

Artisan Floating Rate Fund

MONTHLY Commentary

Investor Class: ARTUX | Advisor Class: APDUX

As of 30 April 2024

Commentary

Our portfolio marginally underperformed the Credit Suisse Leveraged Loan Index during the month. The portfolio's allocation to secured bonds detracted from returns as fixed rate generally underperformed floating rate in April, though this was somewhat offset by positive security selection within bank loans. From a sector perspective, positive contributions from security selection in services was offset by negative selection effects in retail.

The US economy's resilience continued to show across macro data in April, most notably in hotter-than-expected inflation readings. Coupled with Federal Reserve comments regarding timing of rate cuts that were perceived as "hawkish," market participants ignited a selloff in fixed rate debt as yields rose across the curve. The 10-year Treasury rate increased nearly 50bps in the month, returning to levels last seen in early November and erasing nearly all of the significant decline seen in Q4.

April's dynamics provided another fantastic showcase of the power of leveraged loans as a diversifier for portfolios. The loan index gained 68bps for the month, outperforming high yield bonds (as measured by the ICE BofA US High Yield Index) by 168bps and investment grade bonds (as measured by the ICE BofA US Broad Market Index) by a staggering 309bps. Investors seeking income that is shielded from rate volatility have significantly benefited from the asset class since the start of the Federal Reserve's tightening cycle over the last two years.

Capital markets remain wide open for most issuers today, with over \$26 billion in bonds and \$72 billion in loans priced during the month. Excluding refinancings and repricings, net issuance was approximately \$7 billion for bonds and \$10 billion for loans. Borrowers continue to address near-term maturities, taking advantage of the decline in spreads since October. Commensurate with accommodative capital markets, defaults remain contained. Through April, the par-weighted default rate for bonds and loans, excluding distressed exchanges, was 1.55% and 1.32%, respectively. This represents a drop from the prior month as the rolling forward of the default rate window helped remove some of 2023's largest defaulters from the calculation. The amount of loans trading at "distressed" levels (priced below \$80) remains low at approximately 5.6% of the loan universe at month-end.

Leveraged loan yields remain elevated, more than 200bps above their 20-year average and providing the potential for high-single-digit returns. In addition, with the US fiscal deficit picture worsening and inflation beginning to creep further away from the stated 2% target, market participants have shifted their views from "five to six rate cuts" to potentially "two to three cuts" to now "let's hope for no additional hikes," possibly leaving base rates structurally higher. Year to date, leveraged loans have proven to be a valuable diversifier to portfolios given the combination of short duration and high coupons. We remain focused on the fundamentals of our portfolio companies, remaining cautious and emphasizing the importance of business quality and credit selection in today's macro environment.

Portfolio Details

	ARTUX	APDUX
Net Asset Value (NAV)	\$9.65	\$9.65
Inception	1 Dec 2021	1 Dec 2021
30-Day SEC Yield (%)*	7.87/8.45	8.21/8.56
Expense Ratios (% Gross/Net)		
Annual Report 30 Sep 2023 ^{1,2,3}	2.74/1.20	1.57/1.10
Prospectus 30 Sep 2023 ^{2,3}	2.76/1.22	1.59/1.12

*Unsubsidized/subsidized. ¹Excludes Acquired Fund Fees and Expenses as described in the prospectus. ²Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2025. ³See prospectus for further details.

Portfolio Statistics

Number of Holdings	92
Number of Issuers	71

Source: Artisan Partners.

Top 10 Holdings (% of total portfolio)

Delta Topco Inc	10.1
Nexus Buyer LLC	4.8
Edelman Financial Engines Center LLC	3.3
Ultimate Software Group Inc	3.0
TKC Holdings Inc	3.0
Applied Systems Inc	2.3
Fogo De Chao Inc	2.1
Surgery Center Holdings Inc	2.0
BroadStreet Partners Inc	2.0
Acrisure LLC	2.0
TOTAL	34.6%

Source: Artisan Partners/Bloomberg. For the purpose of determining the portfolio's holdings, securities of the same issuer are aggregated to determine the weight in the portfolio.

Investment Results (%)

As of 30 April 2024	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTUX	0.49	0.49	2.64	11.49	—	—	—	5.54
Advisor Class: APDUX	0.49	0.49	2.68	11.61	—	—	—	5.65
Credit Suisse Leveraged Loan Index	0.68	0.68	3.22	12.10	—	—	—	6.41
As of 31 March 2024								
Investor Class: ARTUX	0.72	2.15	2.15	12.34	—	—	—	5.52
Advisor Class: APDUX	0.73	2.18	2.18	12.46	—	—	—	5.63
Credit Suisse Leveraged Loan Index	0.83	2.52	2.52	12.40	—	—	—	6.33

Source: Artisan Partners/Credit Suisse. Returns for periods less than one year are not annualized.

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. The performance information shown does not reflect the deduction of a 2% redemption fee on shares held by an investor for 90 days or less and, if reflected, the fee would reduce the performance quoted.

Ratings Distribution (%)

BBB	1.0
BB	9.6
B	77.0
CCC	10.6
D	0.8
Unrated	1.0
TOTAL	100.0%

Source: Artisan Partners.

Sector Diversification (% of portfolio securities)

Automotive	0.0
Banking	0.0
Basic Industry	0.6
Capital Goods	4.7
Consumer Goods	5.1
Energy	0.0
Financial Services	10.3
Health Care	5.2
Insurance	18.9
Leisure	5.6
Media	3.8
Real Estate	0.5
Retail	7.6
Services	10.7
Technology & Electronics	23.6
Telecommunications	3.3
Transportation	0.0
Utility	0.0
Other	0.0
TOTAL	100.0%

Source: Artisan Partners/ICE BofA. Cash and cash equivalents represented 3.7% of the total portfolio. Sector categorizations for portfolio securities are based on ICE BofA classifications and are subject to reclassification at the investment team's discretion.

Region/Country Allocation (% of portfolio securities)

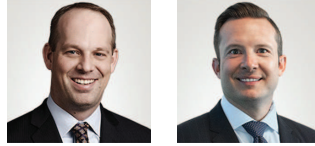
REGION	
AMERICAS	97.1
United States	95.8
Canada	1.3
EUROPE	2.9
TOTAL	100.0%

Source: Artisan Partners. Breakdown based on issuer country of domicile, excluding cash.

Portfolio Construction

A high-conviction portfolio comprised primarily of floating rate debt instruments that are attractively valued. At least 80% will be invested in floating rate leveraged loans, which could include, among other types of loans, senior secured loans, unsecured loans, second lien loans, bridge loans and junior loans. The portfolio has a bias toward US issuers but has the ability to invest globally. It also has flexibility to invest across the quality spectrum, in various industries and issuance sizes.

Team Leadership (Pictured left to right)



Portfolio Managers	Years of Investment Experience
Bryan C. Krug, CFA (Lead)	23
Seth B. Yeager, CFA	20

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. Fixed income securities carry interest rate risk and credit risk for both the issuer and counterparty and investors may lose principal value. In general, when interest rates rise, fixed income values fall. High income securities (junk bonds) are speculative, experience greater price volatility and have a higher degree of credit and liquidity risk than bonds with a higher credit rating. The portfolio typically invests a significant portion of its assets in lower-rated high income securities (e.g., CCC). Loans carry risks including insolvency of the borrower, lending bank or other intermediary. Loans may be secured, unsecured, or not fully collateralized, trade infrequently, experience delayed settlement, and be subject to resale restrictions. Private placement and restricted securities may not be easily sold due to resale restrictions and are more difficult to value. Use of derivatives may create investment leverage and increase the likelihood of volatility and risk of loss in excess of the amount invested. 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.

Credit Suisse (CS) Leveraged Loan Index is an unmanaged market value-weighted index designed to mirror the investable universe of the US dollar-denominated leveraged loan market. New issues are added to the index on their effective date if they qualify according to the following criteria: loan facilities must be rated "BB" or lower; only fully funded term loan facilities are included; and issuers must be domiciled in developed countries. ICE BofA US Broad Market Index tracks the performance of US dollar-denominated investment grade debt publicly issued in the US domestic market, including US Treasury, quasi-government, corporate, securitized and collateralized securities. With the exception of local currency sovereign debt, qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). ICE BofA US High Yield Index measures the performance of below investment grade US dollar-denominated corporate bonds publicly issued in the US market. 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. 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.

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30-Day SEC Yield is based on a formula specified by the SEC that calculates a fund's hypothetical annualized income, as a percentage of its assets. The unsubsidized yield excludes the effect of fee waivers. This hypothetical yield will differ from the fund's actual experience and as a result, income distributions from the fund may be higher or lower. **Credit Quality** ratings are from S&P and/or Moody's. Ratings typically range from AAA (highest) to D (lowest) and are subject to change. The ratings apply to underlying holdings of the portfolio and not the portfolio itself. If securities are rated by both agencies, the higher rating was used. Securities not rated by S&P or Moody's are categorized as Unrated/Not Rated. **Par-weighted Default Rate** represents the total dollar volume of defaulted securities compared to the total face amount of securities outstanding that could have defaulted. **Yield to three-year takeout** refers to the income received on an investment up to the point at which the loan is refinanced or otherwise paid off.

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