



AVE MARIA RISING DIVIDEND FUND

Q2 2020 COMMENTARY

For the three months ended June 30, 2020, the total return on the Ave Maria Rising Dividend Fund (AVEDX) was 21.75%, compared to 13.15% for the S&P 500[®] Value Index and 20.54% for the S&P 500[®] Index. The returns for the Ave Maria Rising Dividend Fund compared to its benchmarks as of June 30, 2020 were:

	Year to Date	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Rising Dividend Fund	-10.97%	-3.35%	6.22%	6.72%	11.14%	8.42%	0.93%
S&P 500 [®] Value Index	-15.52%	-4.50%	3.74%	5.98%	10.88%	6.70%	
S&P 500 [®] Index	-3.08%	7.51%	10.73%	10.73%	13.99%	8.93%	

^ Annualized * Since Inception date is 5-2-2005

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.

In 2020, the Fund was down sharply in the first quarter on the initial reaction to the coronavirus, and then posted a strong second quarter recovery after the significant government fiscal and monetary policy responses and subsequent signs of an economic recovery. Another ongoing trend during the first half was the substantial outperformance of growth stocks vs. value stocks, with the S&P 500[®] Growth Index at nearly +8% vs the S&P 500[®] Value Index at -15.5%. The Growth Index return was dominated by several mega-cap technology & internet stocks, including, Alphabet, Amazon, Apple, Facebook, Microsoft and Netflix. This handful of stocks comprises more than 20% of the S&P 500[®] Index but are not included in the S&P 500[®] Value Index.

We changed the Fund's primary benchmark from the S&P 500[®] Index to the S&P 500[®] Value Index because we believe it is more representative of the Fund's portfolio composition. Importantly, the Fund's investment objectives of providing increasing dividend income over time, a reasonable level of current income and long-term capital appreciation have not changed. Likewise, the Fund's investment strategy is unchanged, as we look to own companies with sound balance sheets, strong cash flow, successful long-term track records, and those that operate with sustainable competitive advantages leading to continued strong results and rising dividends. As always, we own shares of companies that we believe have attractive valuations. As the year began, the Fund's focus on valuation led us to overweight stocks of more cyclical and economically sensitive companies, as these companies were attractively priced compared to growth-oriented issues. We used the Q1 market sell-off as an opportunity to purchase shares of several attractively priced, high-quality companies. A sharp rebound in Q2 in many of these stocks helped absolute and relative performance in Q2.

Relative to the S&P 500[®] Value Index, positive contributors to performance during the first half came from the Fund's consumer discretionary, industrials, technology and financials. In consumer discretionary, Lowe's Companies, Inc. and Tractor Supply Company were both up solidly as they delivered better than expected results. In the industrials sector, Fastenal Company and Roper Technologies, Inc. were positive contributors. Within financials, Moody's Corporation and BlackRock, Inc. both held up well during the period.



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The primary detractor to performance during the first half was the health care sector. Within health care, two holdings in the medical device segment, Zimmer Biomet Holdings, Inc. and Medtronic PLC, were both laggards as elective medical procedures were being deferred due to the virus. We remain confident that these market share leaders will continue to grow in the future and largely recover lost revenue from procedures that were deferred. In the consumer discretionary sector, TJX Companies, Inc., was down during the period as revenue was cut significantly after management temporarily closed retail stores due to the virus. The company also suspended its dividend. We continue to believe the company remains well-positioned as a long-term capital appreciation vehicle.

First half purchases included Accenture PLC (consulting), ANSYS, Inc. (simulation software), Chevron Corporation (integrated oil and gas), HEICO Corporation (aerospace and defense), Microsoft Corporation (systems software), SAP SE (application software), SS&C Technologies Holdings, Inc. (application software), Pioneer Natural Resources Company (oil and gas exploration and production) and Quest Diagnostics, Inc. (health care services). Companies eliminated since year-end, either due to fundamental or valuation reasons included: AO Smith, Delta Air Lines, Inc., Discover Financial Services, Graco Inc., Illinois Tool Works Inc., PNC Financial Services, Royal Dutch Shell PLC, and RPM International.

Thank you for your investment in the Ave Maria Rising Dividend Fund.



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IMPORTANT INFORMATION FOR INVESTORS

As of 6-30-20, the holding percentages of the stocks mentioned in this commentary are as follows; Lowe's Companies, Inc. (4.4%), Tractor Supply Company (3.6%), Fastenal Company (1.3%), Roper Technologies, Inc. (1.3%), Moody's Corporation (2.3%), BlackRock, Inc. (1.4%), Zimmer Biomet Holdings, Inc. (4.3%), Medtronic PLC (4.4%), TJX Companies, Inc. (2.0%), Accenture PLC (3.2%), ANSYS, Inc. (1.1%), Chevron Corporation (2.7%), HEICO Corporation - Class A (1.2%), Microsoft Corporation (2.2%), SAP SE (3.2%), SS&C Technologies Holdings, Inc. (2.6%), Pioneer Natural Resources Company (1.1%) and Quest Diagnostics, Inc. (3.2%). 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 6-30-20: Visa, Inc. Class A (4.7%), Lowe's Companies, Inc. (4.4%), Medtronic PLC (4.4%), Kellogg Company (4.3%), Zimmer Biomet Holdings, Inc. (4.3%), Mondelez International, Inc. (4.3%), Texas Instruments, Inc. (4.0%), Tractor Supply Company (3.6%), Truist Financial Corporation (3.4%) and Broadridge Fin. Solutions, Inc. (3.4%). 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. AVEDX invests primarily in dividend paying companies and it is possible these companies may eliminate or reduce their dividend payments.

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[®] Value Index is a market-capitalization-weighted index developed by Standard & Poor's consisting of those stocks within the S&P 500[®] Index that exhibit strong value characteristics. 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.

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.



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1-866-AVE-MARIA (1-866-283-6274)

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