Artisan Global Equity Fund

QUARTERLY
Commentary

Investor Class: ARTHX | Institutional Class: APHHX

As of 31 March 2019

Investment Process

We seek to invest in companies, within our preferred themes, with sustainable growth characteristics at attractive valuations that do not fully reflect their long-term potential.

Themes

We identify long-term secular growth trends with the objective of investing in companies that have meaningful exposure to these trends. Our fundamental analysis focuses on those industry leaders with attractive growth and valuation characteristics that will be long-term beneficiaries of any structural change and/or trend.

Sustainable Growth

We apply a fundamental approach to identifying the long-term, sustainable growth characteristics of potential investments. We seek high-quality companies that typically have a sustainable competitive advantage, a superior business model and a high-quality management team.

Valuation

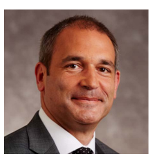
We use multiple valuation metrics to establish a target price range. We assess the relationship between our estimate of a company's sustainable growth prospects and its current valuation.

Team Overview

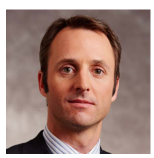
Our team approach combines the benefits of strong leadership with the creative ideas of a deep and highly experienced team of research analysts. We believe this approach allows us to leverage a broad set of perspectives into dynamic portfolios.

Portfolio Management

Mark L. Yockey, CFA
Portfolio Manager



Charles-Henri Hamker
Portfolio Manager



Andrew J. Euretig
Portfolio Manager

Investment Results (%)

			Average Annual Total Returns				
As of 31 March 2019	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTHX	**12.91**	**12.91**	**5.27**	**14.14**	**7.99**	—	**11.58**
Institutional Class: APHHX	**12.92**	**12.92**	**5.55**	**14.42**	**8.18**	—	**11.68**
MSCI All Country World Index	12.18	12.18	2.60	10.67	6.45	—	7.98

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (29 March 2010); Institutional (15 October 2015). For the period prior to inception, Institutional Class performance is the Investor Class's return for that period ("Linked Performance"). Linked Performance has not been restated to reflect expenses of the Institutional Class and the share class's returns during that period would be different if such expenses were reflected.

Expense Ratios	ARTHX	APHHX
Annual Report 30 Sep 2018	1.36	1.10
Prospectus 30 Sep 2018[1]	1.36	1.10

[1]See prospectus for further details.

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. The Fund's investments in initial public offerings (IPOs) made a material contribution to the Fund's performance. IPO investments may not be available in the future.

Investing Environment

Stocks snapped back strongly in Q1 with all regions and sectors participating in the upswing. The MSCI AC World Index turned in its strongest quarterly gain since 2010. Solid corporate earnings, which have been generally better than expected, a dovish pivot by the Fed and anticipation of a US-China trade deal have been among the key storylines impacting global equity markets.

Though growth in Europe and Japan remained sluggish in Q1, hopes that global growth might regain momentum were rekindled by China's efforts to engineer a recovery with aggressive fiscal and monetary stimulus as it did in the previous slowdowns of 2008-2009 and 2015-2016. The measures appear to be bearing fruit as recent Chinese economic indicators have turned up following several quarters of deterioration.

The Fed and ECB also shifted their policy stances to ease financial conditions and lift growth rates. Citing the effects of the US-China trade war, slowing overseas growth and fading stimulus from the 2017 tax cuts, the Fed paused rate hikes and announced it would end its balance-sheet unwind sooner than expected in September. Similarly, the ECB stated it would maintain negative interest rates at least through December and announced a series of cheap long-term loans for banks.

The market's swift comeback erased most of the Q4 2018 downdraft. By sector, returns in the MSCI AC World Index were led by technology—an area that was among the worst performers in Q4 2018. Lagging the rest of the market were the financials and health care sectors. By region, returns were strong across the board; however, the tech-heavy US edged non-US developed and emerging markets. Europe was up about 10%, Japan gained 7% and the Pacific Basin (excluding Japan) returned 12%.

We would be remiss if we did not at least mention the ongoing Brexit saga given its prominence in daily news headlines. Nearly three years after the vote to leave the EU, we still have little clarity on the long-term nature of the UK's trading relationship with the EU. Though we believe the market is underpricing Brexit risk, we continue to believe the risk is mostly local, affecting primarily UK assets.

Performance Discussion

Our portfolio outpaced the MSCI AC World Index in Q1. Positive stock selection, driven by our industrials, consumer staples and health care holdings, was partially offset by currency impacts—namely our above-benchmark exposure to the euro. Most portfolio holdings were up double-digit percentages in Q1. Among our top contributors were aerospace and defense companies Airbus and Harris and Brazilian oil and gas company Petrobras.

Airbus rallied when the company announced it met full-year guidance of 800 aircraft deliveries—an 11% increase over the prior year. Then, in late March, the company announced it signed a larger-than-expected order for 300 aircraft from China. The stock was one of our weakest performers in Q4 2018 due partly to concerns that supply chain bottlenecks would hinder its deliveries and free cash flow. Our investment case in Airbus remains centered around the company's decade-long, 6,000+ aircraft backlog and the potential to grow free cash flow as production increases and program ramp-up-related capital expenditures fall.

Harris, a defense communications and electronics equipment provider, delivered strong revenue growth that was broad-based across business segments and geographies. Additionally, order momentum remained robust with orders up 27% year over year as the company continued to benefit from multi-year investments in innovation, strong customer relationships and a favorable budget environment. Recent results reinforce our investment thesis centered on a turnaround in the business and increases in government budgets.

Regarding Petrobras, investors received new CEO Roberto Castello Branco's inaugural comments well. Mr. Castello outlined his key priorities over the next year, which are focused on divesting lower-return businesses, cutting costs, deleveraging the balance sheet and reducing the company's cost of capital. While the company has no control over prevailing commodities prices, these are all positive self-help measures that should contribute to increased business value, if achieved.

We also had big gains from several holdings in our electronic payments theme, including Worldpay, Mastercard and PayPal. Worldpay, a payments processor, continued to benefit from secular growth in e-commerce and the payments trends in omnichannel, integrated payments and global consolidation, as well as continued synergies from its merger with Vantiv. In March, the company's unique and sustainable competitive advantage in the US attracted a takeout offer from Fidelity National Information Services (FIS)—a stock we also hold in the portfolio. Our view of the deal is constructive. The Worldpay acquisition combines a leader in merchant acquiring both online and offline with FIS's strengths in servicing financial institutions with core banking software, payments capabilities and capital markets software. The combined entity should benefit from scale and the ability to cross-sell payments services into FIS's bank and global customer bases. We continue to hold FIS but sold our position in Worldpay following the announcement.

Not all portfolio holdings in our electronic payments theme performed well. Our biggest detractor in Q1 was electronic payments processor Wirecard, a top-10 holding. Shares fell in the wake of a series of articles by the *Financial Times* alleging wrongdoing. The reports allege Wirecard's Singapore office falsified contracts and moved currency in and out of Wirecard subsidiaries designed to meet regulators' funding rules. Wirecard vehemently denied these allegations and already had hired a Singapore law firm to conduct an independent investigation. The law firm found no evidence of criminal liability at Wirecard's German headquarters but did find some local issues in Singapore. Though the law firm's findings partly lifted the overhang on the stock, shares may remain volatile while the Singaporean regulators continue their investigation and the company nears the release of full-year results in late April. Our investment case in Wirecard remains focused on sustainable growth in electronic payments processing due to the secular tailwinds of e-commerce and the convergence of mobile, online and offline payments—augmented by market-share gains, new value-added services and global footprint expansion. We continue to have high conviction in the management team and the business's long-term growth trajectory. Shares are attractively valued in our view, selling at a PEG ratio of 0.7X our estimates of 2019 earnings per share and at a P/E multiple of 20X our estimates of 2020 earnings per share.

Additional detractors were Bristol-Myers Squibb (BMY), Anthem and Housing Development Finance Corp (HDFC). Shares of BMY, a global biopharmaceutical company, sold off in the first week of January on news that it was acquiring Celgene for $74 billion. Investor doubt surrounding the deal centers on uncertainty around the patent cliff of Celgene's biggest seller, cancer drug Revlimid®. Revlimid® faces potential generic competition over the next few years, but how quickly that occurs is yet to be determined. The first generic version of Revlimid® is expected to enter the market in 2022 on a restricted volume basis as dictated in a settlement agreement with a generic drug maker. Revlimid® is highly cash-generative and would help accelerate de-levering of BMY's balance sheet, and if BMY management is correct on the timing of patent expiration, BMY is getting Celgene's pipeline cheaply. We'll be monitoring these developments closely.

Anthem, a managed-care company, and HDFC, India's largest standalone mortgage financier, were not held for the full quarter. We exited our position in Anthem in early January. HDFC, one of our top performers in Q4, was sold in mid-February as shares approached our target valuation.

Positioning

In an environment of slowing global growth, our focus is on finding companies with idiosyncratic growth drivers that are not dependent on the broader economic backdrop. These types of companies have technological know-how, unique solutions and proven track records of innovation. We believe this mindset is reflected in our new purchases of the quarter that included ACADIA Pharmaceuticals, LiveRamp Holdings and PerkinElmer.

- ACADIA is a biopharmaceutical company and maker of Nuplazid® (pimavanserin), the only approved treatment for Parkinson's disease psychosis. The re-launch of Nuplazid® following the FDA's completed safety review should drive strong sales growth. We are also attracted to the potential for label expansion as ACADIA is engaged in multiple late-stage programs to broaden the drug's clinical use, and we do not believe this option value is appropriately reflected in its stock price.
- Formerly known as Acxiom, LiveRamp is a marketing technology and software-as-a-service company that enables companies to leverage offline data across their marketing ecosystems. The company's unique asset is its identity graph with over 200 million users, ranked behind only those of Facebook and Google. We anticipate 30% top-line growth driven by new customer additions, international expansion and new use cases, including TV advertising and B2B.
- PerkinElmer is a provider of analytical tools and diagnostics for the clinical, food, environmental, industrial and life sciences markets and the global leader in prenatal and neonatal diagnostics. We believe organic sales growth will be driven by recently acquired EUROIMMUN, an autoimmune diagnostics manufacturer, and new products such as Vanadis®, a novel easy-to-use noninvasive prenatal testing (NIPT) platform that eliminates the need for both DNA sequencing and Polymerase chain reaction (PCR) amplification.

Besides our sales of Anthem and HDFC, we also exited our positions in consumer staples holdings Lamb Weston, a maker of frozen potato products, and Mondelez, one of the world's largest packaged food companies, as shares approached our target valuations.

Outlook

After a strong snapback rally, we remain cautiously optimistic about the prospects for additional equity gains. Overall, corporate fundamentals remain healthy. However, slowing global growth, reduced earnings growth expectations and continued uncertainty from the US-China trade conflict remain headwinds.

Our experience investing over several market cycles has taught us the importance of focusing on companies with exposure to secular growth themes and sustainable growth characteristics: dominant or growing market positions, strong pricing power and solid free cash flow. Consequently, we remain focused on our themes and believe we have invested in a portfolio of companies that can weather a changing political and economic environment. Our approach to generating attractive long-term returns is also supported by our valuation discipline, which we believe is especially important at this point in the cycle. We believe our bottom-up process will serve our investors well, yielding fundamentally sound companies with sustainable growth characteristics, trading at reasonable valuations, that are capable of standing up to varied market environments.

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 31 Mar 2019. 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 Fund's total net assets as of 31 Mar 2019: Airbus SE 2.8%; Harris Corp 3.9%; Petroleo Brasileiro SA 3.7%; Mastercard Inc 2.8%; PayPal Holdings Inc 2.6%; Fidelity National Information Services Inc 0.8%; Wirecard AG 3.8%; Bristol-Myers Squibb Co 2.2%; ACADIA Pharmaceuticals Inc 1.5%; LiveRamp Holdings Inc 0.9%; Facebook Inc 1.4%; PerkinElmer Inc 1.5%. 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. 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.

Free Cash Flow is a measure of financial performance calculated as operating cash flow minus capital expenditures. The **PEG Ratio** (an indicator of a stock's potential value) measures the ratio of the P/E of a company to the growth rate. **Price-to-Earnings (P/E) Ratio** measures how expensive a stock is. Earnings figures used for FY1 and FY2 are estimates for the current and next unreported fiscal years.

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