Artisan Floating Rate Fund

MONTHLY Commentary

Investor Class: ARTUX | Advisor Class: APDUX

As of 30 September 2023

Commentary

After a very strong summer for the leveraged loan market, a combination of new issuance and a lack of convexity within BB-rated loans capped price appreciation in September. Nevertheless, given their floating rate nature, leveraged loans materially outperformed bonds during the month as the Credit Suisse Leveraged Loan Index gained 0.9% while the ICE BofA US High Yield Bond Index lost 1.2%. Through September, leveraged loans are tracking toward their best nine-month return (+9.9%) since 2009. New issuance ramped in the month as over $58 billion supply priced, totaling over $257 billion year to date; the vast majority of issuance this year (nearly $200 billion of the $257) has been refinancing.

Our portfolio outperformed the Credit Suisse Leveraged Loan Index during the month, extending our lead over the benchmark year to date. The strength of our security selection in loans was partially offset by our modest allocation to high yield bonds, which trailed loans but performed in line with the broader high yield market. Across sectors, gains were driven by our allocations to technology and services, while mark-to-market weakness in a specialty retailer was a detractor to returns. Security selection within loans has driven the bulk of our outperformance YTD.

During September, discount margins tightened slightly by 5bps to 551bps but remain wide relative to other spread-based asset classes. The bulk of spread tightening was skewed toward lower rated loans, with split-rated BBs, Bs and CCCs all tightening while split-rated BBBs and BBs widened. Average price for the Credit Suisse Leveraged Loan Index rose to $94.8, its highest level since April 2022, but remains at a discount to par. Technicals have remained strong with investor demand keeping the recent rise in issuance from impacting pricing, as YTD the demand from retail investors, collateral loan obligations and coupon reinvestment have exceeded new issuance.

The par-weighted default rate for loans reached 2.7% at the end of September, down two consecutive months. Notably, there were no loan defaults during the month excluding distressed exchanges. While elevated from a low base at year end 2022, default rates remain benign versus their long-term average of 3.0%. As the full effect of the Federal Reserve's tightening campaign flows through to corporate fundamentals, we would expect default activity to continue to normalize from below-average levels.

Credit markets have rallied this year and remain resilient, even amid increased volatility from episodic events such as the banking crisis in Q1 and a continued hawkish Federal Reserve. We remain ever vigilant, continuing to focus our portfolio on quality businesses with strong credit fundamentals. As the potential for volatility increases in an environment with more restrictive lending standards and higher borrowing costs, we will use growing dispersion as an opportunity to strategically invest in credits with attractive risk-reward profiles. We believe these periods play into the strength of our high-conviction approach, which allows us to lean into periods when dislocation and liquidity are most severe.

Portfolio Details

	ARTUX	APDUX
Net Asset Value (NAV)	$9.68	$9.68
Inception	1 Dec 2021	1 Dec 2021
30-Day SEC Yield (%)*	8.23/8.58	8.34/8.74
Expense Ratios (% Gross/Net)		
Semi-Annual Report 31 Mar 2023[1,2,3,4]	3.43/1.20	1.63/1.10
Prospectus 30 Sep 2022[2,4]	7.22/1.23	1.64/1.13

*Unsubsidized/subsidized. [1]Unaudited, annualized for the six-month period. [2]Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2024. [3]Excludes Acquired Fund Fees and Expenses as described in the prospectus. [4]See prospectus for further details.

Portfolio Statistics

	Fund
Number of Holdings	75
Number of Issuers	54

Source: Artisan Partners.

Top 10 Holdings (% of total portfolio)

Ultimate Software Group Inc	5.4
STS Operating Inc	5.1
Nexus Buyer LLC	4.1
Medline Industries Inc	3.4
Virgin Pulse Inc	3.3
Fogo De Chao Inc	2.9
Amynta Agency Borrower Inc	2.9
TKC Holdings Inc	2.9
Employbridge LLC	2.6
Ancestry.com Operations Inc	2.4
TOTAL	**35.0%**

Source: Artisan Partners/Bloomberg. For the purpose of determining the portfolio's holdings, securities of the same issuer are aggregated to determine the weight in the portfolio.

Investment Results (%)

As of 30 September 2023	MTD	QTD	YTD	Average Annual Total Returns: 1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTUX	**1.44**	**4.23**	**10.84**	**12.97**	—	—	—	**4.44**
Advisor Class: APDUX	**1.56**	**4.26**	**10.92**	**13.09**	—	—	—	**4.54**
Credit Suisse Leveraged Loan Index	0.88	3.37	9.91	12.47	—	—	—	5.03

Source: Artisan Partners/Credit Suisse. 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. The performance information shown does not reflect the deduction of a 2% redemption fee on shares held by an investor for 90 days or less and, if reflected, the fee would reduce the performance quoted.

Ratings Distribution (%)

BBB	3.7
BB	4.5
B	79.8
CCC	10.6
Unrated	1.4
TOTAL	**100.0%**

Source: Artisan Partners.

Sector Diversification (% of portfolio securities)

Automotive	0.7
Banking	0.0
Basic Industry	0.9
Capital Goods	9.7
Consumer Goods	4.5
Energy	0.0
Financial Services	10.5
Health Care	5.1
Insurance	14.6
Leisure	5.9
Media	4.0
Real Estate	0.8
Retail	4.7
Services	14.3
Technology & Electronics	24.1
Telecommunications	0.3
Transportation	0.0
Utility	0.0
Other	0.0
TOTAL	**100.0%**

Source: Artisan Partners/ICE BofA. Cash and cash equivalents represented 13.9% of the total portfolio.

Region/Country Allocation (% of portfolio securities)

REGION	
AMERICAS	**100.0**
United States	100.0
EUROPE	—
TOTAL	**100.0%**

Source: Artisan Partners. Breakdown based on issuer country of domicile, excluding cash.

Portfolio Construction

A high-conviction portfolio comprised primarily of floating rate debt instruments that are attractively valued. At least 80% will be invested in floating rate leveraged loans, which could include, among other types of loans, senior secured loans, unsecured loans, second lien loans, bridge loans and junior loans. The portfolio has a bias toward US issuers but has the ability to invest globally. It also has flexibility to invest across the quality spectrum, in various industries and issuance sizes.

Team Leadership (Pictured left to right)

Portfolio Managers	Years of Investment Experience
Bryan C. Krug, CFA (Lead)	23
Seth B. Yeager, CFA	19

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. Fixed income securities carry interest rate risk and credit risk for both the issuer and counterparty and investors may lose principal value. In general, when interest rates rise, fixed income values fall. High income securities (junk bonds) are speculative, experience greater price volatility and have a higher degree of credit and liquidity risk than bonds with a higher credit rating. The portfolio typically invests a significant portion of its assets in lower-rated high income securities (e.g., CCC). Loans carry risks including insolvency of the borrower, lending bank or other intermediary. Loans may be secured, unsecured, or not fully collateralized, trade infrequently, experience delayed settlement, and be subject to resale restrictions. Private placement and restricted securities may not be easily sold due to resale restrictions and are more difficult to value. Use of derivatives may create investment leverage and increase the likelihood of volatility and risk of loss in excess of the amount invested. 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.

Credit Suisse (CS) Leveraged Loan Index is an unmanaged market value-weighted index designed to mirror the investable universe of the US dollar-denominated leveraged loan market. New issues are added to the index on their effective date if they qualify according to the following criteria: loan facilities must be rated "BB" or lower; only fully funded term loan facilities are included; and issuers must be domiciled in developed countries. 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. 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.

All information in this report includes all classes of shares, except performance and expense ratio information and as otherwise indicated, and is as of the date shown in the upper right hand corner unless otherwise indicated. Portfolio statistics calculations exclude outlier data and certain securities which lack applicable attributes, such as private securities. Artisan Partners may substitute information from a related security if unavailable for a particular security. Portfolio statistics include accrued interest unless otherwise stated and may vary from the official books and records of the Fund. Totals may not sum due to rounding.

This material is provided for informational purposes without regard to your particular investment needs and shall not be construed as investment or tax advice on which you may rely for your investment decisions. Investors should consult their financial and tax adviser before making investments in order to determine the appropriateness of any investment product discussed herein.

Sector exposure percentages reflect sector designations as currently classified by ICE BofA.

30-Day SEC Yield is based on a formula specified by the SEC that calculates a fund's hypothetical annualized income, as a percentage of its assets. The unsubsidized yield excludes the effect of fee waivers. This hypothetical yield will differ from the fund's actual experience and as a result, income distributions from the fund may be higher or lower. **Credit Quality** ratings are from S&P and/or Moody's. Ratings typically range from AAA (highest) to D (lowest) and are subject to change. The ratings apply to underlying holdings of the portfolio and not the portfolio itself. If securities are rated by both agencies, the higher rating was used. Securities not rated by S&P or Moody's are categorized as Unrated/Not Rated. **Par-weighted Default Rate** represents the total dollar volume of defaulted securities compared to the total face amount of securities outstanding that could have defaulted. **Three-year takeout** refers to the point at which a current loan is refinanced or otherwise paid off. **Discount margin (DM)** is the average expected return of a floating-rate security that's earned in addition to the index underlying, or reference rate of, the security. **Par** represents the level a security trades at when its yield equals its coupon.

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