

Shareholder Accounts
c/o Ultimus Fund
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Corporate Offices
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Dear Fellow Shareowner:

For the first 6 months of 2002, the Ave Maria Catholic Values Fund was up 4.2% while the S&P 500 was down 13.2%. This continues the favorable performance achieved since the May 1, 2001 inception of the Fund. The investment results have been gratifying, and the Fund's pro-life, pro-marriage and pro-family philosophy is resonating with Catholics and like-minded investors. The Fund now has over 650 shareholders in 39 states who have invested over \$60 million.

Quality Redefined

During the bubble market, which featured tech mania, a company was thought to be high quality if it had a high *estimated* growth rate, an over-active PR department and an over-paid CEO who could hype his stock and inflate his options. Today, amid the scandals of Wall Street and boardroom excesses, investors are redefining quality. Now, high-quality companies are being defined by low debt, simple capital structures, conservative accounting practices, reasonable executive compensation, and real earnings. Corporate boards are tripping over themselves to avoid conflicts of interest and are firing CEOs with any taint of scandal. As time passes, investors will pay a premium for easy-to-understand companies, with straightforward and honest managements who are not overpaid. Fiduciary responsibility to shareholders is making a comeback and that's encouraging. Indeed, the bubble market is over and real investing is again the norm. This all plays to our strength as conservative value investors. The Ave Maria Catholic Values Fund is loaded with stocks of fine companies, which fit the above description and currently have cheap stock prices. Importantly, none of our portfolio holdings violate the core principles of the Catholic Church, as defined by our Catholic Advisory Board.

In the aftermath of 9-11, a 1957 quote by Ayn Rand seems eerily relevant as she described Soviet communism:

"They do not want to own your fortune, they want you to lose it; they do not want to succeed, they want you to fail; they do not want to live, they want you to die; they desire nothing, they hate existence, and they keep running, each trying not to learn that the object of his hatred is himself...they are the essence of evil."

It couldn't apply more to the murderous fanatics who caused the 9-11 attack. Which brings to mind another point. Besides being pro-life, pro-marriage, and pro-family, the Ave Maria Catholic Values Fund is also a pro-American mutual fund. We proudly invest in US companies.

Effective June 30, 2002, Gregg Watkins, who had been the assigned portfolio manager of the Fund, resigned to start a new investment counsel firm. We wish him well. I have assumed day-to-day portfolio management of the Fund and there will be no changes in the operation or security-selection process.

On May 10, 2002, Bowie Kuhn and I appeared on EWTN-The World Over to discuss Catholic investing, as practiced by the Ave Maria Catholic Values Fund. The response from viewers has been tremendous, as inquiries have poured in from 50 states and four continents. A recurring question is, "Will our religious guidelines impede the investment performance of the Fund?" Clearly they have not and we don't expect them to in the future. In screening out companies, which violate core church teachings, we eliminate less than 10% of the companies in the universe of possible investment candidates. This leaves plenty of fine companies from which to choose, in building a diversified portfolio of stocks adhering to a low-risk value investment approach.

With Best Regards,

AVE MARIA CATHOLIC VALUES FUND

A handwritten signature in black ink that reads "George P. Schwartz". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

George P. Schwartz, CFA
President

July 23, 2002

AVE MARIA CATHOLIC VALUES FUND
SCHEDULE OF INVESTMENTS
June 30, 2002 (Unaudited)

Shares	COMMON STOCK — 96.3%	Market Value
	AEROSPACE/DEFENSE — 4.3%	
100,000	Esterline Technologies Corporation*	\$ 2,270,000
2,000	General Dynamics Corporation	212,700
2,000	Northrop Grumman Corporation.....	250,000
		<u>2,732,700</u>
	APPAREL & TEXTILES — 2.4%	
40,000	Jones Apparel Group, Inc.*	<u>1,500,000</u>
	BUILDING MATERIALS & CONSTRUCTION — 5.3%	
250,000	Champion Enterprises, Inc.*	1,405,000
150,000	Fleetwood Enterprises, Inc.	1,305,000
7,500	Pulte Homes, Inc.	431,100
7,500	Toll Brothers, Inc.*	219,750
		<u>3,360,850</u>
	BUSINESS & INDUSTRIAL PRODUCTS — 3.0%	
15,500	3M Company	<u>1,906,500</u>
	COMMUNICATION EQUIPMENT & SERVICES — 8.6%	
35,000	Alltel Corporation	1,645,000
35,000	CenturyTel, Inc.	1,032,500
50,000	Harris Corporation	1,817,500
50,000	Plantronics, Inc.*	950,500
		<u>5,445,500</u>
	CONSUMER PRODUCTS — DURABLES — 4.6%	
52,000	Brunswick Corporation	1,456,000
50,000	Leggett & Platt, Inc.	1,170,000
12,500	Monaco Coach Corporation*	270,875
		<u>2,896,875</u>

SCHEDULE OF INVESTMENTS (continued)

Shares	COMMON STOCK — 96.3% (continued)	Market Value
	CONSUMER PRODUCTS — NONDURABLES — 5.1%	
10,000	Coach, Inc.*	\$ 549,000
14,000	Fortune Brands, Inc.	783,160
30,000	Kimberly-Clark Corporation	1,860,000
		<u>3,192,160</u>
	ELECTRONICS — 1.7%	
45,000	Littelfuse, Inc.*	<u>1,040,850</u>
	ENERGY & MINING — 8.8%	
25,000	Anadarko Petroleum Corporation	1,232,500
50,000	Exxon Mobil Corporation	2,046,000
25,000	Forest Oil Corporation*	707,750
75,000	Input/Output, Inc.*	675,000
40,000	Prima Energy Corporation*	911,600
		<u>5,572,850</u>
	ENVIRONMENTAL SERVICES — 1.1%	
75,000	Layne Christensen Company*	<u>693,750</u>
	FINANCE — BANKS & THRIFTS — 7.5%	
38,500	BB&T Corporation	1,486,100
40,000	Charter One Financial, Inc.	1,375,200
20,000	Huntington Bancshares, Inc.	388,400
22,000	SunTrust Banks, Inc.	1,489,840
		<u>4,739,540</u>
	FINANCE — INSURANCE — 0.8%	
7,500	American Physicians Capital, Inc.*	138,442
66,200	Unico American Corporation	362,114
		<u>500,556</u>
	FINANCE — MISCELLANEOUS — 3.7%	
25,000	Countrywide Credit Industries, Inc.	1,206,250
25,000	H&R Block, Inc.	1,153,750
		<u>2,360,000</u>
	FOOD & TOBACCO — 2.5%	
54,500	McDonalds Corporation	<u>1,550,525</u>

SCHEDULE OF INVESTMENTS (continued)

Shares	COMMON STOCK — 96.3% (continued)	Market Value
	HEALTHCARE — 7.8%	
25,000	Beckman Coulter, Inc.	\$ 1,247,500
40,000	Boston Scientific Corporation*	1,172,800
25,000	Invacare Corporation	919,000
70,000	Manor Care, Inc.*	1,610,000
		<u>4,949,300</u>
	INDUSTRIAL PRODUCTS & SERVICES — 14.5%	
36,000	AptarGroup, Inc.	1,107,000
15,000	Automatic Data Processing, Inc.	653,250
35,000	Dover Corporation	1,225,000
10,000	Eaton Corporation	727,500
50,000	Genuine Parts Company	1,743,500
20,000	Pall Corporation	415,000
8,500	Simpson Manufacturing Company, Inc.*	485,605
47,000	Snap-On, Inc.	1,408,590
25,000	Teleflex, Inc.	1,428,750
		<u>9,194,195</u>
	PRINTING & PUBLISHING — 0.9%	
15,000	Courier Corporation	<u>599,400</u>
	REAL ESTATE — 4.4%	
35,000	Health Care Property Investors, Inc.	1,493,100
45,000	Washington Real Estate Investment Trust	1,300,050
		<u>2,793,150</u>
	RETAIL — 7.6%	
50,000	Brookstone, Inc.*	887,000
30,000	Hibbett Sporting Goods, Inc.*	762,000
25,000	Men's Wearhouse, Inc. (The)*	637,500
15,000	Ross Stores, Inc.	611,250
80,000	TJX Companies, Inc. (The)	1,568,800
20,000	Toys R Us, Inc.*	349,400
		<u>4,815,950</u>

SCHEDULE OF INVESTMENTS (continued)

<u>Shares</u>	<u>COMMON STOCK — 96.3% (continued)</u>	<u>Market Value</u>
	TECHNOLOGY — 1.7%	
100,000	Cable Design Technology Corporation*	<u>\$ 1,075,000</u>
	TOTAL COMMON STOCK — 96.3% (COST \$59,506,463)	<u>\$60,919,651</u>
<u>Face Amount</u>		
	REPURCHASE AGREEMENTS⁽¹⁾ — 7.4%	
\$4,690,865	Fifth Third Bank, 1.47%, dated 06/28/02, due 07/01/02, repurchase proceeds: \$4,691,440 (Cost \$4,690,865)	<u>\$ 4,690,865</u>
	TOTAL INVESTMENTS — 103.7% (COST \$64,197,328)	\$65,610,516
	LIABILITIES IN EXCESS OF OTHER ASSETS — (3.7%)	<u>(2,366,686)</u>
	NET ASSETS — 100.0%	<u><u>\$63,243,830</u></u>

* Non-income producing security.

⁽¹⁾ Repurchase agreements are fully collateralized by U.S. Government obligations.

See notes to financial statements.

AVE MARIA CATHOLIC VALUES FUND
STATEMENT OF ASSETS AND LIABILITIES
June 30, 2002 (Unaudited)

ASSETS

Investments, at value (cost of \$64,197,328) (Note 1)	\$65,610,516
Receivable for capital shares sold	169,671
Receivable for investment securities sold	73,073
Dividends and interest receivable	45,437
Other assets	<u>13,996</u>
TOTAL ASSETS	<u>65,912,693</u>

LIABILITIES

Payable for investment securities purchased	2,530,134
Accrued investment advisory fees (Note 2)	89,235
Accrued distribution fees (Note 2)	12,994
Other accrued expenses	<u>36,500</u>
TOTAL LIABILITIES	<u>2,668,863</u>

NET ASSETS	<u>\$63,243,830</u>
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NET ASSETS CONSIST OF:

Paid-in capital	\$60,978,517
Accumulated net investment loss	(37,608)
Accumulated net realized gains from security transactions	889,733
Net unrealized appreciation on investments	<u>1,413,188</u>

NET ASSETS	<u>\$63,243,830</u>
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Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)	<u>5,782,427</u>
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Net asset value, redemption price, and offering price per share ^(a)	<u>\$ 10.94</u>
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^(a) Redemption price varies based on length of time held.

See notes to financial statements.

AVE MARIA CATHOLIC VALUES FUND
STATEMENT OF OPERATIONS
For the Six Months Ended June 30, 2002 (Unaudited)

INVESTMENT INCOME

Dividends and interest	\$ 305,179
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EXPENSES

Investment advisory fees (Note 2)	228,525
Distribution fees (Note 2)	57,141
Administration, accounting and transfer agent fees (Note 2)	35,338
Trustees' fees and expenses	28,534
Registration fees	17,221
Advisory board fees and expenses	12,621
Legal and audit fees	10,228
Reports to shareholders	7,654
Custodian fees	7,276
Postage and supplies	4,380
Insurance expense	2,734
Other expenses	2,967
TOTAL EXPENSES	414,619
Fees waived by the Adviser (Note 2)	(71,832)
NET EXPENSES	342,787

NET INVESTMENT LOSS	(37,608)
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REALIZED AND UNREALIZED GAINS ON INVESTMENTS

Net realized gains from security transactions	899,511
Net change in unrealized appreciation/depreciation on investments	393,376

NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS	1,292,887
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NET INCREASE IN NET ASSETS FROM OPERATIONS	\$1,255,279
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See notes to financial statements.

AVE MARIA CATHOLIC VALUES FUND

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2002 (Unaudited)	Period Ended December 31, 2001 ^(a)
FROM OPERATIONS		
Net investment income (loss)	\$ (37,608)	\$ 36,889
Net realized gains from security transactions	899,511	20,943
Net change in unrealized appreciation/depreciation on investments	393,376	1,019,812
Net increase in net assets from operations	<u>1,255,279</u>	<u>1,077,644</u>
FROM DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	—	(36,889)
From net realized gains on investments	—	(20,943)
Distributions in excess of realized gains	<u>—</u>	<u>(9,778)</u>
Net decrease in net assets from distributions to shareholders	<u>—</u>	<u>(67,610)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	38,360,274	23,627,011
Reinvestment of distributions to shareholders	—	67,396
Payments for shares redeemed	<u>(324,535)</u>	<u>(751,629)</u>
Net increase in net assets from capital share transactions ...	<u>38,035,739</u>	<u>22,942,778</u>
TOTAL INCREASE IN NET ASSETS	<u>39,291,018</u>	<u>23,952,812</u>
NET ASSETS		
Beginning of period	<u>23,952,812</u>	<u>—</u>
End of period	<u>\$63,243,830</u>	<u>\$23,952,812</u>
ACCUMULATED NET INVESTMENT LOSS	<u>\$ (37,608)</u>	<u>\$ —</u>
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	3,530,198	2,346,628
Shares issued in reinvestment of distributions to shareholders	—	6,423
Shares redeemed	<u>(29,135)</u>	<u>(71,687)</u>
Net increase in shares outstanding	3,501,063	2,281,364
Shares outstanding, beginning of period	<u>2,281,364</u>	<u>—</u>
Shares outstanding, end of period	<u>5,782,427</u>	<u>2,281,364</u>

^(a) Represents the period from the commencement of operations (April 26, 2001) through December 31, 2001.

See notes to financial statements.

AVE MARIA CATHOLIC VALUES FUND
FINANCIAL HIGHLIGHTS
Per Share Data for a Share Outstanding Throughout the Period

	Six Months Ended June 30, 2002 (Unaudited)	Period Ended December 31, 2001^(a)
Net asset value at beginning of period	<u>\$ 10.50</u>	<u>\$ 10.00</u>
Income from investment operations:		
Net investment income (loss)	(0.01)	0.02
Net realized and unrealized gains on investments	<u>0.45</u>	<u>0.51</u>
Total from investment operations	<u>0.44</u>	<u>0.53</u>
Less distributions:		
From net investment income	—	(0.02)
From net realized gains on investments	—	(0.01)
In excess of net realized gains on investments	<u>—</u>	<u>(0.00)</u>
Total distributions	<u>—</u>	<u>(0.03)</u>
Net asset value at end of period	<u>\$ 10.94</u>	<u>\$ 10.50</u>
Total return	<u>4.2%^(c)</u>	<u>5.3%^(c)</u>
Ratios/Supplementary Data:		
Ratio of net expenses to average net assets ^(b)	1.50% ^(d)	1.50% ^(d)
Ratio of net investment income (loss) to average net assets	(0.16%) ^(d)	0.39% ^(d)
Portfolio turnover rate	38% ^(d)	44% ^(d)
Net assets at end of period (000's)	\$63,244	\$23,953

^(a) Represents the period from the initial public offering (May 1, 2001) through December 31, 2001.

^(b) Absent investment advisory fees waived by the Adviser, the ratio of expenses to average net assets would have been 1.81%^(d) and 2.09%^(d) for the periods ended June 30, 2002 and December 31, 2001, respectively.

^(c) Not annualized.

^(d) Annualized.

See notes to financial statements.

AVE MARIA CATHOLIC VALUES FUND

NOTES TO FINANCIAL STATEMENTS

June 30, 2002 (Unaudited)

1. Significant Accounting Policies

Ave Maria Catholic Values Fund (the Fund) is a series of Schwartz Investment Trust, a diversified open-end management investment company established as an Ohio Business Trust under a Declaration of Trust dated August 31, 1992. The Fund is registered under the Investment Company Act of 1940 and commenced the public offering of its shares on May 1, 2001. The Fund determines and makes available for publication the net asset value of its shares on a daily basis.

The investment objective of the Fund is to seek long-term capital appreciation from equity investments in companies that operate in a way that is consistent with the core values and teachings of the Roman Catholic Church. See the Prospectus for more detailed information regarding the investment strategies of the Fund.

Shares of the Fund are sold at net asset value. To calculate the net asset value, the Fund's assets are valued and totaled, liabilities are subtracted, and the balance is divided by the number of shares outstanding. The offering price and redemption price per share is equal to the net asset value per share, except that shares of the Fund are subject to a 1% contingent deferred sales load if redeemed within one year of their purchase.

The following is a summary of significant accounting policies followed by the Fund:

(a) Valuation of investments — Securities which are traded on stock exchanges are valued at the last reported sale price as of the close of the regular session of trading on the New York Stock Exchange on the day the securities are being valued, or, if not traded on a particular day, at the closing bid price. Securities that are quoted by NASDAQ are valued at the last reported sale price, or, if not traded on a particular day, at the mean between the closing bid and asked prices as reported by NASDAQ. Securities traded in the over-the-counter market, and which are not quoted by NASDAQ, are valued at the average of the highest current independent bid and lowest current independent offer as of the close of trading on the day of valuation. Securities (and other assets) for which market quotations are not readily available are valued at their fair value as determined in good faith in accordance with consistently applied procedures established by and under the general supervision of the Board of Trustees.

(b) Income taxes — It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all taxable income to the shareholders. Therefore, no provision for income or excise taxes is necessary.

The Fund files a tax return annually using tax accounting methods required under provisions of the Code, which may differ from accounting principles generally accepted in the United States of America (GAAP), the basis on which these financial statements are prepared. The differences arise primarily from the deferral of certain losses under Federal income tax regulations. Accordingly, the amount of net investment income or loss and net realized capital gain or loss reported in the financial statements may differ from that reported in the Fund's tax return and, consequently, the character of distributions to shareholders reported in the statements of changes and financial highlights may differ from that reported to shareholders for Federal income tax purposes. Distributions which exceed net realized gains for financial reporting purposes but not for tax purposes, if any, are shown as distributions in excess of net realized gains in the accompanying statements.

(c) Security transactions and investment income — Security transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recognized on the accrual basis. Realized gains and losses on security transactions are determined on the identified cost basis.

(d) Dividends and distributions — Dividends from net investment income and net capital gains, if any, are declared and paid annually in December. Dividends and distributions to shareholders are recorded on the ex-dividend date.

(e) Repurchase agreements — The Fund may enter into repurchase agreements (agreements to purchase securities subject to the seller's agreement to repurchase them at a specified time and price) with well-established registered securities dealers or banks. Repurchase agreements are the equivalent of loans by the Fund. The Fund's policy is to take possession of the underlying securities and, on a daily basis, mark to market such securities to ensure that the value, including accrued interest, is at least equal to the amount to be repaid to the Fund under the agreement.

(f) Estimates — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Investment Advisory Agreement and Transactions with Related Parties

The President of the Fund is also the President and Chief Investment Officer of Schwartz Investment Counsel, Inc. (the Adviser). Certain other trustees and officers of the Fund are officers of the Adviser, of Schwartz Fund Distributors, Inc., the Fund's principal underwriter, or of Ultimus Fund Solutions, LLC (Ultimus), the administrative, accounting and transfer agent for the Fund.

Pursuant to an Investment Advisory Agreement between the Fund and the Adviser, the Adviser is responsible for the management of the Fund and provides investment advice along with the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Fund. For such services, the Fund pays the Adviser a quarterly fee equal to the annual rate of 1.0% of its average daily net assets. The Adviser has contractually agreed to waive a portion of its advisory fees or to reimburse the Fund's operating expenses to the extent necessary so that the Fund's ordinary operating expenses do not exceed an amount equal to 1.5% annually of its average net assets. For the six months ended June 30, 2002, the total of such waivers was \$71,832. Any fee waivers or expense reimbursements by the Adviser are subject to repayment by the Fund for a period of three years from the end of the fiscal year during which such waivers or reimbursements occurred, provided the Fund is able to effect such repayment and remain in compliance with the undertaking by the Adviser to limit expenses of the Fund.

The Fund has adopted a Shareholder Servicing Plan (the Plan), which allows the Fund to make payments to financial organizations for providing account administration and personal and account maintenance services to Fund shareholders. The annual service fee may not exceed .25% of the Fund's daily net assets. For the six months ended June 30, 2002, the total expenses incurred pursuant to the Plan were \$57,141.

Pursuant to a Mutual Fund Services Agreement between the Fund and Ultimus, Ultimus supplies regulatory and compliance services, calculates the daily net asset value per share, maintains the financial books and records of the Fund, maintains the records of each shareholder's account, and processes purchases and redemptions of the Fund's shares. For the performance of these services, the Fund pays Ultimus a fee, payable monthly, at an annual rate of .15% of its average daily net assets, subject to a minimum monthly fee of \$4,000.

3. Investment Transactions

Cost of purchases and proceeds from sales and maturities of investments other than short-term investments, for the six months ended June 30, 2002, were \$45,171,203 and \$8,214,823, respectively.

4. Federal Income Taxes

As of June 30, 2002, net unrealized appreciation of securities was \$1,344,926 for federal income tax purposes of which \$4,084,085 related to appreciated securities and \$2,739,159 related to depreciated securities. The aggregate cost of investments at June 30, 2002 for federal income tax purposes was \$64,265,590. The difference between the federal income tax cost of portfolio investments and the financial statement cost is due to certain timing differences in the recognition of capital losses under income tax regulations and GAAP.

Ave Maria Catholic Values Fund

a series of
Schwartz Investment Trust
3707 W. Maple Road
Bloomfield Hills, Michigan 48301
(248) 644-8500

Board of Trustees

Donald J. Dawson, Jr.
Fred A. Erb
Bowie K. Kuhn
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Investment Adviser

SCHWARTZ INVESTMENT COUNSEL, INC.
3707 W. Maple Road
Bloomfield Hills, Michigan 48301

Distributor

SCHWARTZ FUND DISTRIBUTORS, INC.
3707 W. Maple Road
Bloomfield Hills, Michigan 48301

Custodian

FIFTH THIRD BANK
38 Fountain Square Plaza
Cincinnati, Ohio 45263

Administrator

ULTIMUS FUND SOLUTIONS, LLC
P.O. Box 46707
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Auditors

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1700 Courthouse Plaza Northeast
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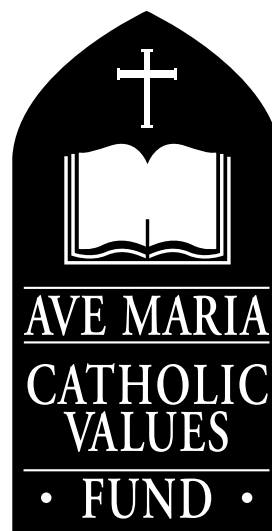
Legal Counsel

SULLIVAN & WORCESTER LLP
1666 K Street, NW
Washington, D.C. 20006

AVE MARIA CATHOLIC VALUES FUND

a series of

SCHWARTZ INVESTMENT TRUST



SEMI-ANNUAL REPORT (UNAUDITED)

**for the six months ended
JUNE 30, 2002**

Ticker Symbol: AVEMX