



Ave Maria World Equity Fund

Q1 2018
Investment
Commentary

For the three months ended March 31, 2018, the total return on the Ave Maria World Equity Fund (AVEWX) was -2.06%, compared to the S&P Global 1200® index at -0.92%. The returns for the Ave Maria World Equity Fund compared to its benchmark as of March 31, 2018 were:

	Year to Date	1 Yr.	3 Yrs.^	5 Yrs.^	Since Inception^*	Gross/Net Prospectus Expense Ratio
Ave Maria World Equity Fund	-2.06%	9.01%	5.41%	6.65%	7.05%	1.46%/1.26%
S&P Global 1200® Index	-0.92%	14.89%	9.04%	10.39%	9.92%	

^ Annualized * Since Inception date is 4-30-2010

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 adviser has contractually agreed to limit the Fund's ordinary operating expenses to an amount not exceeding 1.25% of the Fund's average daily net assets until at least May 1, 2018.

After the global equity market delivered strong returns in 2017, the first quarter of 2018 saw a pause in the bull market. The impact of U.S. tax reform, higher interest rates in the U.S., the impact of less global central bank easing (more volatility!) and the potential for a global trade war all weighed on the market. The larger components of the S&P Global 1200 index varied, with the S&P 350 (Europe) being down just over 2% for the period, while the S&P 500 (U.S.) was down 0.76% and the S&P TOPIX 150 (Japan) was up slightly (+1.03%).

The Fund experienced relative strength in its technology, consumer staples and energy holdings during the quarter. In technology, seven of the Fund's holdings were up, with three up double-digits. Mastercard Incorporated was up in the mid-teens, as the company positively surprised the market with accelerating revenue and earnings growth. Other strong technology holdings included Cisco Systems, Inc. and Taiwan Semiconductor Manufacturing. Consumer staples holdings also held up well, with solid performance from Coca-Cola European Partners and Heineken NV. Finally, while energy holdings were in negative territory overall during the quarter, they outperformed the energy stocks in the S&P Global 1200 due primarily to strong showings from Pioneer Natural Resources Company and Schlumberger Limited.

Financials and consumer discretionary holdings were the Fund's biggest detractors to performance during the quarter. Shares in AXA SA, a leading global multi-line insurer headquartered in France, were pressured due to its announced acquisition of Bermuda-based XL Group Ltd. This acquisition accelerated the firm's change in business mix away from financial markets risk (life insurance) to more underwriting risk (P&C insurance). We are generally in favor of this change as well. The market was initially more concerned about the large size of the transaction and need to successfully complete the IPO of its U.S. life insurance operation to help fund it. Citigroup, Inc. and Brookfield Asset Management, Inc. were two other financial holdings under pressure during the quarter. Within consumer discretionary, Lowe's Companies, Inc. and Bridgestone Corp.



were also down during the quarter. Both companies delivered fourth quarter results and 2018 guidance that were below expectations. We continue to like the long-term prospects and valuations of both companies.

The position in WPP PLC (advertising) was eliminated during the quarter, while positions in Delta Air Lines, Inc. (airlines), DowDupont, Inc. (materials), GDS Holdings Limited (data centers), Iqvia Holdings, Inc. (healthcare services), and Liberty Media Corporation (Formula One Group) (entertainment) were initiated.

Thank you for your interest in the Ave Maria World Equity Fund.

IMPORTANT INFORMATION FOR INVESTORS

As of 3-31-18, the holding percentages of the stocks mentioned in this commentary are as follows; Mastercard Incorporated (2.8%), Cisco Systems, Inc (2.4%), Taiwan Semiconductor Manufacturing Co. (2.7%), Coca-Cola European Partners (3.6%), Heineken NV (1.5%), Pioneer Natural Resources Company (1.3%), Schlumberger Limited (1.4%), AXA SA (3.5%), Citigroup, Inc. (2.8%), Brookfield Asset Management, Inc. (1.9%), Lowe's Companies, Inc. (3.5%), Bridgestone Corp. (2.2%), Delta Air Lines, Inc. (1.6%), DowDupont, Inc. (2.7%), GDS Holdings Limited - ADR (1.0%), Iqvia Holdings, Inc. (0.6%) and Liberty Media Corporation - Liberty - C (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 3-31-18: Royal Dutch Shell Sponsored ADR - B (3.9%), Shire PLC ADR (3.6%), Coca-Cola European Partners (3.6%), Eaton Corporation (3.5%), Lowe's Companies, Inc. (3.5%), AXA SA (3.5%), Medtronic PLC (3.5%), Mondelez International, Inc. (3.2%), Zimmer Biomet Holdings, Inc. (3.2%) and Discover Financial Services (2.9%). 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. AVEWX invests in foreign securities and securities issued by U.S. entities with substantial foreign operations. Investments in these securities can involve additional risks relating to political, economic or regulatory conditions in foreign countries. These risks include less stringent investor protection and disclosure standards of some foreign markets, fluctuations in foreign currencies, and withholding or other taxes.

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 Global 1200® is a global index, capturing approximately 70% of the world's capital markets. It is a composite of 31 local markets from seven headline indices, many of which are accepted leaders in their regions. The S&P Europe 350 consists of 350 leading blue-chip companies drawn from 16 developed European markets. S&P/TOPIX 150 represents the large cap universe for Japan. It includes 150 highly liquid securities as leading, blue-chip companies from each of the Global Industry Classification Standard (GICS®) sectors of the Japanese market. 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.