Artisan Global Opportunities Fund

QUARTERLY
Commentary

Investor Class: ARTRX | Advisor Class: APDRX

As of 30 June 2017

Investment Process

We seek to invest in companies that possess franchise characteristics, are benefiting from an accelerating profit cycle and are trading at a discount to our estimate of private market value. Our investment process focuses on two distinct elements—security selection and capital allocation. We overlay our investment process with broad knowledge of the global economy.

Security Selection

We seek to identify companies that have franchise characteristics (e.g. low cost production capability, possession of a proprietary asset, dominant market share or a defensible brand name), are benefiting from an accelerating profit cycle and are trading at a discount to our estimate of private market value. We look for companies that are well positioned for long-term growth, which is driven by demand for their products and services, at an early enough stage in their profit cycle to benefit from the increased cash flows produced by the emerging profit cycle.

Capital Allocation

Based on our fundamental analysis of a company's profit cycle, we divide the portfolio into three parts. Garden℠ investments are small positions in the early part of their profit cycle that may warrant more sizeable allocations as their profit cycle accelerates. Crop℠ investments are positions that are being increased to a full weight because they are moving through the strongest part of their profit cycles. Harvest℠ investments are positions that are being reduced as they near our estimates of full valuation or their profit cycles begin to decelerate.

Broad Knowledge

We overlay the security selection and capital allocation elements of our investment process with a desire to invest opportunistically across the entire global economy. We seek broad knowledge of the global economy in order to find growth wherever it occurs.

Team Overview

We believe deep industry expertise, broad investment knowledge, a highly collaborative decision-making process and individual accountability are a powerful combination. Since the inception of the team, we have been committed to building a team of growth investors that retains these attributes and is solely dedicated to our process and approach.

Portfolio Management

James D. Hamel, CFA
Portfolio Manager (Lead)

Matthew H. Kamm, CFA
Portfolio Manager

Craigh A. Cepukenas, CFA
Portfolio Manager

Jason L. White, CFA
Portfolio Manager

Investment Results (%)

As of 30 June 2017	QTD[1]	YTD[1]	1 Yr	3 Yr	5 Yr	10 Yr	Inception[2]
			Average Annual Total Returns				
Investor Class: ARTRX	**8.20**	**19.43**	**24.19**	**9.78**	**14.10**	—	**11.40**
Advisor Class: APDRX	**8.28**	**19.50**	**24.38**	**9.89**	**14.17**	—	**11.44**
MSCI All Country World Index	4.27	11.48	18.78	4.82	10.54	—	6.78

Source: Artisan Partners/MSCI. [1]Returns for periods less than one year are not annualized. [2]Investor Class inception: 22 September 2008. Advisor Class performance is that of the Investor Class from 22 September 2008 through the inception of the Advisor Class on 1 April 2015, and actual Advisor Class performance thereafter. Performance has not been adjusted to reflect the expenses of the Advisor Class for the period prior to the Class's inception, and Advisor Class performance results would differ if such expenses were reflected.

Expense Ratios	ARTRX	APDRX
Semi-Annual Report 31 Mar 2017[1]	1.14	1.03
Prospectus 30 Sep 2016[2]	1.18	1.09

[1]Unaudited, annualized for the six month period. [2]See prospectus for more information.

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.

Investing Environment

Markets notched a solidly positive Q2, with emerging markets leading the way and developed markets just behind against a backdrop of solid corporate earnings growth. European markets led the US in Q2 as several noteworthy elections—including France's presidential and parliamentary elections and the UK's snap parliamentary election—seemed to calm investor nerves about the likelihood for near-term dramatic political change.

As anticipated, the Fed raised its key rate 25bps in June, citing a relatively upbeat outlook on US economic growth and employment. Elsewhere, the Bank of England and ECB struggled to clarify their plans for exiting more stimulative monetary policies, contributing to the market's sideways action toward the end of the quarter.

China was among the top-performing emerging markets as economic data improved and MSCI indicated it will include China A-shares in its index as of next year. Korea was also a strong EM performer, tied largely to the country's heavy technology-sector exposure. Brazil's market reversed its recent strength and was in negative territory as political scandals present continued headwinds.

Continuing their year-to-date trend, growth stocks outperformed value in Q2, and there has been little differentiation among size. Health care and technology stocks continued Q1's solid performance in Q2, along with industrials and financials. Technology has been the best-performing sector in the US and globally year to date, while energy has been the worst-performing sector on the year as oil prices remain subdued against a backdrop of ample global supply that seems unlikely to abate in the near term.

Performance Discussion

Similar to Q1, our portfolio handily outperformed the MSCI AC World Index in Q2, with growth stocks again in favor. Meanwhile, more cyclical categories fared worse as investors' post-election hopes for tax reform, increased infrastructure spending and regulatory rollbacks have faded.

On a sector basis, relative strength was broad-based, with energy our sole detractor. Conversely, our technology, health care and consumer staples holdings were our biggest sources of relative strength in Q2. Our financials holdings also contributed to relative outperformance in Q2. We continue to see financials as moderately valued and poised to benefit from both secular tailwinds—such as recapitalized balance sheets, ongoing operational restructurings and the likelihood of less onerous regulation—and the potential cyclical tailwind of rising interest rates and widening spreads. While our theses for these holdings remain largely predicated on the secular outlook as opposed to the cyclical, we've been modestly adding to our positions in some credit-sensitive financials, including State Street, Bank of America and HDFC Bank.

Among our top contributors in Q2 were IHS Markit, Regeneron Pharmaceuticals, Nintendo and Shiseido. Our largest Crop℠ holding, IHS Markit is executing particularly well. A profit cycle in its resources segment is showing signs of taking hold, despite oil and commodities prices which remain relatively depressed. Importantly, the company is seeing positive signs of cross-selling across segments, which we believe is still in its early days and should contribute to broader growth as post-merger integration gains traction.

Regeneron was a meaningful detractor from relative performance in 2016 as the Praluent® launch fell shy of expectations and Eylea® sales growth matured. We maintained our position based on our conviction in its pipeline—including Dupixent®, a biologic treatment for moderate-to-severe atopic dermatitis—and we have thus far been rewarded in 2017 for our patience. Dupixent® was awarded FDA approval in late March, and early metrics imply a promising start for adoption. We believe this medicine has tapped into an important biologic mechanism that drives multiple other allergic conditions, including asthma, which should be an important profit growth driver for years to come. Meanwhile, Regeneron continues making progress on earlier stage R&D projects, including its checkpoint inhibitor for cancer immunotherapy.

Nintendo's recently launched Switch platform to date has outstripped market expectations by a wide margin. Furthermore, and positively for Nintendo, many of the games thus far launched for the Switch leverage Nintendo's popular intellectual property, contributing to higher margins. As Switch sales continue ramping, we believe Nintendo has the potential to add another leg to its growth runway, pairing faster-than-anticipated console sales growth with its traditional dominance in gaming IP.

Shiseido is showing signs of positive progress toward management's Vision 2020 plan, which is intended to renew the company's focus on more profitable product lines and bolster its global brand presence with targeted R&D and marketing investments. The company has plans to drive margin growth by continuing to shed less profitable brands and while further developing its e-commerce channel in light of shifting customer preferences. Though some headwinds remain, including its struggling US-based Bare Escentuals brand, we believe Shiseido's solid execution should contribute to its compelling profit cycle potential.

Among our few negative contributors in Q2 were energy companies Noble Energy, Pioneer Natural Resources and Helmerich & Payne. Against a backdrop of moderate commodities prices, we believe that high-quality franchises exposed to the top acreage in the US's Permian Basin (including our holdings) are positioned for a healthy profit cycle. However, year to date, all three stocks have been challenged as crude prices have retreated amid an ongoing supply glut. We are remaining patient for now, as we believe our holdings are capable of increasing production even without a sharp rebound in oil prices.

Portfolio Activity

After adding Bid Corp and SAP to the portfolio's Garden℠ in Q1, we increased our exposure to both in Q2 on evidence our theses are thus far developing as we'd anticipated. Bid Corp is a leader in food service delivery outside the US with large market share in Australia and South Africa. The ongoing graduation of emerging markets consumers into higher income brackets is in turn driving demand for Bid Corp's services, resulting in solid organic growth. Given Bid Corp's meaningful UK exposure, we anticipate Bid Corp will be able to capitalize on improved operating leverage and operational excellence as risk surrounding Brexit gradually fades, in turn driving steady margin expansion.

SAP, a leading provider of enterprise application software and software-related services, was primarily known as one of several traditional providers of high-quality client-server software. However, unlike most of its competitors—the major one being Oracle—SAP has begun transitioning from traditional, server-based systems into the world of cloud-based storage solutions. And it is making solid progress thus far. Recent acquisitions of SuccessFactors and Ariba, whose products similarly compete with Oracle, better position SAP with respect to this ongoing transition. Positively for SAP, the migration to a cloud-, SaaS-based environment allows the company to transition to a more attractive recurring-revenue model, which we anticipate should drive attractive levels of margin expansion. On the strength of recent, thesis-supportive profit growth, we've moved SAP into a small Crop℠ holding.

We initiated new campaigns in Samsonite International and ING Groep in Q2. Samsonite is a globally dominant provider of luggage and travel accessories under the eponymous Samsonite brand, but also American Tourister and several smaller prestige brands. We believe Samsonite is poised to capitalize on the intersection of several meaningful trends, including an expanding middle class in emerging markets which is increasingly able to afford travel. Further, Samsonite's recent acquisition of Tumi introduces a compelling opportunity in the form of a high-quality, premium brand that has historically been mismanaged and lacked effective distribution. We anticipate Samsonite's distribution will improve Tumi's global presence, boosting sales. Other acquisitions such as E-Bags, an online-only brand, give Samsonite the potential to reach emerging middle classes in a cost-effective way. We capitalized on what we saw as a compelling valuation to add Samsonite to the Garden℠ in Q2.

ING Groep is a Netherlands-based European bank. Though European banks have generally made slower progress than their US counterparts in terms of recapitalizing their balance sheets, we believe ING is largely the exception, having begun shedding non-core assets a couple years ago. It sold its insurance business and has divested business in geographies where it lacked critical mass from a retail standpoint. It has also consolidated its back office and core banking technology into a single platform. As a result, ING is now well positioned to take its digital offering directly to geographies where the market opportunity is significant but entrenched competitors have yet to complete the hard work of restructuring. We believe ING's balance sheet strength, solid management team and meaningful restructuring work position it well to take share in a still-recovering European financial market.

We trimmed several holdings in Q2—including ASOS, Eurofins, Broadcom and Alphabet. We believe each of these franchises' fundamentals remain strong and compelling. However, as their valuations have approached our estimates of private market value, we have pared our exposure in accordance with our valuation discipline.

We sold Electronic Arts and Hong Kong Exchanges in Q2. Electronic Arts (EA) has effectively capitalized on secular industry developments—including growing demand for gaming content thanks to recent successful next-generation video game consoles from Sony and Microsoft. While we believe EA will continue delivering high-quality content and capitalizing on the ongoing shift toward downloadable content and continuous customer engagement, we anticipate its growth will decelerate, and we believe there are more compelling, earlier cycle opportunities elsewhere. We consequently concluded our successful investment campaign.

We first purchased Hong Kong Exchanges in 2011 tied to our expectation that trading volumes and profits would grow alongside economic growth in mainland China and the development of more robust capital markets in the region. Though the company has indeed benefited from expanding markets, we've begun to appreciate the impact Chinese regulators will have on any opening of capital markets as they continue to put volume and cost controls in place. MSCI's recent addition of A-shares to its indices likely represents increased trading volumes down the road; however, we believe the near term impact is likely minimal. Given the profit cycle has progressed at a slower pace than we'd anticipated—and lacking visibility into when our thesis is likely to take hold—we exited in favor of better alternatives.

Portfolio Statistics

As of June 30, 2017, the portfolio had a 3-5 year forecasted weighted average earnings growth rate of 19% and our holdings were selling at a weighted harmonic average P/E (excluding negative earnings) of 25X FY1 earnings and 22X FY2 earnings. The portfolio held 45 companies with 41% of portfolio capital committed to the top 10 holdings and 62% of capital committed to the top 20 positions. The portfolio's weighted average market capitalization was $101.4 billion.

Perspective

Through the year's first half, markets have favored innovative growth stocks, which has been a tailwind for our absolute and relative performance. However, true to our mantra that "stocks follow profits over time," we have stayed focused on profit trends within the portfolio—which in the short term can diverge from market sentiment. In this regard, we have been pleased to witness a wave of thesis-affirming earnings reports from many of our Crop℠ holdings. In

fact, the April–May earnings season on balance struck us as the most positive we have seen in years.

Certainly a reasonably healthy macro environment has helped profit trends within the portfolio. But as we reflect on our large Crop℠ holdings, we see numerous examples of forward-looking companies who have responsibly reinvested in their franchises—regardless of short-term macroeconomic volatility—and are today seeing those investments bear fruit. For example, Treasury Wine Estates has made solid progress cutting costs and streamlining its business, concentrating its marketing efforts primarily on its most valuable brands. Similarly, S&P Global has spent several years divesting itself of unprofitable businesses while simultaneously making smart acquisitions, driving margins higher. And Regeneron's effective reinvestment of profits from its flagship drug Eylea® are now paying off via the aforementioned successful launch of Dupixent®.

In the short term, reinvestment cycles can suppress profits and stock performance as investors reset their earnings expectations lower. In fact, such franchises—whose earnings and stock price are depressed due to investments to support what we find to be a promising, but unproven profit cycle—are exactly what we tend to look for in new Garden℠ investments. For our larger holdings, reinvestment cycles can represent healthy signs of discipline as management teams trade short-term profit maximization for more durable growth opportunities. Or alternatively, they can put us on alert for signs of maturing growth and rising competitive pressures. We believe our team's collective experience in evaluating countless profit cycles over time gives us an advantage in making these important judgment calls.

Looking forward, we expect the macroeconomic environment to help shape investors' appetite for growth versus more cyclically oriented companies. We don't currently see much evidence that macro fundamentals are lining up to deliver the cyclical bull case. However, should cyclicals decisively resume market leadership, we have reasonable balance in the portfolio in the form of our selective financials and energy exposure, as we've written about in recent quarters. While our exposure to businesses in cyclical industries has not been additive to relative performance year-to-date, we believe our holdings still represent promising profit cycles, even in an environment that favors more secular-oriented growth companies.

We recognize that valuations are not what they were at the beginning of the year, and we have been disciplined in our approach to harvesting stocks on valuation where appropriate (examples of which were cited earlier in this letter). While a market pullback would allow us to introduce some new franchises at better entry points, we've nonetheless remained active in the Garden℠, seeding it with companies we believe are exiting reinvestment cycles and are poised to deliver faster profit growth ahead.

For more information: Visit www.artisanpartners.com | Call 800.344.1770

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.

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.

This summary represents the views of the portfolio managers as of 30 Jun 2017. Those views may change, and the Fund disclaims any obligation to advise investors of such changes. For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. The holdings mentioned above comprise the following percentages of the Artisan Global Opportunities Fund's total net assets as of 30 Jun 2017: IHS Markit Ltd 8.0%, Alphabet Inc 5.2%, Regeneron Pharmaceuticals Inc 3.5%, Bank of America Corp 2.5%, Shiseido Co Ltd 2.5%, Nintendo Co Ltd 2.2%, Pioneer Natural Resources Co 2.1%, Bid Corp Ltd 2.0%, State Street Corp 2.0%, SAP SE 1.5%, HDFC Bank Ltd 1.5%, Noble Energy Inc 1.4%, Eurofins Scientific SE 1.4%, Broadcom Ltd 1.4%, ING Groep NV 1.0%, Helmerich & Payne Inc 0.8%, ASOS PLC 0.7%, Samsonite International SA 0.7%; S&P Global Inc 3.3%; Treasury Wine Estates Ltd 2.8%. Securities named in the Commentary, but not listed here are not held in the Fund as of the date of this report. Portfolio holdings are subject to change without notice and are not intended as recommendations of individual securities. Portfolio holdings are subject to change without notice and are not intended as recommendations of individual securities. All information in this report, unless otherwise indicated, includes all classes of shares (except performance and expense ratio information) and is as of the date shown in the upper right hand corner. This material does not constitute investment advice.

Attribution is used to evaluate the investment management decisions which affected the portfolio's performance when compared to a benchmark index. Attribution is not exact, but should be considered an approximation of the relative contribution of each of the factors considered.

The Global Industry Classification Standard (GICS®) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's Financial Services, LLC (S&P). Neither MSCI, S&P, their affiliates, nor any of their third party providers ("GICS Parties") makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including warranties of accuracy, completeness, merchantability and fitness for a particular purpose. The GICS Parties shall not have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of such damages.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. This report is not approved or produced by MSCI.

This material is provided for informational purposes without regard to your particular investment needs. This material 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.

Portfolio statistics are intended to provide a general view of the entire portfolio, or Index, at a certain point in time. Statistics are calculated using information obtained from various data sources. Artisan Partners excludes outliers when calculating portfolio characteristics. If information is unavailable for a particular security Artisan Partners may use data from a related security to calculate portfolio statistics. **Weighted Average** is the average of values weighted to the data set's composition. **Weighted Harmonic Average** is a calculation of weighted average commonly used for rates or ratios. **Market Cap** is the aggregate value of all of a company's outstanding equity securities. **Earnings Growth Rate** is the annual rate at which a company's earnings are expected to grow. **Price-to-Earnings (P/E)** is a valuation ratio of a company's current share price compared to its per-share earnings. **Private Market Value** is an estimate of the value of a company if divisions were each independent and established their own market stock prices.

Our capital allocation process is designed to build position size according to our conviction. Portfolio holdings develop through three stages: Garden℠, Crop℠ and Harvest℠. Garden℠ 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℠ investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. Harvest℠ 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℠ investments are generally being reduced or sold from the portfolios.

Artisan Partners Funds offered through Artisan Partners Distributors LLC (APDLLC), member FINRA. APDLLC is a wholly owned broker/dealer subsidiary of Artisan Partners Holdings LP. Artisan Partners Limited Partnership, an investment advisory firm and adviser to Artisan Partners Funds, is wholly owned by Artisan Partners Holdings LP.

A R T I S A N  P A R T N E R S

7/20/2017 A17595L_vR