



# AVE MARIA VALUE FUND

## Q1 2023 COMMENTARY

The Ave Maria Value Fund (AVEMX) had a total return of -3.41% for the three months ended March 31, 2023, compared to 3.81% for the S&P MidCap 400® Index. The returns for the Fund compared to its benchmark as of March 31, 2023:

	Year to Date	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Value Fund	-3.41%	-1.23%	23.20%	7.59%	6.96%	7.13%	0.97%
S&P MidCap 400® Index	3.81%	-5.12%	22.10%	7.67%	9.80%	9.06%	

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

***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 one-year time period, the Fund's outperformance was recognized in the April 10, 2023 *Wall Street Journal's* "Category Kings in 9 realms" section. The Fund was ranked #4 out of 396 Midcap Growth mutual funds for one-year performance, as tracked by Lipper.

The Fund's underperformance in the first quarter of 2023 was primarily due to a pullback in the share prices of the Fund's energy sector holdings. After posting strong gains during 2021 and 2022, the energy stocks declined in the first three months of the year. Recently, oil and natural gas prices have been weak, weighed down by the threat of rising interest rates and a possible U.S. economic slowdown. Longer term, the world's demand for oil and natural gas should continue to increase as billions of people in emerging markets such as China and India seek a higher standard of living which can only be accomplished by consuming more oil and natural gas.

The Fund's best performing stocks during the quarter were from a variety of sectors, including industrials, technology, precious metals, and retail.

Positive performers in Q1 were:

	<u>Total Return</u>
Mirion Technologies, Inc.	29.20%
A.O. Smith Corporation	21.38%
Vontier Corporation	39.07%
Wheaton Precious Metals Company	19.63%
Winmark Corp.	35.64%



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Negative performers in Q1 were:

	<u>Total Return</u>
Purple Innovation, Inc.	-49.89%
Texas Pacific Land Corporation	-27.31%
Hingham Institution for Savings	-15.23%
Chesapeake Energy Corporation	-17.22%
Pioneer Natural Resources Company	-8.17%

During the first quarter, the Fund initiated five new positions in the following companies: Wheaton Precious Metals Company (metals & mining), Armstrong World Industries, Inc. (commercial building products), ConocoPhillips (oil & natural gas exploration & production), Occidental Petroleum Corporation (oil & natural gas exploration & production) and Permian Basin Royalty Trust (natural resource royalties). All five companies meet our stringent value criteria as they have strong operating businesses with solid balance sheets and are run by capable management teams. Importantly, all five stocks were purchased at prices well below our estimate of intrinsic value.

Three holdings were liquidated from the portfolio during the quarter as their share prices exceeded our estimate of intrinsic value: Chevron Corporation, Gentex Corporation, and Vontier Corporation. Also liquidated during the quarter were small positions in Barrick Gold Corp., Newmont Corporation, and Purple Innovation. At quarter end, the Fund owned a diversified portfolio of 33 companies across a broad array of industries with an emphasis on energy, basic materials, industrials, and real estate. Texas Pacific Land Corporation remains the largest holding in the Fund at 12.5% of assets.

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



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### IMPORTANT INFORMATION FOR INVESTORS

As of 3-31-23, the holding percentages of the stocks mentioned in this commentary are as follows; Mirion Technologies, Inc. (3.3%), A.O. Smith Corporation (2.2%), Vontier Corporation (1.4%), Wheaton Precious Metals Company (2.5%), Winmark Corp. (2.4%), Purple Innovation, Inc. (0.4%), Texas Pacific Land Corporation (12.2%), Hingham Institution for Savings (3.3%), Chesapeake Energy Corporation (4.3%), Pioneer Natural Resources Company (5.2%), Armstrong World Industries, Inc. (1.7%), ConocoPhillips (2.8%), Occidental Petroleum Corporation (2.6%) and Permian Basin Royalty Trust (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 3-31-23: Texas Pacific Land Corporation (12.2%), Pioneer Natural Resources Co. (5.2%), Franco Nevada Corporation (4.7%), Schlumberger Limited (4.5%), Chesapeake Energy Corporation (4.3%), Haemonetics Corporation (3.7%), Mirion Technologies, Inc. (3.3%), Hingham Institution for Svgs. (3.3%), CDW Corp. (3.1%) and Valvoline, Inc. (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.

**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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