



# Artisan Global Discovery Fund

MONTHLY  
Commentary

Investor Class: APFDX | Advisor Class: APDDX As of 31 December 2020

## Commentary

Global equity markets surged higher in Q4, with November delivering the best single-month return in over 30 years. Several COVID-19 vaccine clinical trials showed ~90% or greater effectiveness in preventing the disease, and a vaccine rollout is underway. Financials, energy and materials—sectors suffering the most in the pandemic’s depths—led, and consumer staples, health care and real estate, while positive, lagged.

Our portfolio outperformed the MSCI AC World Index in Q4. Among our top Q4 contributors were Lattice Semiconductor and Blackline. Lattice Semiconductor is a vendor of field programmable gate array (FPGA) chips used in personal computers, 5G infrastructure, routers and switches, and servers, to name a few. The company’s new management team is executing well, providing FPGA chips to data centers and new 5G infrastructure as well as industrial and automotive end markets.

Blackline develops cloud-based accounting software that helps businesses improve and automate complex, manual and repetitive accounting processes. The company has been delivering solid results, upselling existing customers and landing new accounts. We believe Blackline’s growth runway remains compelling as its solutions can lead to cost savings, enhance real-time visibility and improve data integrity.

Among our bottom contributors were Boston Scientific and Zoom Video Communications. Shares of Boston Scientific were pressured alongside the cancellation of its transcatheter aortic valve product Lotus Edge. We acknowledge the modest disappointment, but we believe it will be slightly accretive to earnings in the near term. With the news more than accounted for in the share price and a strong cadence of new product launches longer term, we added to our position at an attractive valuation.

Zoom experienced considerable growth in 2020, though shares were pressured in Q4 as investors became increasingly concerned about elevated customer churn in 2021 (a “return to work” environment) as the vaccine is rolled out. With its customer base just a fraction of the addressable market, we believe the growth runway ahead remains compelling longer term both for video conferencing and cross-selling new products and services. That said, we have trimmed our position to a modest size to account for these near-term headwinds.

We will discuss these and other holdings in more depth in our forthcoming quarterly commentary.

Our process is focused on identifying franchises exposed to accelerating profit cycles with reasonable valuations. It is our belief that owning companies with these characteristics should lead to outperformance over full market cycles. We will continue to adhere to this approach, regardless of the macro backdrop and how it evolves in the period ahead.

## Portfolio Details

	APFDX	APDDX
Net Asset Value (NAV)	\$21.09	\$21.11
Inception	21 Aug 2017	3 Feb 2020
Expense Ratios (% Gross/Net)		
Annual Report 30 Sep 2020 <sup>1,2</sup>	1.35/—	1.74/1.30 <sup>3,4</sup>
Prospectus 30 Sep 2019 <sup>2</sup>	1.41/—	1.35/— <sup>5</sup>

<sup>1</sup>Excludes Acquired Fund Fees & Expenses as described in the prospectus. <sup>2</sup>See prospectus for further details. <sup>3</sup>For the period from commencement of operations 3 Feb 2020 through 30 Sep 2020. <sup>4</sup>Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2022. <sup>5</sup>Includes estimated expenses for the current fiscal year.

## Top 10 Holdings (% of total portfolio)

Global Payments Inc (United States)	4.4
Teledyne Technologies Inc (United States)	3.1
Boston Scientific Corp (United States)	3.0
Advanced Micro Devices Inc (United States)	2.7
Atlassian Corp PLC (United States)	2.7
Techtronic Industries Co Ltd (Hong Kong)	2.6
Veeva Systems Inc (United States)	2.6
Ascendis Pharma A/S (Denmark)	2.5
Zynga Inc (United States)	2.5
Vestas Wind Systems A/S (Denmark)	2.5
<b>TOTAL</b>	<b>28.5%</b>

Source: Artisan Partners/MSCI.

## Sector Diversification (% of total portfolio equities)

	Fund	ACWI <sup>1</sup>
Communication Services	7.3	9.3
Consumer Discretionary	8.0	13.0
Consumer Staples	1.1	7.4
Energy	0.0	3.0
Financials	7.2	13.5
Health Care	23.3	11.9
Industrials	16.9	9.7
Information Technology	30.7	21.9
Materials	3.3	4.9
Real Estate	0.0	2.6
Utilities	2.3	3.0
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 3.6% of the total portfolio. <sup>1</sup>MSCI All Country World Index.

## Investment Results (%)

As of 31 December 2020	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFDX	6.78	16.95	45.70	45.70	26.27	—	—	25.84
Advisor Class: APDDX	6.83	17.00	45.83	45.83	26.30	—	—	25.87
MSCI All Country World Index	4.64	14.68	16.25	16.25	10.06	—	—	11.90

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (21 August 2017); Advisor (3 February 2020). 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. 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	ACWI <sup>1</sup>
<b>AMERICAS</b>	<b>60.3</b>	<b>60.0</b>
United States	60.3	57.3
<b>EUROPE</b>	<b>27.1</b>	<b>16.7</b>
Germany	9.1	2.5
Denmark	7.5	0.7
United Kingdom	3.0	3.8
Switzerland	2.8	2.6
Netherlands	2.5	1.0
France	1.7	3.0
Spain	0.7	0.7
<b>PACIFIC BASIN</b>	<b>6.4</b>	<b>9.9</b>
Japan	3.7	6.8
Hong Kong	2.7	0.9
<b>EMERGING MARKETS</b>	<b>6.3</b>	<b>13.2</b>
China	3.3	5.2
Brazil	2.9	0.7
<b>MIDDLE EAST</b>	<b>—</b>	<b>0.2</b>
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/MSCI. <sup>1</sup>MSCI All Country World Index. Countries held in the index, but not held in the portfolio, are not listed.

## Team Leadership (Pictured left to right)



Portfolio Managers	Years of Investment Experience
Jason L. White, CFA (Lead)	21
James D. Hamel, CFA	24
Matthew H. Kamm, CFA	21
Craigh A. Cepukenas, CFA	32

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.

Current and future portfolio holdings are subject to risk. 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 All Country World Index measures the performance of developed and 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 Dec 2020: Blackline Inc 1.9%; Lattice Semiconductor Corp 2.0%; Zoom Video Communications Inc 1.0%. 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.

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Country exposure percentages reflect country designations as classified by MSCI as of the date shown. Securities not classified by MSCI reflect country designations as of the date the report was generated. Sector exposure percentages reflect sector designations as currently classified by GICS.

Our capital allocation process is designed to build position size according to our conviction. Portfolio holdings develop through three stages: Garden<sup>SM</sup>, Crop<sup>SM</sup> and Harvest<sup>SM</sup>. Garden<sup>SM</sup> investments are situations where we believe we are right, but there is not clear evidence that the profit cycle has taken hold, so positions are small. Crop<sup>SM</sup> investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. Harvest<sup>SM</sup> investments are holdings that have exceeded our estimate of intrinsic value or holdings where there is a deceleration in the company's profit cycle. Harvest<sup>SM</sup> investments are generally being reduced or sold from the portfolios.

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