



AVE MARIA RISING DIVIDEND FUND

Q3 2020 COMMENTARY

For the three months ended September 30, 2020, the total return on the Ave Maria Rising Dividend Fund (AVEDX) was 6.90%, compared to 4.79% for the S&P 500® Value Index and 8.93% for the S&P 500® Index. The returns for the Ave Maria Rising Dividend Fund compared to its benchmarks as of September 30, 2020 were:

	Year to Date	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Rising Dividend Fund	-4.82%	0.27%	7.24%	10.20%	10.80%	8.75%	0.93%
S&P 500® Value Index	-11.47%	-2.68%	4.18%	8.84%	10.35%	6.88%	
S&P 500® Index	5.57%	15.15%	12.28%	14.15%	13.74%	9.39%	

^ 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.

During the quarter, the U.S. economy continued to gradually recover from the Covid-19 pandemic, helped by the substantial fiscal and monetary policy response from the Federal government. Entering the fourth quarter, all eyes are closely watching the negotiations for additional Covid-19 related fiscal stimulus, vaccine trials and the prospects for the November elections.

The Fund experienced positive performance from its industrial, technology, and health-care holdings during the quarter. United Parcel Service, Inc. (UPS), led the solid overall performance for the Fund, as it was up over 50% for the period. UPS has experienced unprecedented demand and record-high volume levels, due to the proliferation of e-commerce during Covid-19 lockdowns. Additionally, the new CEO and CFO have implemented a platform of “better, not bigger” focus, which is improving network efficiency. Other industrials, Eaton Corporation and Watsco, Inc., were also up nicely during the third quarter. Within the technology sector, long-time fund holding TE Connectivity Limited was up over 20% as it appeared that its financial results had bottomed during the quarter. We continue to like the significant leverage to electric vehicle penetration that this world leader in connectivity and sensor solutions possesses. Additional technology holdings that were up double-digits during the period were Texas Instruments, Inc., SAP SE and ANSYS, Inc. Within healthcare, medical device makers Medtronic PLC and Zimmer Biomet Holdings, Inc. were also up double-digits as the companies continued to report improving financial results after being significantly impacted by Covid-19 related shutdowns earlier in the year.

The Fund’s financials and consumer discretionary stocks lagged during the quarter. In the consumer discretionary sector, the Fund’s holdings were up modestly. Within financials, Chubb Corporation was down high single digits. As the world’s largest P&C insurer, Chubb has a global and well-diversified product mix and a history of strong underwriting. The company has been hit hard by Covid-19 and other natural catastrophe-related losses. However, we are optimistic about the impact from the current positive pricing environment on future margins.



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Three positions were eliminated from the Fund during the quarter, Hexcel Corporation, Pioneer Natural Resources Company and Watsco, Inc., in favor of stocks with perceived better risk-adjusted upside. One new position was established, Texas Pacific Land Trust (energy & real estate).

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

IMPORTANT INFORMATION FOR INVESTORS

As of 9-30-20, the holding percentages of the stocks mentioned in this commentary are as follows; United Parcel Service, Inc. (2.9%), Eaton Corporation (2.0%), Watsco, Inc. (no longer held), TE Connectivity Limited (1.5%), Texas Instruments, Inc. (4.4%), SAP SE (3.4%), ANSYS, Inc. (1.1%), Medtronic PLC (4.8%), Zimmer Biomet Holdings, Inc. (4.7%), Chubb Corporation (3.2%) and Texas Pacific Land Trust (1.0%). 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: Lowe's Companies, Inc. (5.2%), Medtronic PLC (4.8%), Visa, Inc. Class A (4.8%), Zimmer Biomet Holdings, Inc. (4.7%), Mondelez International, Inc. (4.6%), Texas Instruments, Inc. (4.4%), Kellogg Company (4.1%), SAP SE (3.4%), Broadridge Fin. Solutions, Inc. (3.4%) and Truist Financial Corporation (3.3%). The most current available data regarding portfolio holdings can be found on our website, 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. 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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