

# THE NO-LOAD FUND INVESTOR



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## ARTGX Reopening

Artisan Partners reopened the Artisan Global Value fund (ARTGX) on October 1. This fund has a record of excellent risk-adjusted returns over the long run, so it is a welcome addition to the list of no-load global equity funds available to new investors.

Equally important, however, is the signal sent by the reopening of this fund. Its managers, Dan O'Keefe and David Samra, make it very difficult for a stock to make it into this and/or their other offering, **Artisan International Value** (ARTKX), which remains closed to new investors. A stock must offer four characteristics: undervaluation (usually on the order of at least 25%), superior business quality (including strong cash flows, competitive strength, and barriers to entry), financial strength (including manageable debt levels and good profitability), and shareholder-oriented management. Therefore, if they are seeing enough attractive securities (current or prospective holdings) to warrant reopening the fund, it's a strong sign that recent volatility in the market has caused some quality companies to become attractively valued again. In other words, it's a reason to be optimistic.

Several of the fund's holdings, which totaled 47 equities at the end of June, have experienced declines in their stock prices so far this year. The top holding, database provider Oracle, is down 17%. The second through fourth largest holdings, all financial stocks (Bank of New York Mellon, Royal Bank of Scotland and Citigroup) are down an average of nearly 10%. Some of the fund's technology stocks, including Samsung, Qualcomm and Applied Materials, are down at least 15%. In fact, the financial services and technology sectors are easily the fund's most prominent sectors, as they accounted for 40.3% and 25.5% of assets, respectively, as of June 30.

Global Value has traditionally devoted about 60% of assets to U.S. stocks. Stocks from developed Europe currently account for 33 percentage points of the balance, followed by South Korea (mainly Samsung) and a smattering of other emerging markets. Through September 30, the fund has produced a loss this year of 6.7%. However, the relative performance of the fund improves as you lengthen the time period. Its annualized gain of 10.0% over the past three years places it in the second 20%, while its 11.0% annualized gain over the past five places it among the top five funds in its category. ■

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Clarifications:

- (1) Percentage of assets in US and Non-US stocks will fluctuate.
- (2) As of 30 Jun 2015, Artisan Global Value Fund had a 39.3 % of total portfolio equities in the financials sector and a 28.5% in information technology.<sup>1</sup>
- (3) As of 30 Jun 2015, Artisan Global Value Fund had 60.1% of total portfolio equities allocated to Americas, 34.3% allocated to Europe, 5.5% allocated to emerging markets and 0.1% allocated to the Pacific Basin<sup>1</sup>.

<sup>1</sup>Source Artisan Partners/FactSet (MSCI/GICS)

As of 30 Sep 2015	YTD	1 YR	3 YR	5 YR	Since Inception <sup>2</sup>
ARTGX	-6.71	-4.32	10.02	11.02	6.45
MSCI All Country World Index	-7.04	-6.66	6.95	6.82	1.08
ARTGX Expense Ratio: (fiscal year ended 30 Sep 14)	1.32%.				

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. <sup>2</sup>Inception of Artisan Global Value Fund was 10 Dec 2007.

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Lipper rankings are based on total return of a fund's stated share class, are historical and do not represent future results. The number of funds in the category may include several share classes of the same mutual fund which may have a material impact on the fund's ranking within the category. In a percentile rank format, the highest (or most favorable) is 1 and the lowest (or least favorable) percentile rank is 100. The top performing fund in a category will always receive a rank of 1. As of 30 Sep 2015, within Lipper's Global Multi-Cap Core category, Artisan Global Value Fund (ARTGX) is ranked 63 out of 164 funds for the 1-year period, 26 out of 128 funds for the 3-year period, 3 out of 90 funds for the 5-year period and 2 out of 69 for the since-inception (10 Dec 2007) period.

**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](http://www.artisanfunds.com). 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. Value securities may underperform other asset types during a given period. 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.**

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