



Artisan Global Opportunities Fund

MONTHLY
Commentary

Investor Class: ARTRX | Advisor Class: APDRX

As of 30 June 2022

Commentary

Inflation uncertainty prompted a sharp 16% selloff among global equities in Q2. For the first time in 40 years, Americans have witnessed the cost of everyday necessities—energy, food, shelter, transportation (air and road)—drive the annualized rate of CPI up nearly double digits every month this year. Investors have grown skeptical about the Fed’s ability to cool demand, rein in inflation and avoid a recession. Uncertainty surrounds when and at what rate inflation will normalize, a first-of-its-kind environment for most market participants. Historically tight labor markets, the war in Ukraine and COVID-19 lockdowns in China all threaten to keep inflation high.

Our portfolio trailed the MSCI AC World Index in Q2. Among our bottom contributors were Atlassian and Advanced Micro Devices. Atlassian recently reported 30% revenue growth and 28% TTM FCF margins. We expect FCF margin expansion and similar top-line growth in the periods ahead as the company continues to transition its customers to the cloud, add new products and expand adoption of its collaboration and workflow tools. We added to our position at an attractive discount to our PMV estimate.

Our Advanced Micro Devices (AMD) 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 contributors were Progressive and AstraZeneca. Progressive is a leading property and casualty insurance company in the US. The company’s data and operational advantages position it well to gain profitable share of the personal and commercial auto and homeowners insurance markets. We anticipate these advantages to come to the forefront once again as the industry continues to work through rising costs via a hardening market.

The relative safety of a large pharmaceutical company such as AstraZeneca was an attractive place for investors to hide out as the macro environment became increasingly uncertain in Q2. From a profit cycle perspective, we believe there is strong visibility into high single/low double digit top-line growth and margin expansion for the company over the next several years given a strong new product pipeline and limited patent expirations. Furthermore, we are attracted to the company’s solid balance sheet.

Portfolio Details

	ARTRX	APDRX
Net Asset Value (NAV)	\$25.37	\$25.62
Inception	22 Sep 2008	1 Apr 2015
Expense Ratios		
Semi-Annual Report 31 Mar 2022 ¹	1.13%	0.99%
Prospectus 30 Sep 2021 ²	1.14%	1.00%

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

Top 10 Holdings (% of total portfolio)

Veeva Systems Inc (United States)	5.2
Advanced Micro Devices Inc (United States)	5.2
NextEra Energy Inc (United States)	5.2
Techtronic Industries Co Ltd (Hong Kong)	4.4
UBS Group AG (Switzerland)	4.2
Alphabet Inc (United States)	3.8
Boston Scientific Corp (United States)	3.7
Lonza Group AG (Switzerland)	3.2
Atlassian Corp PLC (United States)	3.0
Fidelity National Information Services Inc (United States)	2.9
TOTAL	40.7%

Source: Artisan Partners/MSCI.

Sector Diversification (% of portfolio securities)

	Fund	ACWI ¹
Communication Services	4.0	7.9
Consumer Discretionary	13.1	11.1
Consumer Staples	0.0	7.6
Energy	0.0	5.0
Financials	17.0	14.5
Health Care	23.0	13.0
Industrials	11.5	9.4
Information Technology	24.4	20.9
Materials	1.5	4.8
Real Estate	0.0	2.8
Utilities	5.5	3.2
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 5.7% of the total portfolio. ¹MSCI All Country World Index.

Investment Results (%)

As of 30 June 2022	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTRX	-9.33	-20.59	-31.38	-26.90	6.17	8.10	11.06	10.19
Advisor Class: APDRX	-9.34	-20.56	-31.33	-26.80	6.32	8.25	11.17	10.27
MSCI All Country World Index	-8.43	-15.66	-20.18	-15.75	6.21	7.00	8.76	6.86

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (22 September 2008); Advisor (1 April 2015). 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 ¹
AMERICAS	59.8	63.8
United States	59.8	60.6
EUROPE	29.3	15.7
Switzerland	8.6	2.6
United Kingdom	5.0	3.9
Denmark	4.6	0.7
Sweden	4.6	0.8
Italy	2.4	0.6
Netherlands	1.5	1.0
Spain	1.4	0.6
Germany	1.3	1.9
PACIFIC BASIN	9.9	8.6
Hong Kong	6.9	0.8
Japan	3.0	5.4
EMERGING MARKETS	0.9	11.7
Brazil	0.9	0.6
MIDDLE EAST	—	0.2
TOTAL	100.0%	100.0%

Source: Artisan Partners/MSCI. ¹MSCI 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
James D. Hamel, CFA (Lead)	25
Matthew H. Kamm, CFA	22
Craigh A. Cepukenas, CFA	33
Jason L. White, CFA	22
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 Jun 2022: AstraZeneca PLC 2.7%; The Progressive Corp 2.2%. 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: GardenSM, CropSM and HarvestSM. GardenSM 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. CropSM investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. HarvestSM investments are holdings that have exceeded our estimate of intrinsic value or holdings where there is a deceleration in the company's profit cycle. HarvestSM investments are generally being reduced or sold from the portfolios.

Free Cash Flow is a measure of financial performance calculated as operating cash flow minus capital expenditures. **Private Market Value** is an estimate of the value of a company if divisions were each independent and established their own market stock prices. **Consumer Price Index** measures the average change in prices over time that consumers pay for a basket of goods and services.

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