



Artisan Value Income Fund

MONTHLY Commentary

Investor Class: APFWX

Advisor Class: APDWX

As of 31 October 2023

Commentary

Top month-to-date contributors: CME Group Inc; PPL Corp; NNN REIT Inc; OGE Energy Corp; Compass Group PLC

Bottom month-to-date contributors: Medtronic PLC; Baxter International Inc; Comcast Corp; M&T Bank Corp; Cable One Inc

In this space, we discuss one top contributor (CME Group) and one bottom contributor (Medtronic) from the recent month.

CME, a derivatives exchange operator, is a beneficiary of interest rate and energy price volatility. Both have risen in recent months on the continued normalization in longer term yields and increased geopolitical uncertainty. CME also benefits from price volatility across the agricultural and industrial commodities complex. Though the stock performs well when perceived uncertainty rises, our investment case is predicated on the company's wide moat, high margins in its secularly growing derivatives business and strong free cash flow generation. Unlike trading of common stocks, futures and options transactions are unique to single venues, making exchanges small monopolies having strong business economics. CME has a clean balance sheet and a shareholder-friendly policy of returning excess cash flow to shareholders via regular and special dividends.

Medtronic is a medical technology company providing device-based therapies and services in the areas of cardiovascular, neuroscience, medical surgical and diabetes. A recovery in procedure volumes and supply chain improvements are driving better growth, but shares of Medtronic and other medical devices companies sold off on the market's belief that new injectable weight loss drugs will obviate the need for pacemakers, stents, surgeries, diabetes pumps, etc. Markets shoot first and ask questions later. The near-term impacts of this new class of drugs look minor—the company noted a small dip in bariatric surgery. It's a longer term risk to monitor, but we wouldn't underestimate the willingness of people to live unhealthy lifestyles, especially when drugs and interventions can offset the damage. It's still early in its recovery, but the latest set of quarterly results was better than expected. As we wait for continued progress, Medtronic continues to be a strong free cash flow generator, is attractively priced based on our estimates of normalized earnings and pays a dividend currently yielding 3.9%.

Portfolio Details

	APFWX	APDWX
Net Asset Value (NAV)	\$8.53	\$8.54
Inception	28 Feb 2022	28 Feb 2022
Expense Ratios (% Gross/Net)		
Semi-Annual Report 31 Mar 2023 ^{1,2,3}	11.01/1.20	5.44/1.10
Prospectus 30 Sep 2022 ^{2,3}	13.46/1.20	9.98/1.10

¹Unaudited, annualized for the six-month period. ²Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2024. ³See prospectus for further details.

Top 10 Holdings (% of total portfolio)

Cable One Inc (Communication Services)	4.0
Comcast Corp (Communication Services)	3.6
Philip Morris International Inc (Consumer Staples)	3.2
Lamar Advertising Co (Real Estate)	3.1
Altria Group Inc (Consumer Staples)	3.0
EOG Resources Inc (Energy)	3.0
Heineken Holding NV (Consumer Staples)	2.8
CME Group Inc (Financials)	2.7
M&T Bank Corp (Financials)	2.7
Medtronic PLC (Health Care)	2.5
TOTAL	30.6%

Source: Artisan Partners/GICS.

Sector Diversification (% of portfolio securities)

	Fund	S&P 500 ¹
Communication Services	9.7	8.7
Consumer Discretionary	5.0	10.6
Consumer Staples	14.7	6.6
Energy	3.1	4.5
Financials	25.3	12.8
Health Care	8.1	13.1
Industrials	10.7	8.3
Information Technology	5.8	28.1
Materials	0.0	2.4
Real Estate	8.1	2.4
Utilities	9.4	2.5
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/S&P. Cash and cash equivalents represented 4.3% of the total portfolio. ¹S&P 500® Index.

Investment Results (%)

As of 31 October 2023	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFWX	-2.74	-2.74	-2.37	-0.43	—	—	—	-6.63
Advisor Class: APDWX	-2.62	-2.62	-2.23	-0.30	—	—	—	-6.52
S&P 500® Index	-2.10	-2.10	10.69	10.14	—	—	—	-0.88
Dow Jones US Select Dividend Index	-2.69	-2.69	-10.32	-7.53	—	—	—	-5.65

As of 30 September 2023

Investor Class: APFWX	-3.41	-3.51	0.38	10.67	—	—	—	-5.33
Advisor Class: APDWX	-3.50	-3.60	0.41	10.68	—	—	—	-5.29
S&P 500® Index	-4.77	-3.27	13.07	21.62	—	—	—	0.41
Dow Jones US Select Dividend Index	-3.86	-3.69	-7.84	4.84	—	—	—	-4.32

Source: Artisan Partners/S&P/S&P DJI. Returns for periods less than one year are not annualized.

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.

Market Cap Distribution (% of portfolio securities)

\$ in billions	Fund	S&P 500 ¹
200.0+	10.3	48.2
140.0–200.0	3.7	7.5
90.0–140.0	9.0	12.5
60.0–90.0	11.1	8.2
30.0–60.0	11.7	12.7
15.0–30.0	17.6	7.2
5.0–15.0	16.3	3.6
0.0–5.0	12.6	0.0
Not Applicable	7.6	—
TOTAL	100.0%	100.0%

Source: Artisan Partners/S&P. ¹S&P 500[®] Index.

Team Leadership (Pictured left to right)



Portfolio Managers	Years of Investment Experience
Thomas A. Reynolds IV	24
Daniel L. Kane, CFA	25
Craig Inman, CFA	24

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. A portfolio's environmental, social and governance ("ESG") considerations may limit the investment opportunities available and, as a result, the portfolio may forgo certain investment opportunities and underperform portfolios that do not consider ESG factors. There is no guarantee that the companies in which the portfolio invests will declare dividends in the future or that dividends, if declared, will remain at current levels or increase over time. 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 and less developed markets, including frontier 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. Value securities may underperform other asset types during a given period.

S&P 500[®] Index measures the performance of 500 US companies focused on the large-cap sector of the market. The Dow Jones US Select Dividend Index measures the performance of the US's leading stocks by dividend yield. 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 Oct 2023: Baxter International Inc 2.1%; Compass Group PLC 2.2%; NNN REIT Inc 1.6%; OGE Energy Corp 2.2%; PPL Corp 2.1%. 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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Sector exposure percentages reflect sector designations as currently classified by GICS.

Normalized Earnings are earnings that are adjusted for the cyclical ups and downs over a business cycle. **Dividend Yield** is a financial ratio that shows how much a company pays out in dividends each year relative to its share price. **Free Cash Flow** is a measure of financial performance calculated as operating cash flow minus capital expenditures.

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