



# Artisan Global Discovery Fund

MONTHLY  
Commentary

Investor Class: APFDX | Advisor Class: APDDX As of 31 July 2021

## Commentary

The MSCI AC World Index is flat so far in Q3. Rising concerns around the COVID-19 delta variant prompted investors to re-evaluate the timeline to a full economic recovery. Chinese equity markets have sold off meaningfully amid increasing intervention by the Chinese Communist Party in several of the country's industries including education, real estate and ride-hailing. More positively, corporate earnings—companies reporting Q2 results thus far—continue to surprise to the upside (122% YoY growth vs. 84% expected). Growth is outperforming value.

Our portfolio is outperforming the MSCI AC World Index QTD. Among our top QTD contributors are Atlassian and Veeva Systems. Atlassian is a leading provider of innovative, customizable team-collaboration software tools for enterprises. The company is adding new customers at nearly 3X its pre-pandemic pace and is experiencing strong subscription growth as customers migrate to the cloud. We remain confident in the business's fundamental outlook as companies of all sizes adopt its tools and as it expands its product offerings into enterprise-wide solutions.

Veeva is a leading provider of cloud-based SaaS solutions for the pharmaceutical and life sciences industries. Demand for the company's products has been robust, adding a record number of new customers in its recently reported results and delivering better than expected growth across several key metrics (e.g., top-line, billings, margins). We believe the company's solid product portfolio and focus on innovation position it well to lead the digital transformation in the pharmaceuticals and life sciences industries.

Among our bottom contributors are Ascendis Pharma and Gerresheimer. Ascendis Pharma recently announced the FDA has delayed approval for its TransCon hGH growth hormone drug to September, which is the first weekly pediatric growth hormone injection. We believe this is likely an administrative delay—a backlog of approvals has accumulated throughout the pandemic—instead of any particular concern the FDA has. In our view, Ascendis' fundamental outlook is positive as its TransCon technology platform yields promising, relatively low-risk new drug candidates.

Gerresheimer is a German manufacturer of packaging products for medication and drug delivery devices made of specialty glass and plastic—bottles, vials, syringes, ampoules, cartridges, inhalers, insulin pens, etc. The company's margins have recently been pressured by increased R&D spending and energy-related inflation. We believe these headwinds will prove transitory and several other internal drivers—a new management team, a renewed focus on higher value products, expanding manufacturing capacity and increased automation—should drive a compelling profit cycle in the periods ahead. Given our strong conviction, we added to our position.

## Investment Results (%)

As of 31 July 2021	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFDX	3.17	3.17	9.72	34.00	24.93	—	—	24.54
Advisor Class: APDDX	3.21	3.21	9.76	34.10	24.98	—	—	24.58
MSCI All Country World Index	0.69	0.69	13.08	33.18	13.70	—	—	13.55

As of 30 June 2021

Investor Class: APFDX	2.61	10.28	6.35	39.04	24.89	—	—	24.14
Advisor Class: APDDX	2.65	10.27	6.35	39.17	24.92	—	—	24.17
MSCI All Country World Index	1.32	7.39	12.30	39.26	14.57	—	—	13.67

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.

## Portfolio Details

	APFDX	APDDX
Net Asset Value (NAV)	\$23.14	\$23.17
Inception	21 Aug 2017	3 Feb 2020
Expense Ratios (% Gross/Net)		
Semi-Annual Report 31 Mar 2021 <sup>1,2</sup>	1.37/—	1.48/1.30 <sup>3,4</sup>
Prospectus 30 Sep 2020 <sup>3</sup>	1.36/—	1.75/1.31 <sup>4</sup>

<sup>1</sup>Excludes Acquired Fund Fees and Expenses as described in the prospectus.

<sup>2</sup>Unaudited, annualized for the six-month period. <sup>3</sup>See prospectus for further details.

<sup>4</sup>Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2022.

## Top 10 Holdings (% of total portfolio)

Global Payments Inc (United States)	3.8
Veeva Systems Inc (United States)	3.5
Atlassian Corp PLC (United States)	3.4
Advanced Micro Devices Inc (United States)	3.2
Boston Scientific Corp (United States)	3.1
Techtronic Industries Co Ltd (Hong Kong)	2.9
First Republic Bank (United States)	2.6
Teledyne Technologies Inc (United States)	2.6
Zynga Inc (United States)	2.5
Fortive Corp (United States)	2.3
<b>TOTAL</b>	<b>29.9%</b>

Source: Artisan Partners/MSCI.

## Sector Diversification (% of portfolio securities)

	Fund	ACWI <sup>1</sup>
Communication Services	4.0	9.3
Consumer Discretionary	6.1	12.4
Consumer Staples	0.0	6.8
Energy	0.0	3.2
Financials	11.5	13.9
Health Care	23.7	11.8
Industrials	19.6	9.9
Information Technology	30.3	22.3
Materials	2.3	5.0
Real Estate	0.9	2.6
Utilities	1.5	2.7
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 2.2% of the total portfolio. <sup>1</sup>MSCI All Country World Index.

## Average Annual Total Returns

	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFDX	34.00	24.93	—	—	24.54
Advisor Class: APDDX	34.10	24.98	—	—	24.58
MSCI All Country World Index	33.18	13.70	—	—	13.55

## Region/Country Allocation (% of portfolio securities)

REGION	Fund	ACWI <sup>1</sup>
<b>AMERICAS</b>	<b>66.2</b>	<b>62.5</b>
United States	65.2	59.6
Canada	0.9	2.9
<b>EUROPE</b>	<b>24.2</b>	<b>16.7</b>
Germany	8.1	2.4
Denmark	4.9	0.7
Switzerland	2.5	2.6
Netherlands	2.3	1.2
United Kingdom	1.9	3.7
France	1.9	3.0
Spain	1.5	0.6
Italy	1.0	0.6
<b>PACIFIC BASIN</b>	<b>7.6</b>	<b>8.7</b>
Japan	4.2	5.8
Hong Kong	3.4	0.8
<b>EMERGING MARKETS</b>	<b>2.0</b>	<b>12.0</b>
Brazil	2.0	0.6
<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 Jul 2021: Ascendis Pharma A/S 2.0%; Gerresheimer AG 2.3%. 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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