



Artisan International Fund

MONTHLY
Commentary

Investor Class: ARTIX | Advisor Class: APDIX As of 31 July 2019

Commentary

Global equities markets were mixed in July. Non-US equities were positive in local terms but down in USD terms given strength in the US dollar. Europe and emerging markets finished lower, while the US advanced, and Japan was essentially flat. By sector, returns were weakest in the energy, materials and financials sectors. The less macro-sensitive consumer staples and communication services sectors posted modest gains. Thus far, Q2 corporate earnings have been generally better than feared, although year-over-year growth has come in negative.

Our portfolio held up better than the MSCI EAFE Index in July. The portfolio benefited from positive stock selection as well as below-benchmark exposure to the British pound and greater exposure to the US dollar. Our top individual contributors were London Stock Exchange (LSE) and Alphabet. LSE, one of the largest market infrastructure groups operating globally, is a holding in our financial exchanges theme. The stock surged on news the firm was in talks to acquire Refinitiv, Thomson Reuters' former financial and risk business. The combination would strengthen its existing leadership position in market data services—a secular growth business with an attractive subscription-based revenue model—and diversify its geographic footprint.

Alphabet is the parent company of Google, the world's largest Internet company and the global leader in search advertising. Following disappointing Q1 results showing revenue growth below its typical 20%-plus rate, shares rebounded on Q2's reacceleration to 21%. The latest datapoint helps dispel the notion the company's core search business is reaching maturity. In addition to persistent strong cash flow generation from its search business, YouTube continues to capture a large percentage of incremental digital ad dollars, and the company's cloud business remains an important growth driver for the overall company.

We had a handful of holdings with mid-single digit declines, including Linde, AIA and Petrobras, that have strong YTD returns. One holding that remained weak in July was low-cost airline Ryanair Holdings. The company is contending with a weak fare environment due to market capacity growth and a worsening travel demand backdrop in Europe. We continue to like Ryanair's leading market position, low cost base and history of returning capital to shareholders.

Portfolio Details

	ARTIX	APDIX
Net Asset Value (NAV)	\$32.21	\$32.15
Inception	28 Dec 1995	1 Apr 2015
Expense Ratios		
Semi-Annual Report 31 Mar 2019 ¹	1.19%	1.05%
Prospectus 30 Sep 2018 ²	1.18%	1.04%

¹Unaudited, annualized for the six-month period. ²See prospectus for further details.

Top 10 Holdings (% of total portfolio)

Linde PLC (United Kingdom)	6.4
Deutsche Boerse AG (Germany)	5.8
Wirecard AG (Germany)	5.3
Petroleo Brasileiro SA (Brazil)	4.1
Nestle SA (Switzerland)	4.1
Airbus SE (France)	4.0
AIA Group Ltd (Hong Kong)	3.9
Aon PLC (United States)	3.2
Air Liquide SA (France)	3.2
Medtronic PLC (United States)	3.1
TOTAL	43.1%

Source: Artisan Partners/FactSet (MSCI).

Sector Diversification (% of total portfolio equities)

	Fund	EAFE ¹
Communication Services	2.1	5.5
Consumer Discretionary	3.9	11.2
Consumer Staples	5.9	11.9
Energy	4.3	5.4
Financials	32.2	18.7
Health Care	10.6	11.3
Industrials	16.9	14.7
Information Technology	8.8	6.8
Materials	15.1	7.2
Real Estate	0.0	3.6
Utilities	0.2	3.7
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet (GICS)/MSCI. Cash and cash equivalents represented 4.9% of the total portfolio. ¹MSCI EAFE Index.

Investment Results (%)

As of 31 July 2019	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTIX	-0.56	-0.56	18.68	4.63	8.69	3.52	7.61	8.83
Advisor Class: APDIX	-0.50	-0.50	18.77	4.78	8.85	3.66	7.68	8.86
MSCI EAFE Index	-1.27	-1.27	12.58	-2.60	6.87	2.39	5.84	4.64
MSCI All Country World ex USA Index ¹	-1.21	-1.21	12.22	-2.27	7.20	2.12	5.42	5.06

As of 30 June 2019

Investor Class: ARTIX	6.48	8.18	19.34	8.89	9.80	2.99	8.83	8.89
Advisor Class: APDIX	6.46	8.20	19.36	9.03	9.94	3.13	8.90	8.92
MSCI EAFE Index	5.93	3.68	14.03	1.08	9.11	2.25	6.90	4.71
MSCI All Country World ex USA Index ¹	6.02	2.98	13.60	1.29	9.39	2.16	6.54	5.13

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. ¹Performance represents the MSCI ACWI ex USA (Gross) Index from inception to 31 Dec 2000 and the MSCI ACWI ex USA (Net) Index from 1 Jan 2001 forward. Class inception: Investor (28 December 1995); 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.

Region/Country Allocation (% of total portfolio equities)

REGION	Fund	EAFE ¹
EUROPE	65.6	62.6
Germany	19.1	8.6
France	14.4	11.3
United Kingdom	11.6	16.7
Switzerland	7.6	9.3
Netherlands	5.6	3.7
Italy	2.6	2.3
Denmark	2.2	1.7
Ireland	1.9	0.5
Sweden	0.3	2.6
Finland	0.2	1.0
Spain	0.1	2.9
AMERICAS	15.8	—
United States	13.9	—
Canada	1.9	—
EMERGING MARKETS	9.1	—
Brazil	5.1	—
India	2.1	—
China	1.3	—
Russia	0.6	—
PACIFIC BASIN	9.1	36.8
Hong Kong	4.9	3.9
Japan	4.1	24.0
MIDDLE EAST	0.4	0.6
Israel	0.4	0.6
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet (MSCI). ¹MSCI EAFE Index. Countries held in the index, but not held in the portfolio, are not listed.

Team Leadership (Pictured left to right)



Portfolio Manager	Years of Investment Experience
Mark L. Yockey, CFA	38
Associate Portfolio Managers	
Charles-Henri Hamker	29
Andrew J. Euretig	15

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 EAFE Index measures the performance of developed markets, excluding the US and Canada. MSCI All Country World ex USA Index measures the performance of developed 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 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 Jul 2019: Alphabet Inc 2.0%; London Stock Exchange Group PLC 2.0%; Ryanair Holdings PLC 1.8%. 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.

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