AVE MARIA BOND FUND

Q2 2021 COMMENTARY

For the three months ended June 30, 2021, the total return on the Ave Maria Bond Fund (AVEFX) was 1.79%, compared to the Bloomberg Barclays Intermediate U.S. Government/Credit Index at 0.98%. The returns for the Fund compared to its benchmark as of June 30, 2021 were:

	Year to Date	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Bond Fund	4.68%	10.22%	6.37%	4.68%	4.19%	4.45%	0.43%
Bloomberg Barclays Intermediate U.S. Govt./Credit Index	-0.90%	0.19%	4.70%	2.63%	2.76%	3.53%	

^ 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 combination of short-maturity bonds and dividend-paying common stocks were the primary drivers of performance during the first half of the year. Interest rates spiked during the first quarter as the 10-year U.S. Treasury went from 0.9% to 1.7%. The second quarter was less eventful as the 10-year yield slipped to 1.4% by quarter end. The bond market has full faith in the Federal Reserve (the Fed), as interest rates decreased across the yield curve and inflation readings came in higher than expected. The Fed has deemed the recent inflation spike as "transitory" and believes inflation will be back around the Fed's 2% target later this year. Regardless, with the 10-year at 1.4%, investors are earning a negative return after inflation, and in fact, the same goes for investors willing to purchase the 30-year Treasuries, which yield slightly over 2%.

Corporate credit spreads are touching multi-decade lows as investors continue to search for yield. In this environment, the Fund remains invested in high-quality, short-maturity US Treasury and corporate bonds, as investors are currently not being adequately compensated for interest rate and credit risk.

In reviewing the performance of the Fund during the first half of 2021, the three top-performing assets were the common stocks of Texas Pacific Land Corporation (royalty income – oil and gas), First Horizon National Corporation (regional bank) and Watsco, Inc. (industrial distributor). During the period, the Fund's weakest-performing assets were intermediate - maturity corporate bonds.

From a historical perspective, interest rates and corporate credit spreads are currently low. Therefore, the Fund will continue to be managed in a conservative manner. Average bond maturity will be kept short and credit quality high. Despite the run-up in equity prices, we feel dividend-paying common stocks continue to offer an attractive combination of current income and potential price appreciation.

We appreciate your investment in the Ave Maria Bond Fund.

IMPORTANT INFORMATION FOR INVESTORS

As of 6-30-21, the holding percentages of the stocks mentioned in this commentary are as follows: Texas Pacific Land Corporation (1.9%), First Horizon National Corporation (1.4%) and Watsco, Inc. (1.5%). 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 6-30-21: Illinois Tool Works, Inc. 2.65% due 11/15/26 (2.5%), U.S. Treasury Inflation Protected Sec. 0.50% due 04/15/24 (2.4%), U.S. Treasury Note 2.875% due 11/30/23 (2.3%), U.S. Treasury Note 2.125% due 11/30/24 (2.3%), U.S. Treasury Note 1.625% due 8/31/22 (2.3%), U.S. Treasury Note 0.375% due 4/15/24 (2.2%), U.S. Treasury Note 0.50% due 3/31/25 (2.2%), Texas Pacific Land Corp. (1.9%), BlackRock, Inc. 3.20% due 03/15/27 (1.8%) and Texas Instruments, Inc. (1.6%). 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 Barclays 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.*