6
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 31 January 2019	Average Annual Total Returns								Linked Inception ²
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception	
Investor Class: ARTZX	9.97	9.97	9.97	-13.10	17.07	6.33	8.94	-0.31	
Linked Institutional and Investor Class¹									4.62
MSCI Emerging Markets Index	8.76	8.76	8.76	-14.24	14.89	4.77	9.66	1.08	5.72
As of 31 December 2018									
Investor Class: ARTZX	-3.90	-5.99	-15.57	-15.57	11.21	2.83	7.07	-1.21	
Linked Institutional and Investor Class¹									3.87
MSCI Emerging Markets Index	-2.65	-7.46	-14.57	-14.57	9.25	1.65	8.02	0.29	5.06

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	60.9	72.4
China	22.5	31.1
Korea	12.6	14.0
Taiwan	10.0	10.7
India	9.1	8.5
Indonesia	4.8	2.3
Thailand	0.9	2.4
Malaysia	0.7	2.3
Vietnam	0.5	—
EUROPE, MIDDLE EAST AND AFRICA	20.3	14.8
Russia	8.1	3.9
South Africa	5.2	6.4
Turkey	2.2	0.7
Greece	1.7	0.2
Czech Republic	0.9	0.2
Poland	0.8	1.2
United Arab Emirates	0.7	0.7
Georgia	0.7	—
LATIN AMERICA	17.2	12.8
Brazil	8.7	8.0
Argentina	2.2	—
Chile	1.9	1.1
Peru	1.7	0.4
Mexico	1.0	2.8
Panama	0.9	—
Colombia	0.8	0.4
DEVELOPED MARKETS	1.6	—
Hong Kong	1.6	—
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 31 Jan 2019: Godrej Consumer Products Ltd 0.7%; Medy-Tox Inc 1.1%. 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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