



# Artisan Global Discovery Fund

MONTHLY  
Commentary

Investor Class: APFDX | Advisor Class: APDDX As of 30 April 2022

## Commentary

The MSCI AC World Index moved 8% lower in April. The war in Ukraine is showing few signs of a resolution. COVID-19 cases in China are elevated, and the country has shut down parts of its economy—most critically, the country's largest city and contributor to GDP, Shanghai. The city has instituted varying degrees of lockdowns since late March and is home to many automobile, electronics and other factories supplying the global economy. Meanwhile, Q1 US GDP growth contracted -1.4% (annualized), well short of the +1.0% expectation. Investors are contemplating whether the economy is running out of room to grow and if the Fed's expected rate hike cycle—the market is currently pricing in a 2.75% fed funds rate by year end—could tip the economy into a recession.

Our portfolio is trailing the MSCI AC World Index QTD. Among our bottom contributors are Techtronic and Advanced Micro Devices. We believe Techtronic will benefit from consumers increasingly adopting outdoor battery-powered equipment—~90% of this market is gas powered; Techtronic is launching over 80 new products this year. Meanwhile, the company's forethought to build inventory throughout 2021 should enable it to meet consumer demand this year. We have been adding to our position amid recent share price weakness.

Our Advanced Micro Devices thesis is predicated on the company capturing market share—primarily from Intel given AMD's superior pricing and performance—and rolling out new margin accretive products. Shares have recently been volatile amid a challenging macro backdrop, though we have taken advantage of pullbacks to add to our position. Meanwhile, recent Q1 results and the outlook for 2022 confirmed our profit cycle thesis—55% top-line growth in Q1; 2022 expectations for top-line growth (35% organic vs. 31% prior) and profitability (>30% operating margins vs. ~27% prior) were raised. In addition, the Xilinx acquisition recently closed, adding end-market diversification at higher margins (wireless 5G and wired infrastructure, industrial and automotive).

Among our top QTD contributors are Burlington and Valmont Industries. Shares of Burlington have been volatile as the company works through supply chain constraints, a surge in omicron cases and freight cost pressure. We continue to believe this management team is noticeably strengthening the company's operations and human capital, which should become more apparent as macro conditions normalize. Should inflationary pressures persist longer than expected, off-price retailers such as Burlington would likely benefit given their sharp value proposition to consumers.

Valmont's growth runway is compelling given several secular and cyclical tailwinds: accelerating spending for renewables, grid hardening and renewed irrigation investments in international markets to ensure more efficient water usage. The company recently reported thesis-confirming Q1 results driven by grid hardening and strong global demand for irrigation systems (international food security initiatives, upgrade activity in the US).

## Portfolio Details

	APFDX	APDDX
Net Asset Value (NAV)	\$16.68	\$16.71
Inception	21 Aug 2017	3 Feb 2020
Expense Ratios (% Gross/Net)		
Annual Report 30 Sep 2021 <sup>1,2</sup>	1.38/—	1.40/1.30 <sup>3</sup>
Prospectus 30 Sep 2021 <sup>2</sup>	1.38/—	1.41/1.31 <sup>3</sup>

<sup>1</sup>Excludes Acquired Fund Fees and Expenses as described in the prospectus. <sup>2</sup>See prospectus for further details. <sup>3</sup>Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2023.

## Top 10 Holdings (% of total portfolio)

Veeva Systems Inc (United States)	4.1
Techtronic Industries Co Ltd (Hong Kong)	3.5
Advanced Micro Devices Inc (United States)	3.2
Valmont Industries Inc (United States)	3.1
Ingersoll Rand Inc (United States)	2.7
First Republic Bank (United States)	2.6
Global Payments Inc (United States)	2.6
Atlassian Corp PLC (United States)	2.4
Ascendis Pharma A/S (Denmark)	2.4
Catalent Inc (United States)	2.4
<b>TOTAL</b>	<b>29.1%</b>

Source: Artisan Partners/MSCI.

## Sector Diversification (% of portfolio securities)

	Fund	ACWI <sup>1</sup>
Communication Services	3.4	7.7
Consumer Discretionary	7.0	11.3
Consumer Staples	0.0	7.5
Energy	0.0	4.6
Financials	15.5	14.5
Health Care	21.4	12.3
Industrials	19.2	9.4
Information Technology	30.9	21.6
Materials	1.3	5.1
Real Estate	1.3	2.8
Utilities	0.0	3.0
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 5.1% of the total portfolio. <sup>1</sup>MSCI All Country World Index.

## Investment Results (%)

As of 30 April 2022	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFDX	-11.61	-11.61	-23.94	-16.85	12.53	—	—	13.97
Advisor Class: APDDX	-11.59	-11.59	-23.91	-16.79	12.59	—	—	14.01
MSCI All Country World Index	-8.00	-8.00	-12.94	-5.44	9.41	—	—	9.13
As of 31 March 2022								
Investor Class: APFDX	-0.16	-13.95	-13.95	0.03	19.10	—	—	17.33
Advisor Class: APDDX	-0.16	-13.93	-13.93	0.08	19.15	—	—	17.37
MSCI All Country World Index	2.17	-5.36	-5.36	7.28	13.75	—	—	11.29

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 portfolio securities)

REGION	Fund	ACWI <sup>1</sup>
<b>AMERICAS</b>	<b>67.6</b>	<b>63.9</b>
United States	64.9	60.7
Canada	2.7	3.2
<b>EUROPE</b>	<b>23.9</b>	<b>16.0</b>
Germany	5.6	2.0
Denmark	5.0	0.7
Italy	2.4	0.6
United Kingdom	2.1	3.9
France	1.9	2.8
Belgium	1.8	0.2
Finland	1.5	0.2
Netherlands	1.3	1.0
Spain	1.1	0.6
Norway	1.1	0.2
<b>PACIFIC BASIN</b>	<b>6.4</b>	<b>8.6</b>
Hong Kong	4.3	0.7
Japan	2.1	5.4
<b>EMERGING MARKETS</b>	<b>2.1</b>	<b>11.3</b>
Brazil	1.6	0.6
Iceland	0.5	—
<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)	22
James D. Hamel, CFA	25
Matthew H. Kamm, CFA	22
Craigh A. Cepukenas, CFA	33
Jay C. Warner, CFA	20

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. The value of portfolio securities selected by the investment team may rise or fall in response to company, market, economic, political, regulatory or other news, at times greater than the market or benchmark index. 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 30 Apr 2022: Burlington Stores Inc 1.9%. 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.

**Operating Margin** is a measure of profitability equal to operating income divided by revenue.

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