

September 2020

Brought to you by Copia: Artisan Partners



## Artisan Global Discovery Strategy reaches 3-year anniversary



Portfolio Managers L-R: James Hamel, Craigh Cepukenas, Matthew Kamm, Jason White (Lead)

The Artisan Global Discovery Fund is an Australian domiciled unit trust distributed by Copia that invests exclusively in the Artisan Global Discovery UCITS Fund (Fund). The Fund implements the global small and mid-cap Artisan Global Discovery Strategy (Strategy). Structured to capitalize on the Artisan Partners Growth Team’s 20-plus years’ experience of growth investing, the Artisan Global Discovery Strategy celebrates its three-year anniversary. The Strategy’s highly flexible portfolio of companies represents some of the team’s best ideas across the global economy and is a natural extension of the team’s long-held belief that mid-cap companies represent an investing sweet spot.

### Outperformance in up and down markets driven by stock selection

The Growth team’s bottom-up oriented investment process has been a key ingredient in the Strategy’s outperformance.

### A process that dates back to 1997

The strategy employs the same philosophy and process the team has used to guide its investment decision making since the Artisan U.S. Mid-Cap Growth Strategy’s inception in 1997. The team fundamentally believes stocks follow profits and identifying high-quality franchises on the cusp of a compelling profit cycle, based on catalysts the team can understand, selling at a discount to the team’s estimate of private market value is a highly effective way to compound assets over the long term.

### Investment results

| At 30 September 2020                             | 1 mth | 3 mths | 6 mths | 1 yr | 2 yrs | 3 yrs | YTD  | Incep. |
|--|-------|--------|--------|------|-------|-------|------|--------|
| Artisan Global Discovery Fund                    | 2.5   | 6.9    | 23.0   | 24.5 | 19.1  | 22.3  | 17.9 | 22.7   |
| MSCI All Country World SMID cap net index in AUD | 1.1   | 3.5    | 13.8   | -2.0 | 1.0   | 6.2   | -6.3 | 7.3    |
| Outperformance                                   | 1.4   | 3.4    | 9.2    | 26.5 | 18.1  | 16.1  | 24.3 | 15.4   |

\*(%, returns greater than one year are per annum). The performance has been calculated from the inception of the Artisan Global Discovery Strategy on September 1, 2017 and adjusted for the fee structure of the Artisan Global Discovery Fund.

The Artisan Global Discovery Fund invests exclusively in the Artisan Global Discovery UCITS Fund (Fund) which is a sub-fund of Artisan Partners Global Funds plc. The investment manager of the Fund is Artisan Partners Limited Partnership.

## Picking stocks on the premise of profit growth has historically been an effective strategy

Data indicates profit growth has been the predominant reason for value, or cyclical, stocks' outperformance in the 2000s and the rotation into growth stocks in the post-global financial crisis decade. This analysis was featured in a recent article by the Artisan Partners Growth Team titled "[The Importance of Profit Growth in Equity Returns](#)".

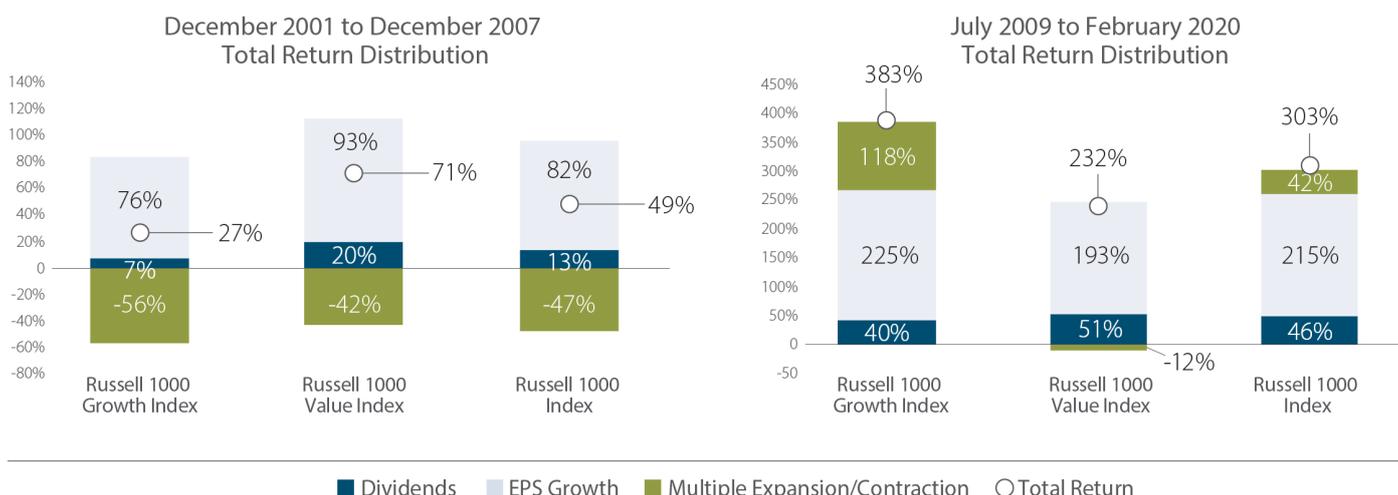
## Opportunistically targeting investments in global mid-cap franchises

The Strategy tends to be more focused on mid-cap franchises at the time of its initial investments. The team has found mid-cap stocks represent a compelling intersection of quality and growth—mature enough to be high-quality franchises with solid competitive advantages, financially sound with the capacity to generate cash flow to fund future growth, a tendency to be a purer profit cycle play given a tighter business focus and in possession of experienced, savvy management teams.

## Unconstrained market cap and geographic mandates

While mid-cap stocks tend to possess the characteristics the team seeks, these features can be found up and down the market-cap spectrum. Absent an upper limit on the Strategy's market-cap mandate, the team can stick with its global investment campaigns through their profit cycles.

## Dividend, EPS growth and multiple expansion/contraction contribution to total return



**The Strategy's highly flexible portfolio of companies represents some of the team's best ideas across the global economy and is a natural extension of the team's long-held belief that mid-cap companies represent an investing sweet spot.**

1800 442 129  
 clientservices@copiapartners.com.au  
 www.copiapartners.com.au

**COPIA**  
 INVESTMENT  
 PARTNERS

**DISCLAIMER** This information has been prepared by Copia Investment Partners Limited (AFSL 229316, ABN 22 092 872 056) the issuer, distributor and responsible entity of the Artisan Global Discovery Fund. This document provides information to help investors and their advisers assess the merits of investing in financial products. We strongly advise investors and their advisers to read information memoranda and product disclosure statements carefully and seek advice from qualified professionals where necessary. The information on this document does not constitute personal advice and does not take into account your personal objectives, financial situation or needs. It is therefore important that if you are considering investing in any financial products and services referred to on this document, you determine whether the relevant investment is suitable for your objectives, financial situation or needs. You should also consider seeking independent advice, particularly on taxation, retirement planning and investment risk tolerance from a suitably qualified professional before making an investment decision. Neither Copia Investment Partners Limited, nor any of our associates, guarantee or underwrite the success of any investments, the achievement of investment objectives, the payment of particular rates of return on investments or the repayment of capital. Copia Investment Partners Limited publishes information on the document that is, to the best of its knowledge, current at the time and Copia is not liable for any direct or indirect losses attributable to omissions from the document, information being out of date, inaccurate, incomplete or deficient in any other way. Investors and their advisers should make their own enquiries before making investment decisions. © 2020 Copia Investment Partners Ltd.

The Artisan Global Discovery Fund invests all or substantially all of its assets in Artisan Global Discovery Fund (Fund), a sub-fund of Artisan Partners Global Funds plc. Artisan Partners Limited Partnership serves as investment manager to the Fund. Artisan Partnership Limited Partnership, its affiliates and Artisan Partners Global Funds plc (together, Artisan Partners) are not affiliated with Copia Investment Partners. Artisan Partners does not take any responsibility for the accuracy or completeness of the contents of these materials, any representations made herein, or the performance of the Artisan Global Discovery Fund offered by Copia Investment Partners. Artisan Partners disclaims any liability for any direct, indirect, consequential or other losses or damages, including loss of profits, incurred by you or by any third party that may arise from any reliance on these materials. Artisan Partners is not responsible for, nor involved in, the marketing, distribution or sales of shares or interests in the Artisan Global Discovery Fund and is not responsible for compliance with any marketing or promotion laws, rules or regulations; and no third party, other than Copia Investment Partners, is authorised to make any statement about any of Artisan Partners' products or services in connection with any such marketing, distribution or sales. Past performance by any other funds or accounts advised by Artisan Partners, including the Fund into which the Artisan Global Discovery Fund invests, is not indicative of any future performance by the Artisan Global Discovery Fund. © 2020 Artisan Partners. All rights reserved.