



AVE MARIA WORLD EQUITY FUND

Q3 2020 COMMENTARY

For the three months ended September 30, 2020, the total return on the Ave Maria World Equity Fund (AVEWX) was 5.28%, compared to the S&P Global 1200[®] index at 7.61% and the MSCI World Index at 7.93%. The returns for the Ave Maria World Equity Fund compared to its benchmarks as of September 30, 2020 were:

	Year to Date	1 Yr.	3 Yrs. [^]	5 Yrs. [^]	10 Yrs. [^]	Since Inception ^{^*}	Gross/Net Prospectus Expense Ratio
Ave Maria World Equity Fund	-11.44%	-7.55%	2.62%	6.62%	5.60%	5.83%	1.30%/1.26%
S&P Global 1200 [®] Index	1.20%	10.23%	7.98%	11.15%	9.82%	9.37%	
MSCI World Index	1.70%	10.41%	7.74%	10.48%	9.37%	8.91%	

[^] 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, 2021.

Global economies continued to recover from Covid-19 related slowdowns. Equity returns in the developed markets were positive, but mixed, with the European equity market up 4.3% (S&P Europe 350), Japan up 6.2% (S&P Topix 150), while the U.S. was up 8.9% (S&P 500). Note: all returns in US dollars.

The Fund experienced positive performance from its health care, real estate, and industrial equities during the quarter. Health care holdings Iqvia Holdings, Inc., Zimmer Biomet Holdings, Inc. and Medtronic PLC were all up double digits as their businesses continued to show improvement after being negatively impacted by the Covid-19 related shutdowns earlier in the year. Within real estate, FirstService Corporation was up just over 30%. Headquartered in Toronto, FirstService is a leading provider of branded essential property services. Better than expected quarterly results were led by their Brands division, including restoration, fire protection and residential. Several of the Fund's industrial holdings were up double-digits, led by Japan based Nidec Corporation. Nidec is a top global supplier of brushless DC motors and has recently seen a sharp rise in customers for its Electronic Vehicle (EV) traction motors.

The Fund's technology and financial holdings lagged during the quarter. Within technology, Cisco Systems, Inc. was down nearly 15% owing to Covid-19 related weakness and an acceleration in the shift of businesses toward cloud-based solutions. Management announced a plan to eliminate over \$1 billion from its cost structure and accelerate its transition to software and services. Within financials, Citigroup, Inc., Chubb Corporation and AXA SA were also weak. Citigroup suffered from news reports that regulatory actions were being contemplated due to deficiencies in its risk management systems. We continue to believe the shares of Citigroup are an attractive holding on a long-term basis.



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Four positions were eliminated during the quarter, Airbus, Brookfield Asset Management, Inc., Hexcel Corporation and Pioneer Natural Resources Company, in favor of stocks with better perceived risk-adjusted upside. Three new positions were established, ITOCHU Corporation, Nidec Corporation and Visa, Inc.

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

IMPORTANT INFORMATION FOR INVESTORS

As of 9-30-20, the holding percentages of the stocks mentioned in this commentary are as follows; Iqvia Holdings, Inc. (5.1%), Zimmer Biomet Holdings, Inc. (3.8%), Medtronic PLC (4.6%), FirstService Corporation (1.5%), Nidec Corporation (1.2%), Cisco Systems, Inc. (2.1%), Citigroup, Inc. (2.0%), Chubb Corporation (3.7%), AXA SA (2.9%), ITOCHU Corporation (1.0%) and Visa, Inc. Class A (1.9%). 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: Mastercard Incorporated (5.3%), Iqvia Holdings, Inc. (5.1%), Medtronic PLC (4.6%), Mondelez International, Inc. (4.2%), Koninklijke Philips N.V. (3.8%), Zimmer Biomet Holdings, Inc. (3.8%), SAP SE (3.8%), Accenture PLC (3.7%), Chubb Corporation (3.7%) and Coca-Cola European Partners (3.6%). 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. 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 MSCI World Index is a broad global equity index that represents large and mid-cap equity performance across 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country and the MSCI World Index does not offer exposure to emerging markets. S&P 500[®] Index is a commonly recognized, market capitalization weighted index of 500 widely held equity securities, designed to measure broad U.S. equity performance. 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 of leading, blue chip companies from each of the Global Industry Classification Standard (GICS[®]) sectors of the Japanese market. 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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