



AVE MARIA BOND FUND

Q3 2021 COMMENTARY

For the three months ended September 30, 2021, the total return on the Ave Maria Bond Fund (AVEFX) was -1.12%, compared to the Bloomberg Intermediate U.S. Government/Credit Index at 0.02%. The returns for the Fund compared to its benchmark as of September 30, 2021 were:

	Year to Date	1Yr.	3Yrs.^	5Yrs.^	10Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Bond Fund	3.51%	7.03%	5.45%	4.28%	4.28%	4.32%	0.43%
Bloomberg Intermediate U.S. Govt./Credit Index	-0.87%	-0.40%	4.63%	2.60%	2.52%	3.49%	

^ 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. 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 Fund's exposure to dividend-paying common stocks was a small drag on performance during the quarter but was a larger driver of positive performance year-to-date. The conservative nature of the fixed-income holdings has helped in this rising interest rate environment and should continue to do so as inflationary pressures are looking more permanent than "transitory". The Federal Reserve may need to raise interest rates sooner than it and the bond market expected, as corporations start passing along higher import, shipping, commodity and labor costs to the consumer through higher prices.

In reviewing the third quarter performance of the Fund, the three top-performing assets were the common stocks of Truist Financial Corporation (banks), Fidelity National Financial, Inc. (mortgage finance) and one longer-dated U.S. Treasury inflation protected security. The Fund's weakest-performing assets were the common stocks of United Parcel Service, Inc. (courier services), VF Corporation (apparel) and Texas Pacific Land Corporation (royalty income - oil and gas).

Interest rates and corporate credit spreads remain low from a historical perspective. Therefore, the Fund will continue to be managed in a conservative manner, with bond maturities short and credit quality high. The dividend-paying common stocks in the Fund continue to offer an attractive combination of income and potential price appreciation.

We appreciate your investment in the Ave Maria Bond Fund.



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IMPORTANT INFORMATION FOR INVESTORS

As of 9-30-21, the holding percentages of the stocks mentioned in this commentary are as follows: Truist Financial Corporation (0.9%), Fidelity National Financial, Inc. (0.9%), United Parcel Service, Inc. (1.0%), VF Corporation (1.1%) and Texas Pacific Land Corporation (1.4%). 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 9-30-21: U.S. Treasury Inflation Protected Sec. 0.50% due 04/15/24 (2.4%), Illinois Tool Works, Inc. 2.65% due 11/15/26 (2.4%), BlackRock, Inc. 3.20% due 03/15/27 (1.7%), U.S. Treasury Inflation Protected Sec. 0.375% due 07/15/27 (1.7%), First Horizon National Corporation (1.5%), Texas Instruments, Inc. (1.5%), Hershey Company 0.90% due 06/01/25 (1.4%), Texas Pacific Land Corporation (1.4%), Visa, Inc. 2.75% due 09/15/27 (1.4%) and Watsco, Inc. (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. Indexes do not incur fees and it is not possible to invest directly in an index. The 10-Year U.S. Treasury note is a debt obligation issued by the United States government that matures in 10 years. A 10-year Treasury note pays interest at a fixed rate once every six months and pays the face value to the holder at maturity.

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.



**AVE MARIA
MUTUAL FUNDS**

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

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