Schwartz Value Focused Fund

Q2 2016
Investment
Commentary

For the three months ended June 30, 2016, the total return on the Schwartz Value Focused Fund[1] (RCMFX) was 3.63%, compared to the Russell 1000® Index (2.54%). The Fund's performance versus its benchmark as of June 30, 2016 is as follows:

	Year to Date	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Prospectus Gross/Net Expense Ratio
Schwartz Value Focused Fund	7.88%	-5.66%	-0.09%	2.74%	1.17%	1.59%/1.25%
Russell 1000® Index	3.74%	2.93%	11.48%	11.88%	7.51%	

^ Annualized

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 1-800-449-9240 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, 2017.

The Schwartz Value Fund ("the Fund") underwent some important changes in recent months that we believe will afford us the opportunity to improve the Fund's future investment performance. On April 22, the Board of Trustees of Schwartz Investment Trust approved a change in the Fund's name to Schwartz Value Focused Fund. Additionally, on June 29, a Special Meeting of Shareholders of the Fund was held at which the shareholders voted and approved: 1) a change in the sub-classification of the Fund from a diversified to a non-diversified fund, and 2) the removal of certain fundamental investment limitations. As discussed in the proxy materials that you received prior to the Special Meeting, these modifications are intended to allow the portfolio managers to take more meaningful positions in those securities that we believe are the most attractive from an investment standpoint. Simply put, we will be able to take larger positions in our best ideas. As a result, it is likely that the Fund will become more concentrated, holding fewer positions, than it has historically.

Some of the headwinds that previously worked against our value-conscious investment style started to abate in 2016. As discussed in last year's annual report, due to falling oil & gas prices, the Fund's energy-related holdings were a notable drag on performance in 2015. However, with energy prices bottoming earlier this year a number of our oil & gas related holdings have experienced strong share price appreciation since February. Two of the best performers have been Devon Energy Corporation and Apache Corporation, up 94% and 65%, respectively from their February lows. Another sector that was unduly depressed heading into this year, which has also rebounded sharply in recent months is the metals & mining industry. Oddly enough, in a global financial market that now has over $12 trillion of negative yielding securities, gold and silver (which pay no interest), are a "high yielding" asset. Further, the mining companies may benefit from lower commodity input prices, which will reduce their cost structures and improve profitability. The Fund's holdings in this sector have been the Fund's best performing stocks so far this year, rebounding sharply from deeply oversold levels at year-end. The Fund's five best performing securities in the first half of 2016 were: Barrick Gold Corp. (metals & mining) +190.10%, Pan American Silver Corporation (metals & mining) +153.64%, Goldcorp, Inc. (metals & mining) +66.38%, Apache Corporation (oil & gas exploration/production) +26.44% and MSC Industrial Direct Co., Inc. (industrial equipment) +26.42%. The Fund's largest holding,

Unico American Corporation, also contributed positively to first half results, gaining 11%. In early April, the company announced that its board of directors had appointed a special committee of independent directors to a review of strategic alternatives for the company aimed at enhancing shareholder value. That's usually a good sign.

On the negative side, financials have been one of the worst performing sectors this year, owing to persistently low interest rates and meager economic growth, both in the U.S. and abroad. The Fund's holdings in this sector, PNC Financial Services Group (warrants) and Citigroup, Inc. (money center banking) were weak performers. Another stock which hurt performance in the first half was ARRIS International PLC, which makes telecommunications equipment for cable and satellite MSOs (multiple system operators). ARRIS came under pressure as its cable and satellite customers have delayed purchases of ARRIS's set-top box equipment due to industry changes brought about by increased regulation by the FTC. We view the weakness in ARRIS's stock price as temporary and increased the Fund's position accordingly. The Fund's five worst performing securities so far this year are: PNC Financial Services (warrants) (regional banking) -30.33%, ARRIS International PLC (communications equipment) -30.30%, Citigroup, Inc. (financial services) -17.91%, Liberty Global PLC (international cable & broadband) -11.54% and Discovery Communications, Inc. (media) -6.25%.

During the past six months, we liquidated five stocks that had reached our estimate of intrinsic value: Biglari Holdings, Inc. (restaurants), Franklin Resources, Inc. (asset management), International Business Machines Corporation (information technology services), Michelin ADR (tires), and The Progressive Corporation (insurance). Proceeds from these sales were used to establish new positions in five securities: Baker Hughes, Inc. (oil & gas services), Emerson Electric Co. (industrial electrical equipment), MSC Industrial Direct Co., Inc. (industrial equipment), Nordstrom, Inc. (apparel retailing), and Texas Pacific Land Trust (real estate). In our opinion, these new holdings represent businesses with sound financials and they are run by experienced, shareholder-friendly management teams. In each instance, the shares are selling at prices well below our estimate of intrinsic value.

Thank you for being a shareholder in the Schwartz Value Focused Fund.

IMPORTANT INFORMATION FOR INVESTORS

[1] Schwartz Value Focused Fund was formerly known as Schwartz Value Fund.

As of 6-30-16, the holding percentages of the stocks mentioned in this commentary are as follows; Devon Energy Corporation (1.0%), Apache Corporation (1.5%), Barrick Gold Corp. (2.2%), Pan American Silver Corporation (3.0%), MSC Industrial Direct Co., Inc. (1.1%), Unico American Corporation (10.5%), PNC Financial Services Group (warrants) (1.8%), Citigroup, Inc. (0.8%), ARRIS International PLC (4.4%), Liberty Global PLC - Series C (1.5%), Discovery Communications, Inc. – Class A (3.3%), Baker Hughes, Inc. (1.9%), Emerson Electric Co. (1.1%), Nordstrom, Inc. (2.5%) and Texas Pacific Land Trust (0.9%). 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 6-30-16: Unico American Corporation (10.5%), Goldcorp, Inc. (6.0%), Liberty Interactive Corp. (4.7%), Berkshire Hathaway, Inc. - Class A (4.6%), ARRIS International PLC (4.4%), Avnet, Inc. (4.3%), Graham Holdings Company - Class B (3.6%), Colfax Corporation (3.5%), Discovery Communications, Inc. – Class A (3.3%) and Schlumberger Limited (3.1%). The most current available data regarding portfolio holdings can be found on our website, www.schwartzvaluefocusedfund.com.

This Fund is a non-diversified fund. Because the fund may invest in securities of smaller numbers of issuers, the Fund may be more exposed to the risks associated with and developments affecting an individual issuer than a fund that invests more widely, which may, therefore, have a greater impact on the Fund's performance. Performance can be affected by market and investment style risk. Mutual Fund investing involves risk and principal loss is possible. 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. The quoted performance for the Fund includes performance of RCM Partners Limited Partnership for periods prior to July 20, 1993. It should be noted that: (1) the Fund's performance includes performance for periods before the Fund's registration statement became effective; (2) the Fund was not registered with the Securities and Exchange Commission and, therefore, was not subject to the investment restrictions imposed by law on registered mutual funds; and (3) if the Fund had been registered during such periods, performance may have been adversely affected. The Russell 1000® Index is an unmanaged index of the largest 1,000 stocks in the Russell 3000® Index. Indexes do not incur fees and it is not possible to invest directly in an index.

Prospective investors should read the prospectus carefully and consider the Fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus, which can be obtained by calling 1-800-449-9240 or online at www.schwartzvaluefocusedfund.com, contains this and other important information. *Distributed by Ultimus Fund Distributors, LLC.*

84-03-101516