



# Artisan Global Equity Fund

MONTHLY  
Commentary

Investor Class: ARTHX | Advisor Class: APDHX As of 31 March 2021

## Commentary

In Q1, solid corporate earnings, signs of economic reopening and abundant fiscal stimulus fueled strong gains among cyclical stocks, with returns in the MSCI AC World Index led by energy and financials—two of 2020's weakest performing sectors. Conversely, defensives—the consumer staples, utilities and health care sectors—trailed. The outperformance of cyclicals resulted in value outperforming growth in Q1 by the most in 20 years. Regionally, developed markets edged emerging markets, with the US outpacing Europe and Japan. The improved outlook for global growth pressured bond yields higher, though rates remain historically low.

Given this sharp rotation from growth to value, the portfolio underperformed the MSCI AC World Index in Q1. Over the course of our team's 25+ years of investing, we've experienced these types of rotations several times—most recently in 2016 and before that were the periods coming out of the global financial crisis and the early 2000s recession. In Q1, our lighter weighting in financials, particularly banks, and outsized exposure to the health care sector were headwinds.

Our weakest Q1 contributors were ACADIA Pharmaceuticals and CM.com. ACADIA's shares plummeted when the FDA communicated deficiencies in the company's label expansion application of Nuplazid® for dementia-related psychosis. Based on past instances when the FDA provided the same language to other applicants, eventual drug approval occurred in about half the cases. Our base case is the company will need to run an additional trial, and potential approval is pushed out.

CM.com is a Netherlands-based provider of CPaaS (communication platform as a service), one of the world's fastest growing software categories. CM.com's software lets developers easily add mobile-based messaging and phone/voice functionality to their applications. The stock pulled back following robust gains in 2020. We see revenue growth accelerating as the company pursues this large untapped market opportunity, utilizing its February 2020 IPO proceeds to triple its sales and marketing headcount by 2022 and accelerate its international expansion.

Johnson Controls and Alphabet were among our top Q1 contributors. Johnson Controls is an operator in the building services market, providing building controls, HVAC systems, fire and safety, and power solutions. In a post-pandemic world, we believe new air quality standards and demand for touchless technologies will drive a new investment cycle in renovating existing commercial office buildings. Johnson Controls estimates this market opportunity is likely between \$10 billion and \$15 billion and growing double-digits over the next 5 years. In addition, Johnson Controls' solutions for enhancing buildings' energy efficiency and sustainability should see greater demand as government regulations and stimulus plans increasingly address the sources of climate change. Alphabet is the parent company of Google, the world's leading Internet search engine and among the largest players in digital advertising. A broad-based recovery in advertising spend drove 23% y/y revenue growth, with strong contributions from its search, YouTube and cloud businesses.

## Portfolio Details

	ARTHX	APDHX
Net Asset Value (NAV)	\$23.03	\$23.03
Inception	29 Mar 2010	5 Aug 2020
Expense Ratios (% Gross/Net)		
Annual Report 30 Sep 2020	1.26/—	2.51/1.25 <sup>1,2,3</sup>
Prospectus 30 Sep 2020 <sup>3,4</sup>	1.27/—	1.21/—

<sup>1</sup>For the period from commencement of operations 5 Aug 2020 through 30 Sep 2020. <sup>2</sup>Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2022. <sup>3</sup>See prospectus for further details. <sup>4</sup>Reflects a reduction in management fees, effective as of 15 Nov 2019.

## Top 10 Holdings (% of total portfolio)

Halozyyme Therapeutics Inc (United States)	4.0
Johnson Controls International PLC (United States)	3.3
Amazon.com Inc (United States)	3.1
Microsoft Corp (United States)	3.1
Vertiv Holdings Co (United States)	3.0
Booking Holdings Inc (United States)	3.0
Alphabet Inc (United States)	2.8
Allianz SE (Germany)	2.5
Jeol Ltd (Japan)	2.2
Carrier Global Corp (United States)	2.0
<b>TOTAL</b>	<b>29.2%</b>

Source: Artisan Partners/MSCI.

## Sector Diversification (% of total portfolio equities)

	Fund	ACWI <sup>1</sup>
Communication Services	9.0	9.4
Consumer Discretionary	11.8	12.8
Consumer Staples	0.1	7.0
Energy	1.0	3.4
Financials	10.0	14.3
Health Care	22.2	11.4
Industrials	21.5	10.0
Information Technology	18.7	21.3
Materials	4.8	5.0
Real Estate	0.0	2.6
Utilities	0.9	2.9
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented -2.4% of the total portfolio. <sup>1</sup>MSCI All Country World Index.

## Investment Results (%)

As of 31 March 2021	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTHX	-2.50	-1.12	-1.12	52.14	16.05	17.17	13.02	13.38
Advisor Class: APDHX	-2.50	-1.16	-1.16	52.13	16.05	17.16	13.02	13.38
MSCI All Country World Index	2.67	4.57	4.57	54.60	12.07	13.21	9.14	9.59

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (29 March 2010); Advisor (5 August 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>48.4</b>	<b>60.6</b>
United States	46.8	57.8
Canada	1.6	2.8
<b>EUROPE</b>	<b>34.8</b>	<b>16.5</b>
Germany	12.6	2.5
Switzerland	5.0	2.4
United Kingdom	2.7	3.8
Belgium	2.7	0.2
Netherlands	2.7	1.1
Sweden	2.5	0.9
Ireland	2.1	0.2
Denmark	1.4	0.6
Italy	1.0	0.7
Portugal	0.9	<0.1
France	0.8	2.9
Norway	0.2	0.2
<b>EMERGING MARKETS</b>	<b>10.5</b>	<b>13.0</b>
China	5.7	4.9
Russia	1.3	0.4
Korea	1.1	1.7
India	1.0	1.3
Brazil	0.7	0.6
Greece	0.7	<0.1
<b>PACIFIC BASIN</b>	<b>6.3</b>	<b>9.6</b>
Japan	4.0	6.5
Hong Kong	2.3	0.9
<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
Mark L. Yockey, CFA	40
Charles-Henri Hamker	31
Andrew J. Euretig	17

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 Mar 2021: ACADIA Pharmaceuticals Inc 1.4%; CM.com NV 1.5%. 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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