

CITYWIRE SELECTOR



THE GUIDE TO EUROPE'S TOP FUND MANAGERS

2021
EDITION

TRIPLE-PLATED PROCESS TAPS SOLID EMERGING POTENTIAL

Lewis Kaufman embraces a three-pronged investment approach at the helm of his Artisan Developing World fund which builds, preserves and reinforces a 'stream of compounded business value' within the portfolio.

Breaking down these components further, the building element involves pairing low penetration domestic demand with scalable and enduring businesses.

Preserving means the creation of a 'differentiated correlation experience', managing currency and volatility to limit investment risk.

Finally comes reinforcing a compounding outcome through methodical portfolio improvement. However, Kaufman said the concepts are all linked and, to some extent, fluid. 'Build is tied to business value creation and is our approach to growing our pool of capital,' he said. 'Preserve is a capital preservation concept and takes different forms.'

Kaufman is keen to avoid vulnerable countries and levered companies to limit the potential for permanent loss of capital.

'However, capital preservation can also mean

rebalancing – rather than liquidating – positions that have experienced disproportionate equity outcomes, thereby achieving a certain permanence to the value our companies have created,' he said.

He said the inherent diversification and value capture in this approach helps him withstand changing market environments.

STAR TURNS

As far as recent contributors to performance are concerned, Kaufman highlights Sea, a Southeast Asian gaming and ecommerce company; Dutch semiconductor equipment producer ASML; US-based Airbnb and Uber; as well as giant Chinese internet firm Tencent.

Looking at the markets, Kaufman suggests investors may have overlooked the resilience of the US – and challenges elsewhere in the world – in their enthusiasm for global recovery.

'While the US has rapidly accelerated vaccination roll-outs, major emerging markets countries are facing rising case numbers and continued business disruptions,' he said.

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LEWIS KAUFMAN

Artisan Partners



BASED
San Francisco, California, US

FUNDS
Artisan Developing World Fund

SECTOR
Equity – Global Emerging Markets

MANAGER RATIO
1.750

3-YEAR PERFORMANCE:
28.08% (FUND), 6.48% (MSCI
EMERGING MARKETS INDEX)

Citywire's Euro Stars manager selection is based on a fund manager's track record over the last three years. This performance is calculated using total returns, priced at bid to bid, with income reinvested at the ex-dividend date. The managers are then ranked using the Citywire Manager Ratio, which is a modified version of the Information Ratio that factors in all the eligible funds across all asset classes and sectors an individual runs over that time period. The information ratio is a measurement of portfolio returns beyond the returns of a benchmark, compared to the volatility of those returns. The data used herein covers the three years ended 28 Feb 2021. Manager ratios contained herein are prepared by Citywire and are not independently verified by Artisan Partners.

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Investment Results as of 31 March 2021 (%)						Expense Ratios
Artisan Developing World Fund	QTD	1YR	3YR	5YR	ITD	Prospectus 30 Sep 2020
Investor Class: ARTYX	-2.57	92.35	28.08	24.78	19.55	1.28%
Advisor Class: APDYX	-2.52	92.68	28.28	25.01	19.77	1.13%
Institutional Class: APHYX	-2.47	92.85	28.40	25.12	19.88	1.04%
MSCI Emerging Markets Index	2.29	58.39	6.48	12.07	8.10	

Source: Artisan Partners/MSCI. Returns less than one year are not annualized. Fund inception: 29 Jun 2015.

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 800.399.1770 for current to most recent month-end performance.

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 visiting www.artisanfunds.com. Read carefully before investing.

Investment Risks: Current and future portfolio holdings are subject to risk. 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. Such risks include new and rapidly changing political and economic structures, which may cause instability; underdeveloped securities markets; and higher likelihood of high levels of inflation, deflation or currency devaluations. 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.

MSCI Emerging Markets Index measures the performance of emerging markets. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment. 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.

The discussion of portfolio holdings does not constitute a recommendation of any individual security. These holdings comprise the following percentages of the Artisan Developing World Fund's total net assets as of 31 March 2021: Sea Ltd 6.5%, Uber Technologies Inc 4.3%, Tencent Holdings Ltd 4.2%, Airbnb Inc 3.3%, ASML Holding NV, 2.9%. For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. Securities named but not listed here are not held in the Fund as of the date noted. The portfolio holdings mentioned are subject to change and the Fund disclaims any obligation to advise investors of such changes.

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