



# AVE MARIA BOND FUND

## Q4 2024 COMMENTARY

For the three months ended December 31, 2024, the total return on the Ave Maria Bond Fund (AVEFX) was -1.33%, compared to the Bloomberg Intermediate U.S. Government/Credit Index at -1.60% and the Bloomberg U.S. Aggregate Bond Index at -3.06%. The returns for the Fund compared to its benchmarks as of December 31, 2024 were:

	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Bond Fund	5.71%	2.60%	3.55%	3.57%	4.07%	0.42%
Bloomberg Intermediate U.S. Govt./Credit Index	3.00%	-0.18%	0.86%	1.71%	2.90%	
Bloomberg U.S. Aggregate Bond Index	1.25%	-2.41%	-0.33%	1.35%	3.07%	

^ 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. Call 1-866-AVE-MARIA or visit [www.avemariafunds.com](http://www.avemariafunds.com) for the most current month-end performance.***

The Fund's exposure to dividend-paying common stocks and high-quality, short-duration bonds contributed to its outperformance versus the benchmark during the year. Notable performers included Texas Pacific Land Corporation, Truist Financial Corporation and Coca-Cola Europacific Partners, which increased by 115%, 24%, and 18%, respectively. Performance detractors include the common stocks of United Parcel Service, Inc. and Genuine Parts Company, which declined by -15% and -13%, respectively. The Fund's longer-duration bond holdings saw low single-digit declines as interest rates increased.

In a twist of fate, interest rates on longer-dated bonds have increased as the Federal Reserve reduced short-term rates by 1% during the latter half of the year. A stronger-than-expected economy, significant fiscal deficits by the Federal Government and lingering inflation present challenges to further lower short-term interest rates this year. Corporate bond spreads have continued to narrow near historic lows. Investors should exercise caution when adding credit exposure at this time. This is particularly important for low credit quality bonds, where investors are not being adequately compensated for the additional credit risk. The Bond Fund will continue to be managed in a conservative manner by keeping bond maturities in the short-to-intermediate range and the credit quality high. Additionally, high-quality, dividend-paying common stocks continue to offer an attractive combination of income and price appreciation potential.



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## IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-24, the holding percentages of the stocks mentioned in this commentary are as follows: Texas Pacific Land Corporation (1.0%), Truist Financial Corporation (1.4%), Coca-Cola Europacific Partners (1.7%), United Parcel Service, Inc. (no longer held) and Genuine Parts Company (1.3%). 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. Fund holdings are subject to change and should not be considered purchase recommendations. The Fund's top ten holdings as of 12-31-24: Coca-Cola Europacific Partners (1.7%), Watsco, Inc. (1.7%), Illinois Tool Works, Inc. 2.65% due 11/15/26 (1.5%), U.S. Treasury Note 4.625% due 09/30/30 (1.5%), U.S. Treasury Note 4.50% due 11/15/25 (1.5%), U.S. Treasury Note 1.375% due 01/31/25 (1.5%), U.S. Treasury Note 4.125% due 09/30/27 (1.5%), U.S. Treasury Note 4.50% due 11/15/33 (1.5%), U.S. Treasury Note 4.25% due 06/30/29 (1.5%) and U.S. Treasury Note 2.875% due 06/15/25 (1.5%). 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 Fund invests primarily in fixed income securities and as a result the Fund is also subject to the following risks: interest rate risk, credit risk, credit rating risk and liquidity risk. 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 Bloomberg Intermediate U.S. Govt./Credit Index is the benchmark index used for comparative purposes for this fund. The Bloomberg US Aggregate Bond Index is a broad-based benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, fixed-rate agency MBS, ABS and CMBS (agency and non-agency). 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, charges and 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.***



**AVE MARIA  
MUTUAL FUNDS**

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

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