



# Artisan Sustainable Emerging Markets Fund

MONTHLY  
Commentary

Investor Class: ARTZX | Advisor Class: APDEX

As of 30 April 2024

## Commentary

Emerging markets (EM) equities retreated to start Q2. Stocks were affected by ongoing geopolitical conflicts in the Middle East, while China's economy showed early signs of stability. Korea and Taiwan have been the MSCI Emerging Markets Index's primary detractors, while China has been the benchmark's main contributor QTD. Our portfolio is underperforming the benchmark QTD.

Our primary relative detractors QTD include MediaTek and Estun Automation. Taiwan-based MediaTek is the largest fabless semiconductor design house outside the US. Despite strong performance last quarter due to a recovery in smartphone sales, the recovery has stalled in April and affected recent performance. Nevertheless, we believe MediaTek is in a favorable position to profit from an eventual growth in smartphone sales and increasing demand for artificial intelligence.

Estun Automation is a leading domestic Chinese robot producer. Shares of Estun faced pressure this month following the announcement of weaker than expected Q1 earnings. Similar to industry peers, Estun was affected by write-offs to accounts receivable, directly impacting profits. Despite weaker profitability, we recognize that the company has successfully gained market share from foreign robot manufacturers, positioning itself favorably to capitalize on China's ongoing industrial expansion.

Our top relative contributors QTD include Zhuzhou CRRC Times Electric and Trip.com. Zhuzhou provides and integrates train-borne electrical systems for China's railway industry. The company continues to expand its developing business segment, especially insulated-gate bipolar transistors (IGBTs), an essential component of electric vehicles, further contributing to Zhuzhou's competitive advantage. We have long believed in the company's strong fundamentals and attractive valuation, and it seems the market has started to realize its appeal, as well.

Trip.com, a leading Chinese online travel agency, followed the broader Chinese equity market higher. Although China's macro environment still poses uncertainty, a normalization in domestic travel trends provides growth opportunities for the company, and we believe Trip.com is poised for further positive performance.

Volatility is to be expected in emerging markets, and it can be extreme at times—a natural part of what we believe is a superior growth opportunity over longer periods. We maintain our disciplined process and closely monitor positions—including engagement with management teams—to adjust valuations and position size as we believe appropriate.

## Investment Results (%)

As of 30 April 2024	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTZX	-2.68	-2.68	1.12	10.30	-6.90	1.91	3.76	0.50
Advisor Class: APDEX	-2.69	-2.69	1.18	10.42	-6.86	1.93	3.78	0.51
MSCI Emerging Markets Index	0.45	0.45	2.83	9.88	-5.69	1.89	2.96	1.52

  

As of 31 March 2024	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTZX	3.20	3.90	3.90	11.76	-4.66	2.69	3.98	0.68
Advisor Class: APDEX	3.20	3.97	3.97	11.88	-4.62	2.71	3.99	0.69
MSCI Emerging Markets Index	2.48	2.37	2.37	8.15	-5.05	2.22	2.95	1.50

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (2 June 2008); Advisor (27 April 2022). For the period prior to inception, Advisor Class performance is the Investor Class's return for that period ("Linked Performance"). Linked Performance has not been restated to reflect expenses of the Advisor Class and the share class's returns during that period would be different if such expenses were reflected.

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.

## Portfolio Details

	ARTZX	APDEX
Net Asset Value (NAV)	\$16.32	\$16.30
Inception	2 Jun 2008	27 Apr 2022
Expense Ratios (% Gross/Net)		
Annual Report 30 Sep 2023 <sup>1,2</sup>	1.74/1.15	1.33/1.05
Prospectus 30 Sep 2023 <sup>1,2</sup>	1.75/1.16	1.34/1.06

<sup>1</sup>Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2025. <sup>2</sup>See prospectus for further details.

## Top 10 Holdings (% of total portfolio)

Taiwan Semiconductor Manufacturing Co Ltd (Taiwan)	11.9
Samsung Electronics Co Ltd (Korea)	7.0
ICICI Bank Ltd (India)	4.1
MercadoLibre Inc (Argentina)	3.2
Alibaba Group Holding Ltd (China)	3.1
Reliance Industries Ltd (India)	3.0
MediaTek Inc (Taiwan)	3.0
E Ink Holdings Inc (Taiwan)	2.8
Zhuzhou CRRC Times Electric Co Ltd (China)	2.6
Vietnam Technological & Commercial Joint Stock Bank (Vietnam)	2.5
<b>TOTAL</b>	<b>43.1%</b>

Source: Artisan Partners. Portfolio country classifications are defined by the investment team.

## Sector Diversification (% of portfolio securities)

	Fund	MSCI EM <sup>1</sup>
Consumer Goods	9.0	7.1
Extractives & Minerals Processing	9.6	10.9
Financials	19.6	22.1
Food & Beverage	1.5	4.7
Health Care	4.7	3.6
Infrastructure	3.4	5.4
Renewable Resources & Alternative Energy	0.0	0.8
Resource Transformation	8.2	5.2
Services	2.4	1.3
Technology & Communications	38.8	33.6
Transportation	2.8	5.4
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/SASB/MSCI. Cash and cash equivalents represented 2.5% of the total portfolio. <sup>1</sup>MSCI Emerging Markets Index.

## Average Annual Total Returns

	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTZX	10.30	-6.90	1.91	3.76	0.50
Advisor Class: APDEX	10.42	-6.86	1.93	3.78	0.51
MSCI Emerging Markets Index	9.88	-5.69	1.89	2.96	1.52

## Region/Country Allocation (% of portfolio securities)

REGION	Fund	MSCI EM <sup>1</sup>
<b>EMERGING ASIA</b>	<b>63.1</b>	<b>79.1</b>
Taiwan	18.0	17.2
China	14.8	26.7
Korea	12.2	12.0
India	11.6	18.1
Vietnam	2.5	—
Indonesia	1.9	1.7
Malaysia	1.5	1.4
Thailand	0.6	1.5
<b>LATIN AMERICA</b>	<b>20.4</b>	<b>8.5</b>
Brazil	6.7	5.0
Argentina	6.1	—
Mexico	3.2	2.6
Peru	1.8	0.3
Chile	1.6	0.5
Panama	0.9	—
<b>EUROPE, MIDDLE EAST AND AFRICA</b>	<b>10.8</b>	<b>12.4</b>
South Africa	3.6	2.8
Greece	2.5	0.5
Kazakhstan	2.2	—
United Arab Emirates	1.1	1.2
Romania	1.1	—
Egypt	0.3	0.1
Russia	0.0	—
<b>DEVELOPED MARKETS</b>	<b>5.7</b>	<b>—</b>
Netherlands	4.0	—
Hong Kong	1.3	—
Singapore	0.4	—
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/MSCI. <sup>1</sup>MSCI Emerging Markets Index. Countries held in the index, but not held in the portfolio, are not listed. Portfolio country classifications are defined by the investment team and may differ substantially from MSCI classifications; index country classifications reflect MSCI methodology. For the portfolio's country breakdown according to MSCI methodology, refer to the Fund's most recent portfolio holdings at [www.sec.gov](http://www.sec.gov).

## Investment Team (Pictured left to right)



Portfolio Manager	Years of Investment Experience
Maria Negrete-Gruson, CFA	32
<b>Analysts</b>	
Meagan Nace, CFA	32
Chen Gu, CFA	36
Nicolas Rodriguez-Brizuela	24
Gurpreet Pal	20
Jessica Lin, CFA	19
Javier Cervantes	8

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. Investments in which the team has determined to have sustainable growth characteristics may underperform other securities and may not achieve their sustainable growth potential. Non-diversified portfolios may invest larger portions of assets in securities of a smaller number of issuers and performance of a single issuer may have a greater impact to the portfolio's returns. 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. 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.

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 30 Apr 2024: Estun Automation Co Ltd 2.2%; Trip.com Group Ltd 1.8%. As of 3 Mar 2022, Russian holdings are valued at zero. 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.

Unless otherwise indicated, all information in this report includes all classes of shares, except performance and expense ratio information, and is as of the date shown in the upper right hand corner. 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.

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 Sustainable Industry Classification System (SICS<sup>®</sup>) is the exclusive intellectual property of Sustainability Accounting Standards Board (SASB). SICS is intended to group companies based on their shared sustainability-related risks and opportunities.

Sector exposure percentages reflect sector designations as currently classified by SICS.

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.

© 2024 Artisan Partners. All rights reserved.

5/3/2024 A24297L\_vR