AVE MARIA BOND FUND

Q3 2018 COMMENTARY

For the three months ended September 30, 2018, the total return on the Ave Maria Bond Fund (AVEFX) was 1.50%, compared to the Bloomberg Barclays Intermediate U.S. Government/Credit Index at 0.21%. The returns for the Fund compared to its benchmark as of September 30, 2018 were:

	Year to Date	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Bond Fund	1.37%	2.44%	3.66%	3.04%	4.20%	4.11%	0.50%
Bloomberg Barclays Intermediate U.S. Govt./Credit Index	-0.76%	-0.96%	0.91%	1.52%	3.22%	3.26%	

^ Annualized * Since Inception date is 5-1-2003

Performance data quoted represents past performance, which is no guarantee of future results. Investment return and principal value are historical and may fluctuate so that redemption value may be worth more or less than the original cost. Current performance may be lower or higher than what is quoted. *Performance data reflects certain fee waivers and reimbursements. Without such waivers, performance would have been lower. Call 1-866-AVE-MARIA or visit www.avemariafunds.com for the most current month-end performance.*

The economy is hitting full stride in 2018. All-time highs in leading economic indicators are being reflected in gross domestic product and employment. The strength of the economy can be attributed to several years of artificially low interest rates, deregulation, tax-cuts and record levels of consumer and business confidence. This strength has enabled the Federal Reserve (the Fed) to shift its focus from stimulating the economy to preventing it from overheating.

The Fed has raised the Fed Funds rate three times this year with a fourth increase expected in December. The December hike would put the Fed Funds rate in the range of 2.25%-2.50% by year-end. Currently, two increases are expected in 2019, along with continued progress on its balance sheet reduction plan. Should the economy and or inflation accelerate further, the Fed could add additional rate hikes in an effort to keep the economy from overheating.

Corporate credit spreads tightened during the quarter due to the strength of the overall economy. Additionally, companies have been recording robust earnings growth and using repatriated profits for dividends, share repurchases, capital spending and debt reduction. Dividends and share repurchases often have an immediate positive effect on the stock price, while capital investment and debt reduction generally have longer-term positive implications for the subject companies. Low credit spreads between corporates and U.S. Treasuries currently make corporates relatively unattractive.

In reviewing the performance of the Fund for the third quarter of 2018, the three top-performing assets were the common stocks of Fastenal Company (industrial supplier), Medtronic PLC (medical devices), and VF Corporation (apparel). The Fund's weakest-performing assets were the common stocks of The Western Union Company (consumer finance), Texas Instruments, Inc. (semiconductor devices) and Fifth Third Bancorp (banking).

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The Fund continues to be managed in a conservative manner. Interest-rate and credit risk have been, and continue to be, watched closely. Dividend-paying common stocks continue to play a minor but important, role in the Fund, offering a combination of income and potential capital appreciation.

We appreciate your investment in the Ave Maria Bond Fund.

IMPORTANT INFORMATION FOR INVESTORS

As of 9-30-18, the holding percentages of the stocks mentioned in this commentary are as follows; Fastenal Company (1.3%), Medtronic, PLC (1.2%), VF Corporation (1.0%), The Western Union Company (0.5%), Texas Instruments, Inc. (1.5%) and Fifth Third Bancorp (0.8%). Fund holdings are subject to change and should not be considered purchase recommendations. There is no assurance that the securities mentioned remain in the Fund's portfolio or that securities sold have not been repurchased. The Fund's top ten holdings as of 9-30-18: U.S. Treasury Note 1.50% due 10/31/19 (3.1%), U.S. Treasury Note 1.375% due 12/31/18 (1.6%), U.S. Treasury Note 2.00% due 07/31/20 (1.6%), U.S. Treasury Note 1.875% due 02/28/22 (1.5%), U.S. Treasury Note 1.75% due 04/30/22 (1.5%), Texas Instruments, Inc. (1.5%), U.S. Treasury Note 1.75% due 05/31/22 (1.5%), Genuine Parts Company (1.4%), Royal Dutch Shell Sponsored ADR-B (1.3%) and Exxon Mobil Corporation (1.3%). The most current available data regarding portfolio holdings can be found on our website, www.avemariafunds.com.

The Adviser invests only in securities that meet the Fund's investment and religious requirements. The returns may be lower or higher than if decisions were based solely on investment considerations. The method of security selection may or may not be successful and the Fund may underperform or outperform the stock market as a whole. All mutual funds are subject to market risk, including possible loss of principal. The Fund's investments in small- and mid-capitalization companies could experience greater volatility than investments in large-capitalization companies. The Fund invests primarily in fixed income securities and as a result the Fund is also subject to the following risks: interest rate risk, credit risk, credit rating risk and liquidity risk. The investment performance assumes reinvestment of dividends and capital gains distributions. Performance data reflects certain fee waivers and reimbursements. Without such waivers, performance would have been lower. The Bloomberg Barclays Intermediate U.S. Govt./Credit Index is the benchmark index used for comparative purposes for this fund. The S&P 500® Index is a capitalization weighted unmanaged index of 500 widely traded stocks, created by Standard & Poor's. The index is considered to represent the performance of the stock market in general. Indexes do not incur fees and it is not possible to invest directly in an index. The 10-Year U.S. Treasury note is a debt obligation issued by the United States government that matures in 10 years. A 10-year Treasury note pays interest at a fixed rate once every six months and pays the face value to the holder at maturity.

Request a prospectus, which includes investment objectives, risks, fees, expenses and other information that you should read and consider carefully before investing. The prospectus can be obtained by calling 1-866-283-6274 or online at www.avemariafunds.com. *Distributed by Ultimus Fund Distributors, LLC.*