



# AVE MARIA BOND FUND

## Q4 2021 COMMENTARY

For the three months ended December 31, 2021, the total return on the Ave Maria Bond Fund (AVEFX) was 0.84%, compared to the Bloomberg Intermediate U.S. Government/Credit Index at -0.57%. The returns for the 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 Bond Fund	4.38%	6.08%	4.54%	4.08%	4.31%	0.43%
Bloomberg Intermediate U.S. Govt./Credit Index	-1.44%	3.86%	2.91%	2.38%	3.41%	

^ 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.**

For the 19th consecutive year, the Ave Maria Bond Fund ("the Fund") finished in positive territory. In fact, the Fund is one of only fifteen mutual funds out of a total of 3,428 to achieve positive performance every calendar year since the Fund's first full year in 2004. Additionally, 2021 was a banner year for the Fund, as the total return was 4.38% for the year, compared to -1.44% for the Bloomberg Intermediate U.S. Government/Credit Index. The combination of dividend-paying common stocks, U.S. TIPS, and the short-duration profile of the Fund all contributed positively to the outperformance compared to the benchmark.

The 10-year U.S. Treasury Note started the year yielding 0.9%, quickly rose to 1.7% by the end of the first quarter, and finished the year at 1.4%. With inflation running hot, the Federal Reserve (the Fed) has started scaling back their quantitative easing program implemented at the start of the pandemic. In addition, the Fed has indicated that short-term interest rates are set to increase beginning in March, so the pump looks primed for higher interest rates.

Corporate credit spreads spent most of the year hovering near all-time lows, except for November and December when rates widened marginally as financial markets reacted to the Fed's action. With low underlying interest rates and tight credit spreads, bond investors should be cautious, as small changes in either or both could cause substantial changes in bond prices.

In reviewing the performance of the Fund, the top contributors were the common stocks of Texas Pacific Land Corporation (royalty income - oil and gas), Chevron Corporation (integrated oils) and Watsco, Inc. (HVAC equipment & supplies distributor). The Fund's weakest performing assets were the common stocks of Western Union Company (money transfer services), VF Corporation (apparel) and Medtronic, PLC (medical devices).



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Interest rates and corporate credit spreads remain low and are expected to rise in the future. Therefore, the Fund will continue to be managed in a conservative manner. Bond maturities will be kept short and credit quality will remain high. Dividend-paying common stocks in the Fund continue to offer an attractive combination of income and price appreciation.

We appreciate your investment in the Ave Maria Bond Fund.

### IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-21, the holding percentages of the stocks mentioned in this commentary are as follows: Texas Pacific Land Corporation (1.3%), Chevron Corporation (1.4%), Watsco, Inc. (1.5%), Western Union Company (no longer held), VF Corporation (1.2%) and Medtronic, PLC (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 12-31-21: U.S. Treasury Inflation Protected Sec. 0.50% due 04/15/24 (2.3%), Illinois Tool Works, Inc. 2.65% due 11/15/26 (2.2%), U.S. Treasury Note 2.875% due 11/30/23 (2.1%), U.S. Treasury Note 2.125% due 11/30/24 (2.1%), U.S. Treasury Note 1.625% due 08/31/22 (2.0%), U.S. Treasury Note 0.375% due 04/15/24 (2.0%), U.S. Treasury Note 0.50% due 03/31/25 (2.0%), Lockheed Martin Corporation (1.8%), U.S. Treasury Inflation Protected Sec. 0.375% due 07/15/27 (1.6%) and BlackRock, Inc. 3.20% due 03/15/27 (1.6%). 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. 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](http://www.avemariafunds.com). Distributed by Ultimus Fund Distributors, LLC.***



**AVE MARIA  
MUTUAL FUNDS**



# AVE MARIA FOCUSED FUND

## Q4 2021 COMMENTARY

For the three months ended December 31, 2021, the total return on the Ave Maria Focused Fund (AVEAX) was 9.09%, compared to the S&P 500® Index which returned 11.03% and the S&P MidCap 400® Growth Index at 8.00%. The returns for the Ave Maria Focused Fund compared to its benchmark as of December 31, 2021 were:

	1 Yr.	Since Inception <sup>^*</sup>	Gross/Net Prospectus Expense Ratio <sup>1</sup>
Ave Maria Focused Fund	27.96%	32.33%	1.30%/1.26%
S&P 500® Index	28.71%	38.84%	
S&P MidCap 400® Growth Index	18.91%	40.10%	

<sup>^</sup> Annualized    <sup>\*</sup> Since Inception date is 5-1-2020

<sup>1</sup>The adviser has contractually agreed to limit the ordinary operating expenses (excluding Acquired Fund Fees and Expenses, interest, taxes, brokerage costs and extraordinary expenses) of the Ave Maria Focused Fund to an amount not exceeding 1.25% of the Fund's average daily net assets until at least May 1, 2023.

**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](http://www.avemariafunds.com) for the most current month-end performance.**

### A Brief Note on Performance and the Benchmark Change:

The Fund exhibited strong performance in 2021. It outperformed the S&P MidCap 400® Growth Index by 905 basis points and slightly lagged the S&P 500® Index by 75 basis points. Additionally, the Fund's 2021 performance placed it within the top 15% of its Large Growth Morningstar Category [out of 1,230 funds], outperforming its Morningstar category average by 725 basis points based on its total return.

When the Fund was launched in May of 2020, it was envisioned that the holdings would be eclectic, resulting from a bottom-up research process and representing diverse industries, geographies, and market capitalizations. The opportunities that were attractive at the launch of the Fund, a time of heightened economic uncertainty due to the beginning of the COVID-19 pandemic, were primarily U.S.-based large capitalization companies. Accordingly, the S&P 500® Index was initially chosen as the benchmark for the Fund. However, we believed that over time, the composition of the Fund's holdings would include additional smaller and mid-capitalization companies, as well as more international companies. This prediction came to fruition during 2021. The current average market capitalization of the Fund's holdings is \$12 billion, which is significantly lower than the \$39 billion average as of 12/31/2020. Additionally, the Fund now owns several international companies. Given how the portfolio has evolved, we believe a more appropriate benchmark is the S&P MidCap 400® Growth Index. Regulations require us to disclose the original primary benchmark for one year, after which the S&P MidCap 400® Growth Index will become the primary benchmark replacing the S&P 500® Index.



# AVE MARIA FOCUSED FUND

## Q4 2021 COMMENTARY

### New Investments:

New investments in 2021 include: APi Group Corporation, Archaea Energy, Inc., Green Plains, Inc. and NextDC Ltd. Each of these companies have been discussed in previous investor letters. There are two new investments that occurred in the fourth quarter, which are noted below.

- AMMO, Inc. (“Ammo”) is a leading U.S. manufacturer of ammunition products and the owner of GunBroker.com, the leading online marketplace for dealer-to-consumer and peer-to-peer firearm transactions. AMMO acquired GunBroker.com in mid-2021. AMMO can accelerate GunBroker’s already impressive growth by enhancing customer service, offering credit cards and buy now pay later options, selling ancillary products such as hunting supplies, creating a mobile application, and selling its own ammunition direct to consumers. AMMO, Inc.’s ammunition business should benefit from the national shortage in ammunition, the recent growth of US firearm ownership (an estimated 5 million new owners in 2020), the sale of proprietary ammunition for military applications, and the ability to sell its own products direct to consumers through GunBroker.com.

- Purple Innovation, Inc. is a vertically integrated designer and manufacturer of gel-grid mattresses. The company’s proprietary gel-grid technology feels remarkably different from existing mattress technologies, such as innersprings and memory foam, allowing Purple mattresses to stand out in a commoditized industry. Purple’s marketing operation is also highly efficient. Viral advertising campaigns have resulted in extensive marketing reach despite relatively little advertising spend. Purple’s stock price has declined recently as they faced temporary manufacturing problems and elevated costs from supply chain constraints. However, we expect the company to overcome its operational setbacks and resume growing at an attractive rate. Furthermore, the company can re-deploy capital at attractive returns as it opens new retail stores.

### Exited Positions:

During 2021, The Fund exited Change Healthcare, Inc., SBA Communications, Software AG and Hermes, in favor of other investment opportunities.

### Notable Portfolio Company Events:

eDreams ODIGEO SA provides an online travel service in Europe. In Q1 2021, eDreams’ Prime program had 758,000 paying subscribers. As of November 12, 2021, eDreams had 1,976,000 paying Prime members. Furthermore, management presented a goal of having more than 7,250,000 Prime members by the end of fiscal year 2025. eDreams’ stock price is up approximately 5 times since our initial purchase in the summer of 2020, yet there could be plenty of upside remaining if the company realizes management’s aggressive goals.

Since Q2 2020, part of our thesis for the investment in Valvoline, Inc. was that an activist could unlock value by forcing the company to spin off its fast-growing instant oil change business. In October, the company announced that it would indeed be spinning off that business. While details are forthcoming, the announcement was positive and bodes well for future performance of the company.

Thank you for partnering with us. Your investment in the Ave Maria Focused Fund is appreciated.



# AVE MARIA FOCUSED FUND

## Q4 2021 COMMENTARY

### IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-21, the holding percentages of the stocks mentioned in this commentary are as follows: APi Group Corporation (10.0%), Archaea Energy, Inc. (1.5%), Green Plains, Inc. (5.0%), NextDC Ltd. (4.8%), AMMO, Inc. (3.4%), Purple Innovation, Inc. (5.1%), eDreams ODIGEO SA (16.7%), and Valvoline, Inc. (3.7%). 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: eDreams ODIGEO ADR (16.7%), APi Group Corporation (10.0%), GFL Environmental, Inc. (8.6%), Purple Innovation, Inc. (5.1%), Green Plains, Inc. (5.0%), NEXTDC Ltd. (4.8%), Frontdoor, Inc. (4.4%), Microsoft Corporation (3.8%), Adobe, Inc. (3.8%) and Equinix, Inc. (3.7%). 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.

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Morningstar Percentile Rankings is the fund's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1.

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® 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. The S&P MidCap 400® Growth Index is an unmanaged benchmark representing medium-size U.S. growth companies. Indexes do not incur fees and it is not possible to invest directly in an index.

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# AVE MARIA GROWTH FUND

## Q4 2021 COMMENTARY

For the three months ended December 31, 2021, the total return on the Ave Maria Growth Fund (AVEGX) was 4.55%, compared to the S&P 500® Index which returned 11.03%. The returns for the Ave Maria Growth 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 Growth Fund	17.55%	24.02%	18.99%	15.48%	12.45%	0.92%
S&P 500® Index	28.71%	26.07%	18.47%	16.55%	11.44%	

^ Annualized \* Since Inception date is 5-1-2003

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In 2021, top contributors to return included Microsoft Corporation, Accenture PLC, Lowe's Companies, Inc., S&P Global, Inc. and O'Reilly Automotive, Inc. Top detractors from return included Purple Innovation, Inc., Frontdoor, Inc., Ollie's Bargain Outlet Holdings, Ardagh Metal Packaging S.A. and Software AG. No positions were liquidated during the fourth quarter, while Purple Innovation was the only new addition to the Fund.

- Purple Innovation is a vertically integrated designer and manufacturer of gel-grid mattresses. The company's proprietary gel-grid technology feels remarkably different from other mattress technologies such as innersprings and memory foam, allowing Purple mattresses to stand out in a commoditized industry. Purple's marketing operation is also highly efficient. Viral advertising campaigns have resulted in extensive marketing reach despite relatively little advertising spend. Purple's stock price has declined recently due to temporary manufacturing problems and elevated costs from supply chain constraints. However, with sales up 10-fold over the last five years and only a low single digit market share, we expect the company to overcome its operational setbacks and resume growing at an attractive rate.

Our goal remains to purchase shares of exceptional companies at attractive prices with the expectations of earning favorable returns over the long run.

We appreciate your investment in the Ave Maria Growth Fund.





# AVE MARIA GROWTH FUND

## Q4 2021 COMMENTARY

### IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-21, the holding percentages of the stocks mentioned in this commentary are as follows: Microsoft Corporation (5.7%), Accenture PLC (4.9%), Lowe's Companies, Inc. (3.0%), S&P Global, Inc. (4.2%), O'Reilly Automotive, Inc. (3.4%), Purple Innovation, Inc. (3.0%), Frontdoor, Inc. (3.3%), Ollie's Bargain Outlet Holdings (0.5%), Ardagh Metal Packaging S.A. (3.0%) and Software AG (2.4%). 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. The Fund's top ten holdings as of 12-31-21: Copart, Inc. (6.4%), Microsoft Corporation (5.7%), Texas Instruments, Inc. (5.3%), Accenture PLC (4.9%), Mastercard Incorporated (4.8%), Visa, Inc. Class A (4.6%), APi Group Corporation (4.3%), HEICO Corporation - Class A (4.3%), S&P Global, Inc. (4.2%) and SBA Communications Corporation (4.2%). 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.

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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® 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.

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# 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

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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.





# AVE MARIA RISING DIVIDEND FUND

## Q4 2021 COMMENTARY

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.

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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.

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# AVE MARIA VALUE FUND

## Q4 2021 COMMENTARY

The Ave Maria Value Fund (AVEMX) had a total return of 7.83% for the three months ended December 31, 2021, compared to 8.00% for the S&P MidCap 400® Index. The returns for the Fund compared to its benchmark as of December 31, 2021:

	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Value Fund	25.15%	16.99%	11.46%	9.27%	7.54%	0.97%
S&P MidCap 400® Index	24.76%	21.41%	13.09%	14.20%	10.18%	

^ Annualized \* Since Inception date is 5-1-2001

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After underperforming for many years, value stocks generally outperformed growth stocks last year. Similarly, small caps finally outperformed large caps after lagging for many years. The Fund benefitted from the outperformance of its value stocks and small-cap stocks.

The Fund's top contributor to performance in 2021 was The Fund's largest holding, Texas Pacific Land Corporation (TPL), which rose 73% for the year. TPL's oil & natural gas royalty business benefitted from rising energy prices during the year. Other top performers included KKR & Co., Inc. (investment management), Pioneer Natural Resources Company (oil & gas exploration and production), Valvoline, Inc. (automotive services and lubricants) and AMERCO (U-Haul rental & leasing services).

The main detractor from the Fund's performance in 2021 was Haemonetics Corporation, which declined 55%. The company lost a significant customer during the year, and we continue to assess the investment merits of this holding at its currently depressed price. Other detractors from performance included Frontdoor, Inc. (home services), Allison Transmission Holdings (automotive transmissions & parts) and VF Corporation (apparel manufacturing & retail). Near year-end, the Fund established a new position in Purple Innovation, Inc. a vertically integrated designer and manufacturer of gel-grid mattresses, pillows, and accessories. The company's proprietary gel-grid technology is distinctly different from other mattresses such as innersprings and memory foam, allowing Purple mattresses to stand out in a crowded, commoditized industry. Purple's marketing operation is also highly efficient. Viral advertising campaigns have resulted in extensive marketing reach despite relatively little advertising spend. We expect the company to overcome its recent operational setbacks from supply chain restraints and resume growing at an attractive rate.

With the strong performance of our value-oriented portfolio last year, an important inflection point may have been reached. There are signs that a long-overdue rotation favoring value stocks has begun with energy, industrials, materials, and financials among the best performing sectors in 2021. Value investing based on fundamental security analysis, has historically provided excellent long-term investment results. We believe fundamentals matter and will always be the primary driver of long-term investment performance.



# AVE MARIA VALUE FUND

## Q4 2021 COMMENTARY

The year-end distribution of \$1.8852 per share consisted of \$0.0618 of investment income, \$0.1211 of short-term gains, and \$1.7023 of long-term capital gains. The net asset value of the Fund ended the year at \$23.22 per share.

Thank you for being a shareholder in the Ave Maria Value Fund.

### IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-21, the holding percentages of the stocks mentioned in this commentary are as follows; Texas Pacific Land Corporation (9.7%), KKR & Co., Inc. (2.3%), Pioneer Natural Resources Company (5.0%), Valvoline, Inc. (3.7%), AMERCO (2.4%), Haemonetics Corporation (2.2%), Frontdoor, Inc. (1.9%), Allison Transmission Holdings (1.2%), VF Corporation (1.7%) and Purple Innovation, Inc. (2.8%). 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: Texas Pacific Land Corporation (9.7%), Pioneer Natural Resources Co. (5.0%), Chevron Corporation (4.4%), Graham Holdings Co. Class B (3.8%), Valvoline, Inc. (3.7%), Alcon, Inc. (3.6%), Franco Nevada Corporation (3.3%), CME Group, Inc. (2.9%), Chemed Corporation (2.9%) and Intercontinental Exchange, Inc. (2.9%). 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 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 400® Midcap Index is an unmanaged index created by Standard & Poor's made up of 400 midcap companies. The index is the most widely used index for mid-sized companies. 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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01-02-041522 / 14299614-UFD-1/121/2022



# AVE MARIA WORLD EQUITY FUND

## Q4 2021 COMMENTARY

For the three months ended December 31, 2021, the total return on the Ave Maria World Equity Fund (AVEWX) was 7.70%, compared to the MSCI All Country World Index at 6.68% and the S&P Global 1200® Index at 8.06%. The returns for the Ave Maria World Equity Fund compared to its benchmarks as of December 31, 2021 were:

	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Gross/Net Prospectus Expense Ratio
Ave Maria World Equity Fund	21.06%	15.56%	10.64%	9.26%	8.03%	1.27%/1.26%
MSCI All Country World Index	18.54%	20.38%	14.40%	11.85%	10.17%	
S&P Global 1200® Index	21.55%	21.67%	15.42%	13.11%	11.41%	

^ 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](http://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, 2022.

By geographic region, the United States provided the best returns among large global equity markets as measured by the S&P 500 Index, which advanced 28.71% in U.S. dollars. The European markets provided the second-best return as measured by the S&P Europe 350 Index, which advanced 17.30% in U.S. dollars. In U.S. dollar terms, stocks in Japan and the emerging markets materially underperformed. The Topix 150, which represents the large cap universe for Japan returned 2.85%, while the MSCI Emerging Market Index had a negative return of 2.54%.

### Top performers during the fourth quarter of 2021

Karooooo Ltd.	38.14%
Accenture PLC	29.96%
Lowe's Companies, Inc.	27.88%

### Top performers in calendar year 2021

Lowe's Companies, Inc.	63.33%
Accenture PLC	60.66%
IQVIA Holdings, Inc.	57.47%



# AVE MARIA WORLD EQUITY FUND

## Q4 2021 COMMENTARY

Karooooo Ltd. offers a comprehensive suite of telematics, which includes data analysis, mobile asset tracking, and managerial oversight of fleets for 1.4 million customers across 23 countries. The stock initially rallied as insiders opted to retain their shares in Karooooo even though they were free to sell shares following the expiration of the lock-up period (9/28/21). Subsequently, the stock outperformed after the company pre-announced strong subscriber additions for the fourth quarter of 2021.

Shares of Accenture PLC surged following much stronger than expected fiscal first quarter results, which were driven by digital transformation projects and market share gains. Finally, Lowe's Companies third quarter results were stronger than expected because of cost saving initiatives and market share gains.

### Bottom performers during the fourth quarter

StoneCo Ltd.	-51.44%
Koninklijke Philips N.V.	-17.08%
Medtronic PLC	-16.96%

### Bottom performers in calendar year 2021

StoneCo. Ltd.	-59.59%
Rubis	-34.32%
Koninklijke Philips N.V.	-30.73%

StoneCo Ltd. provides solutions that enable merchants and integrated partners to conduct electronic commerce seamlessly across in-store, online, and mobile channels in Brazil. During Covid-induced lockdowns and other operational problems at the company, the stock price of StoneCo more than halved. It now appears that the successful integration of the newly acquired software with its payments business will drive substantial shareholder value longer term.

Koninklijke Philips N.V underperformed after the FDA conducted a review of Phillips' manufacturing facility, which resulted in several concerns relating to the recall and replacement of the DreamStation 1, and the silicone foam being used in the DreamStation 2. Medtronic lowered 2022 guidance and announced that several important new products were delayed. Also, the FDA issued a warning letter relating to its facility that manufactures diabetes pumps.

During the fourth quarter, we exited Compagnie Generale des Etablissements Michelin (Consumer Durables), while the fund initiated new positions in Edenred SA (Industrials Products & Services) and GFL Environmental, Inc. (Environmental Services).

Thank you for being a shareholder in the Ave Maria World Equity Fund.



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# AVE MARIA WORLD EQUITY FUND

## Q4 2021 COMMENTARY

### IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-21, the holding percentages of the stocks mentioned in this commentary are as follows; Karooooo Ltd. (1.1%), Accenture PLC (4.7%), Lowe's Companies, Inc. (3.6%), IQVIA Holdings, Inc. (4.9%), StoneCo Ltd. (0.4%), Koninklijke Philips N.V. (2.0%), Medtronic PLC (2.6%), Rubis (0.9%), Edenred SA (1.1%) and GFL Environmental, 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: Microsoft Corporation (5.7%), Iqvia Holdings, Inc. (4.9%), Accenture PLC (4.7%), Mastercard Incorporated (3.9%), Lowe's Companies, Inc. (3.6%), Coca-Cola European Partners (3.5%), Pioneer Natural Resources Co. (3.4%), S&P Global, Inc. (3.2%), Chubb Corporation (3.2%) and SAP (3.0%). 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.

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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 MSCI All Country World Index is a broad global equity index that is designed to track broad global equity-market performance. Maintained by Morgan Stanley Capital International (MSCI), the index is comprised of the stocks of about 3,000 companies from 23 developed countries and 26 emerging markets. The Ave Maria World Equity Fund changed its primary benchmark from the S&P Global 1200® Index to the MSCI ACWI Index because the latter is more representative of the Fund's portfolio composition. 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. 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, 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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