



Artisan International Small-Mid Fund

MONTHLY
Commentary

Investor Class: ARTJX | Advisor Class: APDJX As of 31 May 2021

Commentary

Global equities generated modest gains in May amid periods of market volatility largely driven by inflation concerns. Industrials, materials and financials were the top contributors among small- and mid-cap stocks as many global economies gained momentum.

Our portfolio trails the MSCI ACWI ex USA SMID Index QTD as our holdings within the information technology and consumer discretionary sectors, as well as our below-benchmark positioning in materials, emerged as the largest headwinds. Trainline and Ambu were the largest individual detractors. Trainline is a UK-based online booking provider for rail travel. Revenues over the past year have been hampered by reduced travel during the pandemic. Despite recent headwinds, company management is preparing for the gradual return to travel by concentrating on customer-focused innovation. This includes a shift to digital sales and offering flexi-tickets for hybrid commuters. The rail industry is growing, and we believe Trainline is primed to capture market share and should emerge from this period stronger.

Ambu is a medical devices company that pioneered the use of single-use, disposable endoscopes. The company benefited from an increased focus on health safety early in the pandemic and experienced a surge in demand for its single-use devices due to the reduced infection risk versus more expensive reusable devices, which require sterilization after each procedure. Recently, positive investor sentiment has waned as Ambu's sales in anesthesia, patient monitoring and diagnosis have lagged expectations. We think these are short-term headwinds largely tied to investor sensitivity amid an environment of heightened market volatility. We believe the adoption of single-use devices—our investment thesis in the holding—should accelerate over the long term.

Carenet and ConvaTec Group were the top contributors. Medical support service provider Carenet offers pharmaceutical sales support and medical content services, including digital education content for physicians. The limited permissibility of in-person medical sales across health care segments has spurred demand for alternative communication channels. Carenet is benefiting from the industry's growing adoption of digital support as some pharmaceutical groups are shifting spend budgets to leverage online platforms such as Carenet.

ConvaTec is a manufacturer of several wound management and skin care medical products and technologies. The company's infusion care segment has performed well as have its advanced wound care and ostomy care divisions in emerging markets. Company management has instituted several changes that have led to further revenue diversification. While the potential for pandemic-related headwinds remains, particularly in emerging markets, the company is well-positioned for growth over the long term, in our view.

As always, our approach is distinctly focused on idiosyncratic investments and a long-term orientation. With a foundation in high-quality businesses with high returns on capital, low to no debt and adept management teams, we believe our portfolio will have the resilience to withstand short-term market dislocations and deliver results over the long term.

Portfolio Details

	ARTJX	APDJX
Net Asset Value (NAV)	\$21.08	\$21.11
Inception	21 Dec 2001	4 Dec 2018
Expense Ratios		
Semi-Annual Report 31 Mar 2021 ¹	1.31%	1.14%
Prospectus 30 Sep 2020 ²	1.34%	1.19%

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

Top 10 Holdings (% of total portfolio)

Nice Ltd (Israel)	2.7
Kornit Digital Ltd (Israel)	2.3
Metso Outotec Oyj (Finland)	2.0
ConvaTec Group PLC (United Kingdom)	1.8
SG Holdings Co Ltd (Japan)	1.8
Alcon Inc (Switzerland)	1.7
JET2 PLC (United Kingdom)	1.6
boohoo Group PLC (United Kingdom)	1.6
Rotork PLC (United Kingdom)	1.6
CAE Inc (Canada)	1.6
TOTAL	18.8%

Source: Artisan Partners/MSCI.

Sector Diversification (% of portfolio securities)

	Fund	ACxUS SMD ¹
Communication Services	0.7	4.9
Consumer Discretionary	8.9	12.4
Consumer Staples	6.9	5.9
Energy	0.6	2.7
Financials	2.9	11.6
Health Care	26.5	7.2
Industrials	27.0	19.8
Information Technology	23.4	10.7
Materials	1.8	12.0
Real Estate	1.4	8.7
Utilities	0.0	4.1
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 1.5% of the total portfolio. ¹MSCI All Country World ex USA SMID Index.

Investment Results (%)

As of 31 May 2021	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTJX	-0.33	5.29	3.79	43.17	15.56	13.34	9.41	12.49
Advisor Class: APDJX	-0.33	5.34	3.89	43.42	15.69	13.42	9.44	12.51
MSCI All Country World ex USA SMID Index	2.50	6.71	11.22	47.34	8.26	10.74	6.24	9.57
MSCI All Country World ex USA Small Cap Index	2.32	7.02	12.94	52.78	9.00	11.44	6.85	10.47

As of 31 March 2021

Investor Class: ARTJX	-1.96	-1.43	-1.43	66.84	13.47	12.94	9.31	12.30
Advisor Class: APDJX	-1.96	-1.38	-1.38	67.03	13.58	13.01	9.34	12.32
MSCI All Country World ex USA SMID Index	2.11	4.22	4.22	62.05	6.07	9.62	5.77	9.29
MSCI All Country World ex USA Small Cap Index	2.03	5.53	5.53	69.82	6.61	10.40	6.32	10.17

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (21 December 2001); Advisor (4 December 2018). 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 portfolio securities)

REGION	Fund	ACxUS SMD ¹
EUROPE	51.2	40.5
United Kingdom	20.4	11.6
Switzerland	7.3	3.5
Germany	5.9	4.7
Denmark	5.4	1.7
Finland	3.1	1.2
Sweden	2.8	4.3
Netherlands	2.1	1.6
France	2.0	4.7
Spain	0.9	1.1
Italy	0.8	2.3
Belgium	0.4	1.1
AMERICAS	18.2	6.4
United States	13.8	—
Canada	4.3	6.4
PACIFIC BASIN	16.7	27.8
Japan	16.7	18.3
MIDDLE EAST	8.3	1.5
Israel	8.3	1.5
EMERGING MARKETS	5.6	23.8
Brazil	2.0	1.7
India	2.0	3.2
China	1.0	3.6
Iceland	0.6	—
TOTAL	100.0%	100.0%

Source: Artisan Partners/MSCI. ¹MSCI All Country World ex USA SMID Index. Countries held in the index, but not held in the portfolio, are not listed.

Team Leadership



Portfolio Manager

Rezo Kanovich

Years of Investment Experience

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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 ex USA SMID Index measures the performance of small- and mid-cap companies in developed and emerging markets excluding the US. MSCI All Country World ex USA Small Cap Index measures the performance of small-cap companies in developed markets 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 May 2021: Ambu A/S 0.9%; Carenet Inc 1.0%; Trainline PLC 0.6%. 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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Return on Capital (ROC) is a measure of how effectively a company uses the money (borrowed or owned) invested in its operations.

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