



Artisan Sustainable Emerging Markets Fund

MONTHLY
Commentary

Investor Class: ARTZX

As of 31 May 2019

Commentary

Our portfolio held up better than the MSCI EM Index in May and for the QTD. Global markets have been dragged down by escalating trade tensions, particularly between the US and China, as well as lackluster global economic data and negative geopolitical events. Global equity market weakness has been broad-based, and emerging markets have been trailing their developed counterparts. Russia has been the benchmark's top contributor QTD, while China has been its worst.

Sino Biopharmaceutical and Arco Platform are among our top relative contributors QTD. Shares of Sino Biopharm have benefited from growth in the company's new, high-margin oncology drugs. In addition, investors seem to recognize its strong pipeline of drugs. We believe Sino Biopharm's sustainable earnings growth profile will remain attractive over the long term.

Arco Platform, a Brazilian software developer of educational content for K-12 private schools, announced plans to acquire another Brazilian educational content provider. We believe the acquisition will expand Arco's customer base, complement its current product offerings and increase its already significant competitive advantage within the industry. In addition, Arco has a strong track record of successfully integrating acquired companies.

Among our bottom relative contributors QTD are Medy-Tox and Ctrip.com. 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. Reports of misconduct by two Korean counterparts weighed on the country's entire biotech industry, despite no indications of misconduct by other Korean biotechs, including Medy-Tox. We remain attracted to Medy-Tox's superior technology, global penetration potential and sustainable earnings.

Ctrip.com International, China's largest online travel agency, followed the broader Chinese equity market lower. Although macroeconomic conditions remain challenging, we believe industry competition is easing. We also appreciate Ctrip's focus on more profitable international travel and its discipline about expanding into lower tier Chinese cities.

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)	\$14.82	
ARTZX Inception	2 June 2008	
Expense Ratios	Gross	Net ¹
Semi-Annual Report 31 Mar 2019 ^{2,3}	1.87%	1.35%
Prospectus 30 Sep 2018 ³	1.78%	1.35%

¹Reflects a contractual expense limitation agreement in effect through 31 Jan 2020. ²Unaudited, annualized for the six-month period. ³See prospectus for further details.

Top 10 Holdings (% of total portfolio)

Samsung Electronics Co Ltd (Korea)	5.7
Alibaba Group Holding Ltd (China)	5.3
Taiwan Semiconductor Manufacturing Co Ltd (Taiwan)	5.1
Reliance Industries Ltd (India)	3.1
Sino Biopharmaceutical Ltd (China)	3.0
Naspers Ltd (South Africa)	2.8
ICICI Bank Ltd (India)	2.4
Sberbank of Russia PJSC (Russia)	2.4
LUKOIL PJSC (Russia)	2.0
Sunny Friend Environmental Technology Co Ltd (Taiwan)	2.0
TOTAL	33.8%

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

Sector Diversification (% of total portfolio equities)

	Fund	MSCI EM ¹
Communication Services	5.0	11.6
Consumer Discretionary	20.4	13.0
Consumer Staples	2.2	6.7
Energy	8.1	8.1
Financials	20.9	25.5
Health Care	8.8	2.7
Industrials	9.8	5.4
Information Technology	15.5	13.7
Materials	6.2	7.6
Real Estate	1.3	3.0
Utilities	1.8	2.7
TOTAL	100.0%	100.0%

Source: Artisan Partners/FactSet (GICS)/MSCI. Cash and cash equivalents represented 3.4% of the total portfolio. ¹MSCI Emerging Markets Index.

Investment Results (%)

As of 31 May 2019	Average Annual Total Returns								Linked Inception ²
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception	
Investor Class: ARTZX	-5.79	-4.76	5.56	-7.80	10.85	3.64	4.26	-0.67	
Linked Institutional and Investor Class ¹									4.17
MSCI Emerging Markets Index	-7.26	-5.30	4.09	-8.70	9.88	1.79	5.03	0.65	5.22

As of 31 March 2019	Average Annual Total Returns								Linked Inception ²
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception	
Investor Class: ARTZX	0.58	10.83	10.83	-8.66	12.39	5.29	8.20	-0.24	
Linked Institutional and Investor Class ¹									4.63
MSCI Emerging Markets Index	0.84	9.92	9.92	-7.41	10.68	3.68	8.94	1.17	5.74

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	61.6	72.1
China	21.8	31.1
India	11.6	9.5
Korea	10.9	12.1
Taiwan	10.7	11.0
Indonesia	4.8	2.1
Thailand	0.8	2.9
Malaysia	0.6	2.2
Vietnam	0.4	—
EUROPE, MIDDLE EAST AND AFRICA	20.1	15.7
Russia	8.7	4.0
South Africa	5.3	5.9
Greece	2.4	0.3
Turkey	2.0	0.5
Czech Republic	0.9	0.2
Georgia	0.7	—
LATIN AMERICA	16.5	12.2
Brazil	9.6	7.6
Argentina	1.9	0.3
Chile	1.5	0.9
Panama	1.2	—
Peru	0.9	0.4
Mexico	0.8	2.6
Colombia	0.7	0.4
DEVELOPED MARKETS	1.8	—
Hong Kong	1.8	—
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 May 2019: Arco Platform Ltd 1.0%; Ctrip.com International Ltd 1.1%; 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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