



AVE MARIA BOND FUND

Q2 2025 COMMENTARY

For the three months ended June 30, 2025, the total return on the Ave Maria Bond Fund (AVEFX) was 0.70%, compared to the Bloomberg Intermediate U.S. Government/Credit Index at 1.67% and the Bloomberg U.S. Aggregate Bond Index at 1.21%. The returns for the Fund compared to its benchmarks as of the end of the quarter were:

	Year to Date	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Bond Fund	3.42%	6.67%	5.47%	4.19%	3.86%	4.14%	0.42%
Bloomberg Intermediate U.S. Govt./Credit Index	4.13%	6.74%	3.57%	0.64%	2.04%	3.02%	
Bloomberg U.S. Aggregate Bond Index	4.02%	6.08%	2.55%	-0.73%	1.76%	3.18%	

^ 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 for the most current month-end performance.

The Fund's exposure to dividend-paying common stocks contributed to its underperformance versus the benchmark during the first half of the year. Notable performers include Coca-Cola Europacific Partners PLC (non-alcoholic beverages), Fastenal Company (industrial wholesale & rental) and Texas Instruments, Inc. (semiconductor devices), which increased by 22%, 18%, and 13%, respectively. Detractors to performance included the common stocks of Western Union Company (financial transaction processor), Diamondback Energy, Inc. (exploration & production) and Watsco, Inc. (industrial wholesale & rental), which decreased by -17%, -15%, and -6%, respectively.

Interest rates on the intermediate portion of the yield curve declined during the first half of the year, while short-term and long-term rates remained relatively stable. Markets continue to grapple with the effects of persistent inflation, newly imposed tariffs, and the long-term implications of sustained deficit spending out of Washington DC. The Federal Reserve has maintained a holding pattern, adopting a wait-and-see approach as it evaluates incoming economic data before determining its next policy move.

Corporate bond spreads widened in April but ultimately ended the first half of the year close to where they began, near historically low levels. This dynamic calls for caution when considering additional credit exposure, particularly in lower quality issuers where investors are not being adequately compensated for the elevated 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 6-30-25, the holding percentages of the stocks mentioned in this commentary are as follows: Coca-Cola Europacific Partners PLC (1.9%), Fastenal Company (1.2%), Texas Instruments, Inc. (1.3%), Diamondback Energy, Inc., (0.8%) and Watsco, Inc. (1.5%). 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 6-30-25: Coca-Cola Europacific Partners (1.9%), Watsco, Inc. (1.5%), The Western Union Company (1.4%), Illinois Tool Works, Inc. 2.65% due 11/15/26 (1.4%), U.S. Treasury Note 4.625% due 09/30/30 (1.4%), U.S. Treasury Note 4.50% due 11/15/33 (1.4%), U.S. Treasury Note 4.375% due 01/31/32 (1.4%), U.S. Treasury Note 4.250% due 06/30/29 (1.4%), U.S. Treasury Note 4.125% due 07/31/28 (1.3%), U.S. Treasury Note 4.125% due 07/31/31 (1.3%). 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. 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. Distributed by Ultimus Fund Distributors, LLC.



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