



# AVE MARIA GROWTH FUND

## Q3 2020 COMMENTARY

For the three months ended September 30, 2020, the total return on the Ave Maria Growth Fund (AVEGX) was 8.41%, compared to the S&P 500® Index which returned 8.93%. The returns for the Ave Maria Growth Fund compared to its benchmark as of September 30, 2020 were:

|                       | Year to Date | 1 Yr.  | 3 Yrs.^ | 5 Yrs.^ | 10 Yrs.^ | Since Inception^* | Prospectus Expense Ratio |
|-----------------------|--------------|--------|---------|---------|----------|-------------------|--------------------------|
| Ave Maria Growth Fund | 7.24%        | 14.45% | 15.73%  | 16.01%  | 14.11%   | 11.72%            | 0.94%                    |
| S&P 500® Index        | 5.57%        | 15.15% | 12.28%  | 14.15%  | 13.74%   | 9.97%             |                          |

^ 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](http://www.avemariafunds.com) for the most current month-end performance.

In the third quarter, top contributors to return included Copart, Inc., Change Healthcare, Inc., Lowe's Companies, Inc., Mastercard Incorporated and ANSYS, Inc. Top detractors from return included Frontdoor, Inc., Ollie's Bargain Outlet Holdings, Inc., Hexcel Corporation, Texas Pacific Land Trust and Madison Square Garden Entertainment Corporation.

During the quarter we reduced positions in ANSYS, Ollie's Bargain Outlet Holdings, and exited ANGI Homeservices, Inc. due to their heightened valuations. We also exited Hexcel Corporation as the value of the business was impaired by the impact of COVID-19. Rosetta Stone received a buyout offer and we used the opportunity to exit those shares with a gain of over 60%.

Proceeds from these transactions were used to add to existing positions in Texas Instruments, Inc., Change Healthcare, Inc., and Frontdoor, Inc., as well as to initiate new positions in TALEND SA and Autodesk, Inc. TALEND SA sells a suite of software to help businesses connect and manage their data ecosystems. The explosive growth of data and the trend towards storing data in the cloud both contribute to TALEND's long-term growth potential. TALEND's status as one of the two remaining independent, enterprise-grade data integration companies also makes it a strategic asset in a consolidating industry.

Autodesk, Inc. provides computer aided design (CAD) software to the architecture, engineering, construction, manufacturing, and media industries. The company has multiple ways to grow, including gaining market share in the manufacturing end market, capitalizing on the increased digitization of construction, increasing direct sales, and converting pirated users into paid users. With 96% recurring revenue and a rock-solid balance sheet, the company is well positioned to withstand a volatile economic environment.

Our goal remains to purchase shares of exceptional companies at attractive prices with the expectation of earning favorable returns over the long run.

We appreciate your investment in the Ave Maria Growth Fund.



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## IMPORTANT INFORMATION FOR INVESTORS

As of 9-30-20, the holding percentages of the stocks mentioned in this commentary are as follows: Copart, Inc. (5.8%), Change Healthcare, Inc. (4.5%), Lowe's Companies, Inc. (4.0%), Mastercard Incorporated (5.4%), ANSYS, Inc. (5.3%), Frontdoor, Inc. (4.2%), Ollie's Bargain Outlet Holdings, Inc. (3.1%), Texas Pacific Land Trust (0.3%), Madison Square Garden Entertainment Corporation (0.3%), Texas Instruments, Inc. (4.8%), TALEND SA (0.4%) and Autodesk, Inc. (0.5%). 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 9-30-20: Copart, Inc. (5.8%), Mastercard Incorporated (5.4%), ANSYS, Inc. (5.3%), Texas Instruments, Inc. (4.8%), Visa, Inc. Class A (4.7%), S&P Global, Inc. (4.7%), Change Healthcare, Inc. (4.5%), SBA Communications Corp. (4.2%), Frontdoor, Inc. (4.2%) and Roper Technologies, Inc. (4.0%). The most current available data regarding portfolio holdings can be found on our website, [www.avemariafunds.com](http://www.avemariafunds.com). Current and future portfolio holdings are subject to risk.

**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 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 S&P 500<sup>®</sup> 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.

***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](http://www.avemariafunds.com). Distributed by Ultimus Fund Distributors, LLC.***



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MUTUAL FUNDS**

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