



# AVE MARIA RISING DIVIDEND FUND

## Q4 2021 COMMENTARY

For the three months ended December 31, 2021, the total return on the Ave Maria Rising Dividend Fund (AVEDX) was 8.79%, compared to 8.31% for the S&P 500® Value Index. The returns for the Ave Maria Rising Dividend Fund compared to its benchmark as of December 31, 2021 were:

	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Rising Dividend Fund	25.35%	19.41%	13.62%	13.10%	10.28%	0.93%
S&P 500® Value Index	24.90%	18.65%	11.90%	13.29%	8.68%	

^ Annualized \* Since Inception date is 5-2-2005

***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.***

For the year, the Fund's strongest relative contributors were from the Information Technology, Consumer Discretionary and Energy sectors. In the Information Technology sector, Accenture PLC (consulting services and solutions) was up 61% during the year. In Consumer Discretionary, outperformance was driven primarily by three companies: Tractor Supply Company (home products retailer), Lowe's Companies, Inc. (home improvement retailer) and Genuine Parts Company (automotive parts and accessories retailer). They were up, 72%, 63% and 43% respectively. The Energy sector performance was strong across the board, as Texas Pacific Land Corporation (royalty income – oil and gas) led the way and finished the year up 73%. It was the best-performing and the largest contributor to overall performance in the portfolio.

The weakest performers included Medtronic PLC (medical devices), Kellogg Co. (packaged food) and Mondelez International Inc. (packaged food). During the quarter, Mondelez International Inc. was eliminated from the Fund in favor of Coca-Cola Europacific Partners PLC (carbonated soft drinks), which we believe provides a more favorable risk-reward ratio. Coca-Cola Europacific Partners PLC saw significant business slowdown due to the emergence of Omicron, with roughly 46% of the company's revenue derived from "away from home" (hotels, bars, restaurants, and large events and gatherings). This short-term noise drove the stock price down and gave the Fund an opportunity to buy shares of a great company at a discounted price.

Another new addition during the fourth quarter was Polaris Industries, Inc. (recreational vehicles). Polaris's share price experienced a sell-off, as supply chain issues left the company unable to fulfill demand. Long-term prospects look promising, as the company is doing more pre-selling (higher margin) and has attracted new demographics (demand) to powersports through its wide range of products.



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The Fund's investment strategy remains to identify companies with strong balance sheets, operate with competitive advantages, and consistently produce above-average cash flow and dividend growth, which facilitates a rising stream of dividends. We strive to buy these companies when they are out of favor and undervalued.

Thank you for your continued interest in the Ave Maria Rising Dividend Fund.

### IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-21, the holding percentages of the stocks mentioned in this commentary are as follows; Accenture PLC (4.5%), Tractor Supply Company (2.2%), Lowe's Companies, Inc. (3.7%), Genuine Parts Company (4.0%), Texas Pacific Land Corporation (3.9%), Medtronic PLC (3.6%), Kellogg Co. (no longer held), Coca-Cola Europacific Partners PLC (1.7%) and Polaris Industries, Inc. (1.6%). 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 12-31-21: Accenture PLC (4.5%), Visa, Inc. Class A (4.3%), Texas Instruments, Inc. (4.2%), Genuine Parts Company (4.0%), Broadridge Financial Solutions, Inc. (3.9%), Texas Pacific Land Corporation (3.9%), Microsoft Corporation (3.8%), Chubb Corporation (3.8%), Lowe's Companies, Inc. (3.7%) and Fidelity National Financial, Inc. (3.6%). 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. AVEDX invests primarily in dividend paying companies and it is possible these companies may eliminate or reduce their dividend payments.

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 500® Value Index is a market-capitalization-weighted index developed by Standard & Poor's consisting of those stocks within the S&P 500® Index that exhibit strong value characteristics. 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, 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.



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**MUTUAL FUNDS**

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