



Faith Shares

Semi-Annual Report

January 31, 2010

**FaithShares Baptist Values Fund
FaithShares Catholic Values Fund
FaithShares Christian Values Fund
FaithShares Lutheran Values Fund
FaithShares Methodist Values Fund**



Table of Contents

Schedules of Investments	
FaithShares Baptist Values Fund	1
FaithShares Catholic Values Fund.....	3
FaithShares Christian Values Fund	5
FaithShares Lutheran Values Fund	7
FaithShares Methodist Values Fund.....	9
Statements of Assets and Liabilities	11
Statements of Operations.....	12
Statements of Changes	13
Financial Highlights	14
Notes to Financial Statements	15
Disclosure of Fund Expenses	21
Board Considerations in Approving the Advisory Agreement	23
Supplement Information.....	25

The Funds will file their complete schedules of Fund holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q within sixty days after the end of the period. The Funds' Forms N-Q will be available on the Commission's website at <http://www.sec.gov>, and may be reviewed and copied at the Commission's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

A description of the policies and procedures that FaithShares Funds use to determine how to vote proxies relating to Fund securities, as well as information relating to how the Funds voted proxies relating to Fund securities during the most recent 12-month period ended June 30, will be available (i) without charge, upon request, by calling 1-877-FAITH-55; and (ii) on the Commission's website at <http://www.sec.gov>.

Schedule of Investments • Baptist Values Fund

January 31, 2010 (Unaudited)

Sector Weightings †

	15.1% Financials
	14.0% Information Technology
	13.1% Health Care
	12.8% Energy
	12.6% Industrials
	12.1% Consumer Staples
	11.3% Consumer Discretionary
	3.0% Utilities
	2.9% Materials
	2.0% Telecommunication Services
	1.1% Time Deposit

† Percentages based on total investments.

Description	Shares	Market Value
COMMON STOCK – 98.9%		
Consumer Discretionary – 11.3%		
Gap	1,366	\$ 26,063
Johnson Controls	1,046	29,110
Kohl's*	492	24,782
McDonald's	370	23,099
NIKE, CI B	378	24,097
Nordstrom	1,126	38,892
Staples	1,060	24,868
Starbucks*	1,516	33,034
Target	544	27,891
TJX	698	26,531
		278,367
Consumer Staples – 12.1%		
Avon Products	832	25,077
Campbell Soup	754	24,965
Clorox	384	22,722
Colgate-Palmolive	304	24,329
Dr Pepper Snapple Group	964	26,664
General Mills	394	28,096
HJ Heinz	588	25,654
Kellogg	478	26,013
Kroger	1,002	21,473
Procter & Gamble	424	26,097
Safeway	1,028	23,078
Sysco	906	25,359
		299,527
Energy – 12.8%		
Apache	286	28,248
Chesapeake Energy	1,028	25,474
Devon Energy	360	24,088
El Paso	2,354	23,893
EOG Resources	308	27,849
Hess	404	23,347
Marathon Oil	702	20,927
Range Resources	482	22,172
Smith International	810	24,559
Southwestern Energy*	524	22,469
Spectra Energy	1,290	27,413
Ultra Petroleum*	492	22,602

Description	Shares	Market Value
XTO Energy	544	\$ 24,246
		317,287
Financials – 15.1%		
Aflac	694	33,610
American Express	852	32,086
Bank of New York Mellon	726	21,119
BlackRock, CI A	122	26,086
Charles Schwab	1,200	21,948
CME Group, CI A	64	18,357
KeyCorp	3,544	25,446
M&T Bank	460	33,925
Moody's	826	22,789
Northern Trust	394	19,905
NYSE Euronext	758	17,745
State Street	446	19,125
T Rowe Price Group	508	25,207
US Bancorp	1,202	30,146
Wells Fargo	890	25,303
		372,797
Health Care – 13.1%		
Allergan	464	26,680
Baxter International	418	24,073
Becton Dickinson and	312	23,515
Genzyme*	390	21,161
Gilead Sciences*	456	22,011
Henry Schein*	472	25,512
Hospira*	590	29,878
Illumina*	580	21,280
Johnson & Johnson	384	24,138
Medtronic	634	27,192
Merck	832	31,766
Quest Diagnostics	400	22,268
Waters*	438	24,957
		324,431
Industrials – 12.6%		
Cooper Industries	696	29,859
Cummins	668	30,167
Deere	538	26,873
Emerson Electric	658	27,333
First Solar*	122	13,823
Ingersoll-Rand	996	32,330
Pitney Bowes	1,016	21,255
Quanta Services*	940	17,127
Rockwell Collins	492	26,169
Roper Industries	466	23,337
Southwest Airlines	3,254	36,868
United Parcel Service, CI B	446	25,765
		310,906
Information Technology – 14.0%		
Adobe Systems*	734	23,708
Applied Materials	1,964	23,922
Cisco Systems*	1,140	25,616
Dell*	1,618	20,872
EMC*	1,646	27,439
Hewlett-Packard	562	26,453
Intel	1,346	26,112
International Business Machines	202	24,723



Schedule of Investments • Baptist Values Fund

Description	Shares/Face	
	Amount	Market Value
Microsoft	896	\$ 25,249
Motorola	3,532	21,722
NetApp*	1,106	32,218
QUALCOMM	466	18,262
Texas Instruments	994	22,365
Xerox	3,198	27,887
		<u>346,548</u>
Materials — 2.9%		
Air Products & Chemicals	332	25,219
Ecolab	570	25,023
Vulcan Materials	494	21,830
		<u>72,072</u>
Telecommunication Services — 2.0%		
MetroPCS Communications*	1,532	8,625
Sprint Nextel*	4,328	14,196
Windstream	2,612	26,930
		<u>49,751</u>
Utilities — 3.0%		
PG&E	570	24,077
Wisconsin Energy	534	26,134
Xcel Energy	1,190	24,728
		<u>74,939</u>
Total Common Stock (Cost \$2,512,411)		<u>2,446,625</u>
TIME DEPOSIT — 1.1%		
Brown Brothers Harriman 0.031%	\$ 27,972	<u>27,972</u>
Total Time Deposit (Cost \$27,972)		<u>27,972</u>
Total Investments — 100.0% (Cost \$2,540,383)		<u>\$ 2,474,597</u>

Percentages are based on Net Assets of \$2,474,285.

* Non-income producing security.

Cl — Class

As of January 31, 2010, all of the Fund's investments are Level 1 in accordance with ASC 820 (formerly FAS 157) with the exception of the Time Deposit which is a Level 2.

The accompanying notes are an integral part of the financial statements.

Schedule of Investments • Catholic Values Fund

January 31, 2010 (Unaudited)

Sector Weightings †

	15.7% Information Technology
	15.5% Financials
	12.7% Health Care
	12.4% Energy
	11.5% Consumer Staples
	10.2% Consumer Discretionary
	10.1% Industrials
	3.6% Time Deposit
	3.1% Materials
	2.8% Utilities
	2.4% Telecommunication Services

† Percentages based on total investments.

Description	Shares	Market Value
-------------	--------	--------------

COMMON STOCK – 96.4%

Consumer Discretionary – 10.2%

AutoZone*	134	\$	20,774
Gap	1,342		25,606
Johnson Controls	1,028		28,609
Kohl's*	484		24,379
McDonald's	362		22,600
NIKE, CI B	374		23,842
Staples	1,042		24,445
Starbucks*	1,490		32,467
Target	534		27,378
TJX	686		26,075
			256,175

Consumer Staples – 11.5%

Clorox	376	22,248
Colgate-Palmolive	300	24,009
Dr Pepper Snapple Group	948	26,222
General Mills	386	27,526
HJ Heinz	578	25,218
Kimberly-Clark	418	24,825
Kroger	986	21,130
Molson Coors Brewing, CI B	504	21,168
PepsiCo	392	23,371
Procter & Gamble	418	25,728
Safeway	1,010	22,674
Sysco	894	25,023
		289,142

Energy – 12.4%

Apache	280	27,656
Chesapeake Energy	1,010	25,028
Devon Energy	354	23,686
El Paso	2,316	23,507
EOG Resources	302	27,307
Hess	398	23,001
Marathon Oil	690	20,569
Range Resources	474	21,804
Smith International	798	24,195
Southwestern Energy*	516	22,126
Spectra Energy	1,268	26,945
Ultra Petroleum*	484	22,235

Description	Shares	Market Value
-------------	--------	--------------

XTO Energy	534	\$	23,800
			311,859

Financials – 15.5%

Aflac	682	33,029
American Express	862	32,463
Bank of New York Mellon	712	20,712
BB&T	878	24,470
BlackRock, CI A	120	25,658
Capital One Financial	952	35,091
Charles Schwab	1,180	21,582
CME Group, CI A	64	18,356
Franklin Resources	288	28,521
KeyCorp	3,484	25,015
M&T Bank	452	33,335
Northern Trust	388	19,602
NYSE Euronext	744	17,417
T Rowe Price Group	500	24,810
US Bancorp	1,182	29,645
		389,706

Health Care – 12.7%

Allergan	456	26,220
Biogen Idec*	408	21,926
DaVita*	440	26,294
Genzyme*	384	20,836
Gilead Sciences*	448	21,625
Henry Schein*	464	25,079
Hospira*	580	29,371
Illumina*	570	20,913
Medtronic	624	26,764
Quest Diagnostics	392	21,823
Varian Medical Systems*	566	28,464
Waters*	432	24,615
WellPoint*	414	26,380
		320,310

Industrials – 10.1%

3M	356	28,654
Cooper Industries	684	29,344
Cummins	658	29,715
Deere	528	26,374
Emerson Electric	646	26,835
First Solar*	120	13,596
Pitney Bowes	998	20,878
Quanta Services*	924	16,835
Rockwell Collins	484	25,744
Southwest Airlines	3,196	36,211
		254,186

Information Technology – 15.7%

Agilent Technologies*	1,124	31,506
Applied Materials	1,930	23,507
Cisco Systems*	1,120	25,166
Dell*	1,592	20,537
EMC*	1,618	26,972
Google, CI A*	50	26,471
Hewlett-Packard	552	25,983
Intel	1,324	25,686
International Business Machines	200	24,478
Microsoft	880	24,798



Schedule of Investments • Catholic Values Fund

Description	Shares/Face	
	Amount	Market Value
Motorola	3,472	\$ 21,353
Oracle	1,024	23,614
QUALCOMM	458	17,949
Texas Instruments	978	22,005
Tyco Electronics	1,054	26,223
Xerox	3,142	27,398
		<u>393,646</u>
Materials — 3.1%		
Air Products & Chemicals	326	24,763
Alcoa	1,926	24,518
Weyerhaeuser	734	29,287
		<u>78,568</u>
Telecommunication Services — 2.4%		
Sprint Nextel*	4,248	13,934
Verizon Communications	714	21,006
Windstream	2,582	26,620
		<u>61,560</u>
Utilities — 2.8%		
PG&E	560	23,654
Public Service Enterprise Group	662	20,251
Wisconsin Energy	526	25,742
		<u>69,647</u>
Total Common Stock (Cost \$2,411,572)		<u>2,424,799</u>
TIME DEPOSIT — 3.6%		
Brown Brothers Harriman 0.031%	\$ 90,785	<u>90,785</u>
Total Time Deposit (Cost \$90,785)		<u>90,785</u>
Total Investments — 100.0% (Cost \$2,502,357)		<u>\$ 2,515,584</u>

Percentages are based on Net Assets of \$2,515,574.

* Non-income producing security.

CI — Class

As of January 31, 2010, all of the Fund's investments are Level 1 in accordance with ASC 820 (formerly FAS 157) with the exception of the Time Deposit which is a Level 2.

The accompanying notes are an integral part of the financial statements.

Schedule of Investments • Christian Values Fund

January 31, 2010 (Unaudited)

Sector Weightings †

	15.1% Information Technology
	14.7% Financials
	13.0% Health Care
	12.5% Energy
	11.8% Consumer Staples
	11.0% Industrials
	10.7% Consumer Discretionary
	3.2% Time Deposit
	3.0% Utilities
	3.0% Materials
	2.0% Telecommunication Services

† Percentages based on total investments.

Description	Shares	Market Value
COMMON STOCK – 96.8%		
Consumer Discretionary – 10.7%		
AutoZone*	136	\$ 21,084
Gap	1,354	25,834
Johnson Controls	1,038	28,888
Kohl's*	488	24,580
McDonald's	366	22,850
NIKE, CI B	378	24,097
Nordstrom	1,116	38,547
Staples	1,052	24,680
Starbucks*	1,504	32,772
TJX	692	26,303
		269,635
Consumer Staples – 11.8%		
Avon Products	826	24,896
Campbell Soup	748	24,766
Clorox	380	22,485
Colgate-Palmolive	302	24,169
Dr Pepper Snapple Group	956	26,443
General Mills	390	27,811
HJ Heinz	582	25,393
Kellogg	474	25,795
Kroger	994	21,301
Procter & Gamble	422	25,974
Safeway	1,020	22,899
Sysco	902	25,247
		297,179
Energy – 12.5%		
Apache	284	28,051
Chesapeake Energy	1,020	25,276
Devon Energy	358	23,954
El Paso	2,336	23,710
EOG Resources	306	27,668
Hess	400	23,116
Marathon Oil	696	20,748
Range Resources	480	22,080
Smith International	804	24,377
Southwestern Energy*	520	22,298
Spectra Energy	1,280	27,200
Ultra Petroleum*	490	22,510

Description	Shares	Market Value
XTO Energy	540	\$ 24,068
		315,056
Financials – 14.8%		
Aflac	688	33,320
American Express	870	32,764
Bank of New York Mellon	720	20,945
BlackRock, CI A	122	26,086
Charles Schwab	1,192	21,802
CME Group, CI A	64	18,356
KeyCorp	3,516	25,245
M&T Bank	456	33,630
Moody's	818	22,569
Northern Trust	392	19,804
NYSE Euronext	752	17,604
State Street	444	19,039
T Rowe Price Group	504	25,008
US Bancorp	1,192	29,896
Wells Fargo	882	25,075
		371,143
Health Care – 13.0%		
Aetna	824	24,695
Allergan	460	26,450
Biogen Idec*	412	22,141
DaVita*	444	26,534
Genzyme*	386	20,944
Gilead Sciences*	454	21,915
Henry Schein*	468	25,295
Hospira*	586	29,675
Medtronic	630	27,021
Quest Diagnostics	396	22,045
Varian Medical Systems*	572	28,766
Waters*	436	24,843
WellPoint*	418	26,635
		326,959
Industrials – 11.0%		
Cummins	664	29,986
Eaton	470	28,783
Emerson Electric	652	27,084
First Solar*	122	13,823
Goodrich	414	25,631
Pitney Bowes	1,008	21,087
Quanta Services*	932	16,981
Raytheon	462	24,222
Rockwell Collins	488	25,957
Southwest Airlines	3,226	36,551
United Technologies	394	26,587
		276,692
Information Technology – 15.1%		
Applied Materials	1,948	23,727
Cisco Systems*	1,130	25,391
Dell*	1,606	20,717
EMC*	1,634	27,239
Harris	744	31,932
Hewlett-Packard	558	26,265
Intel	1,336	25,918
International Business Machines	202	24,723



Schedule of Investments • Christian Values Fund

Description	Shares/Face Amount	Market Value
Microsoft	888	\$ 25,024
Motorola	3,504	21,550
NetApp*	1,096	31,926
QUALCOMM	462	18,106
Texas Instruments	986	22,185
Tyco Electronics	1,064	26,472
Xerox	3,172	27,660
		<u>378,835</u>
Materials – 3.0%		
Alcoa	1,944	24,747
Ball	510	25,903
Ecolab	564	24,760
		<u>75,410</u>
Telecommunication Services – 2.0%		
MetroPCS Communications*	1,520	8,557
Sprint Nextel*	4,288	14,065
Windstream	2,606	26,868
		<u>49,490</u>
Utilities – 2.9%		
PG&E	566	23,908
Wisconsin Energy	530	25,938
Xcel Energy	1,180	24,520
		<u>74,366</u>
Total Common Stock (Cost \$2,421,780)		<u>2,434,765</u>
TIME DEPOSIT – 3.2%		
Brown Brothers Harriman 0.031%	\$ 80,691	<u>80,691</u>
Total Time Deposit (Cost \$80,691)		<u>80,691</u>
Total Investments – 100.0% (Cost \$2,502,471)		<u>\$ 2,515,456</u>

Percentages are based on Net Assets of \$2,514,812.

* Non-income producing security.

CI – Class

As of January 31, 2010, all of the Fund's investments are Level 1 in accordance with ASC 820 (formerly FAS 157) with the exception of the Time Deposit which is a Level 2.

The accompanying notes are an integral part of the financial statements.

Schedule of Investments • Lutheran Values Fund

January 31, 2010 (Unaudited)

Sector Weightings †

	15.7% Financials
	14.8% Information Technology
	13.1% Health Care
	12.1% Consumer Discretionary
	12.0% Consumer Staples
	11.7% Energy
	10.1% Industrials
	3.8% Utilities
	3.1% Materials
	2.5% Telecommunication Services
	1.1% Time Deposit

† Percentages based on total investments.

Description	Shares	Market Value
COMMON STOCK – 98.9%		
Consumer Discretionary – 12.1%		
Gap	1,362	\$ 25,987
JC Penney	806	20,013
Johnson Controls	1,044	29,055
Kohl's*	490	24,681
Lowe's	1,144	24,767
McDonald's	368	22,974
Nordstrom	1,122	38,754
Staples	1,056	24,774
Starbucks*	1,512	32,947
Target	542	27,788
TJX	696	26,455
		298,195
Consumer Staples – 12.0%		
Avon Products	830	25,016
Clorox	382	22,603
Colgate-Palmolive	304	24,329
Dr Pepper Snapple Group	962	26,609
General Mills	392	27,954
HJ Heinz	586	25,567
Kellogg	476	25,904
Kroger	998	21,387
Molson Coors Brewing, Cl B	498	20,916
PepsiCo	398	23,729
Procter & Gamble	424	26,097
Sysco	904	25,303
		295,414
Energy – 11.7%		
Apache	284	28,051
Chesapeake Energy	1,024	25,375
Devon Energy	360	24,088
El Paso	2,348	23,832
EOG Resources	306	27,668
Hess	402	23,232
Marathon Oil	700	20,867
Range Resources	482	22,172
Smith International	808	24,499
Southwestern Energy*	524	22,469
Ultra Petroleum*	492	22,602

Description	Shares	Market Value
XTO Energy	542	\$ 24,157
		289,012
Financials – 15.7%		
Aflac	692	33,513
American Express	850	32,011
Bank of New York Mellon	724	21,061
BlackRock, Cl A	122	26,086
Charles Schwab	1,198	21,911
CME Group, Cl A	64	18,357
KeyCorp	3,534	25,374
M&T Bank	460	33,925
Moody's	824	22,734
Northern Trust	394	19,905
State Street	446	19,125
SunTrust Banks	1,322	32,164
T Rowe Price Group	508	25,207
US Bancorp	1,198	30,046
Wells Fargo	888	25,246
		386,665
Health Care – 13.1%		
Allergan	462	26,565
Baxter International	418	24,073
Becton Dickinson and	312	23,515
Genzyme*	388	21,053
Gilead Sciences*	456	22,011
Henry Schein*	472	25,511
Hospira*	588	29,776
Illumina*	578	21,207
Johnson & Johnson	382	24,013
Medtronic	632	27,107
Merck	830	31,689
Quest Diagnostics	398	22,157
Waters*	438	24,957
		323,634
Industrials – 10.1%		
Cummins	668	30,167
Deere	536	26,773
Emerson Electric	656	27,250
FedEx	418	32,750
First Solar*	122	13,823
Pitney Bowes	1,014	21,213
Precision Castparts	268	28,207
Quanta Services*	936	17,054
Rockwell Collins	492	26,169
United Parcel Service, Cl B	446	25,766
		249,172
Information Technology – 14.8%		
Applied Materials	1,958	23,848
Cisco Systems*	1,136	25,526
Dell*	1,614	20,821
EMC*	1,642	27,372
Google, Cl A*	50	26,471
Hewlett-Packard	560	26,359
Intel	1,344	26,074
International Business Machines	202	24,723
Microsoft	892	25,137
Motorola	3,524	21,673



Schedule of Investments • Lutheran Values Fund

Description	Shares/Face Amount	Market Value
QUALCOMM	466	\$ 18,262
Symantec*	1,352	22,916
Texas Instruments	992	22,320
Tyco Electronics	1,070	26,621
Xerox	3,190	27,817
		<u>365,940</u>
Materials – 3.1%		
Alcoa	1,954	24,874
Ball	512	26,005
Ecolab	568	24,935
		<u>75,814</u>
Telecommunication Services – 2.5%		
Sprint Nextel*	4,318	14,163
Verizon Communications	724	21,300
Windstream	2,604	26,847
		<u>62,310</u>
Utilities – 3.8%		
Exelon	428	19,525
PG&E	570	24,077
Wisconsin Energy	534	26,134
Xcel Energy	1,186	24,645
		<u>94,381</u>
Total Common Stock (Cost \$2,512,589)		<u>2,440,537</u>
TIME DEPOSIT – 1.1%		
Brown Brothers Harriman 0.031%	\$ 28,105	<u>28,105</u>
Total Time Deposit (Cost \$28,105)		<u>28,105</u>
Total Investments – 100.0% (Cost \$2,540,694)		<u>\$ 2,468,642</u>

Percentages are based on Net Assets of \$2,468,582.

* Non-income producing security.

Cl – Class

As of January 31, 2010, all of the Fund's investments are Level 1 in accordance with ASC 820 (formerly FAS 157) with the exception of the Time Deposit which is a Level 2.

The accompanying notes are an integral part of the financial statements.

Schedule of Investments • Methodist Values Fund

January 31, 2010 (Unaudited)

Sector Weightings †

	15.8%	Information Technology
	14.6%	Financials
	12.7%	Health Care
	12.4%	Energy
	11.7%	Consumer Staples
	10.9%	Consumer Discretionary
	10.2%	Industrials
	3.3%	Time Deposit
	3.0%	Materials
	2.9%	Utilities
	2.5%	Telecommunication Services

† Percentages based on total investments.

Description	Shares	Market Value
COMMON STOCK – 96.7%		
Consumer Discretionary – 10.9%		
Gap	1,342	\$ 25,606
Johnson Controls	1,028	28,609
Kohl's*	484	24,379
McDonald's	362	22,600
NIKE, CI B	374	23,842
Nordstrom	1,106	38,202
Staples	1,042	24,445
Starbucks*	1,490	32,467
Target	534	27,378
TJX	686	26,075
		273,603
Consumer Staples – 11.7%		
Avon Products	818	24,654
Campbell Soup	740	24,501
Clorox	376	22,248
Colgate-Palmolive	300	24,009
Dr Pepper Snapple Group	948	26,222
General Mills	386	27,526
HJ Heinz	578	25,218
Kellogg	468	25,469
Kroger	986	21,130
Procter & Gamble	418	25,728
Safeway	1,010	22,674
Sysco	894	25,023
		294,402
Energy – 12.4%		
Apache	280	27,655
Chesapeake Energy	1,010	25,028
Devon Energy	354	23,686
El Paso	2,314	23,487
EOG Resources	302	27,307
Hess	396	22,885
Marathon Oil	690	20,569
Range Resources	474	21,804
Smith International	796	24,135
Southwestern Energy*	516	22,126
Spectra Energy	1,268	26,945
Ultra Petroleum*	484	22,235

Description	Shares	Market Value
XTO Energy	534	\$ 23,800
		311,662
Financials – 14.6%		
Aflac	682	33,029
American Express	862	32,463
Bank of New York Mellon	712	20,712
BlackRock, CI A	120	25,659
Charles Schwab	1,180	21,582
CME Group, CI A	64	18,357
KeyCorp	3,484	25,015
M&T Bank	452	33,335
Moody's	810	22,348
Northern Trust	388	19,602
NYSE Euronext	744	17,417
State Street	440	18,867
T Rowe Price Group	500	24,810
US Bancorp	1,180	29,594
Wells Fargo	874	24,848
		367,638
Health Care – 12.7%		
Allergan	456	26,220
Baxter International	408	23,497
Becton Dickinson and	306	23,063
Genzyme*	384	20,836
Gilead Sciences*	448	21,625
Henry Schein*	464	25,079
Hospira*	580	29,371
Illumina*	570	20,913
Johnson & Johnson	376	23,635
Medtronic	624	26,763
Merck	818	31,231
Quest Diagnostics	392	21,823
Waters*	430	24,502
		318,558
Industrials – 10.2%		
Cooper Industries	684	29,344
Cummins	656	29,625
Eaton	464	28,415
Emerson Electric	646	26,835
First Solar*	120	13,596
Pitney Bowes	998	20,878
Precision Castparts	264	27,786
Quanta Services*	924	16,835
Rockwell Collins	484	25,744
Southwest Airlines	3,194	36,188
		255,246
Information Technology – 15.8%		
Adobe Systems*	722	23,321
Agilent Technologies*	1,124	31,506
Applied Materials	1,928	23,483
Cisco Systems*	1,120	25,166
Dell*	1,590	20,511
EMC*	1,618	26,972
Hewlett-Packard	552	25,983
Intel	1,322	25,647
International Business Machines	200	24,478



Schedule of Investments • Methodist Values Fund

Description	Shares/Face Amount	Market Value
Microsoft	880	\$ 24,798
Motorola	3,470	21,341
NetApp*	1,086	31,635
QUALCOMM	458	17,949
Texas Instruments	978	22,005
Tyco Electronics	1,054	26,223
Xerox	3,142	27,398
		<u>398,416</u>
Materials – 3.0%		
Alcoa	1,926	24,518
Ball	504	25,598
Ecolab	560	24,584
		<u>74,700</u>
Telecommunication Services – 2.5%		
Qwest Communications International	5,312	22,364
Sprint Nextel*	4,246	13,927
Windstream	2,582	26,620
		<u>62,911</u>
Utilities – 2.9%		
PG&E	560	23,654
Wisconsin Energy	526	25,743
Xcel Energy	1,168	24,271
		<u>73,668</u>
Total Common Stock (Cost \$2,418,831)		<u>2,430,804</u>
TIME DEPOSIT – 3.3%		
Brown Brothers Harriman 0.031%	\$ 83,616	<u>83,616</u>
Total Time Deposit (Cost \$83,616)		<u>83,616</u>
Total Investments – 100.0% (Cost \$2,502,447)		<u>\$ 2,514,420</u>

Percentages are based on Net Assets of \$2,513,765.

* Non-income producing security.

CI – Class

As of January 31, 2010, all of the Fund's investments are Level 1 in accordance with ASC 820 (formerly FAS 157) with the exception of the Time Deposit which is a Level 2.

The accompanying notes are an integral part of the financial statements.



Statements of Assets and Liabilities

January 31, 2010 (Unaudited)

	FaithShares Baptist Values Fund	FaithShares Catholic Values Fund	FaithShares Christian Values Fund	FaithShares Lutheran Values Fund	FaithShares Methodist Values Fund
Assets:					
Cost of Investments	\$ 2,540,383	\$ 2,502,357	\$ 2,502,471	\$ 2,540,694	\$ 2,502,447
Investments at Value	\$ 2,474,597	\$ 2,515,584	\$ 2,515,456	\$ 2,468,642	\$ 2,514,420
Dividend and Interest Receivable	1,594	1,927	1,290	1,841	1,277
Total Assets	2,476,191	2,517,511	2,516,746	2,470,483	2,515,697
Liabilities:					
Payable due to Investment Adviser	1,906	1,937	1,934	1,901	1,932
Total Liabilities	1,906	1,937	1,934	1,901	1,932
Net Assets	\$ 2,474,285	\$ 2,515,574	\$ 2,514,812	\$ 2,468,582	\$ 2,513,765
Net Assets Consist of:					
Paid-in Capital	\$ 2,540,000	\$ 2,500,000	\$ 2,500,000	\$ 2,540,000	\$ 2,500,000
Undistributed (Distributions in Excess of) Net Investment Income	(445)	22	(520)	120	(533)
Accumulated Net Realized Gain on Investments	516	2,325	2,347	514	2,325
Net Unrealized Appreciation (Depreciation) on Investments	(65,786)	13,227	12,985	(72,052)	11,973
Net Assets	\$ 2,474,285	\$ 2,515,574	\$ 2,514,812	\$ 2,468,582	\$ 2,513,765
Outstanding Shares of Beneficial Interest (unlimited authorization – no par value)	100,000	100,000	100,000	100,000	100,000
Net Asset Value, Offering and Redemption Price Per Share	\$24.74	\$25.16	\$25.15	\$24.69	\$25.14

The accompanying notes are an integral part of the financial statements.



Statements of Operations

For the period ended January 31, 2010 (Unaudited)

	FaithShares Baptist Values Fund ⁽¹⁾	FaithShares Catholic Values Fund ⁽²⁾	FaithShares Christian Values Fund ⁽²⁾	FaithShares Lutheran Values Fund ⁽¹⁾	FaithShares Methodist Values Fund ⁽²⁾
Investment Income:					
Dividend Income	\$ 4,347	\$ 6,094	\$ 5,084	\$ 4,440	\$ 5,318
Interest Income	—	4	3	—	3
Total Investment Income	<u>4,347</u>	<u>6,098</u>	<u>5,087</u>	<u>4,440</u>	<u>5,321</u>
Investment Advisory Fees	2,884	3,292	3,289	2,875	3,286
Total Expenses	<u>2,884</u>	<u>3,292</u>	<u>3,289</u>	<u>2,875</u>	<u>3,286</u>
Net Investment Income	<u>1,463</u>	<u>2,806</u>	<u>1,798</u>	<u>1,565</u>	<u>2,035</u>
Net Realized Gain on:					
Investments	516	2,325	2,347	514	2,325
Net Realized Gain on Investments	<u>516</u>	<u>2,325</u>	<u>2,347</u>	<u>514</u>	<u>2,325</u>
Net Change in Unrealized Appreciation (Depreciation) on:					
Investments	(65,786)	13,227	12,985	(72,052)	11,973
Net Change in Unrealized Appreciation (Depreciation) on Investments	<u>(65,786)</u>	<u>13,227</u>	<u>12,985</u>	<u>(72,052)</u>	<u>11,973</u>
Net Realized and Unrealized Gain(Loss) on Investments	<u>(65,270)</u>	<u>15,552</u>	<u>15,332</u>	<u>(71,538)</u>	<u>14,298</u>
Net Increase(Decrease) in Net Assets Resulting from Operations	<u>\$ (63,807)</u>	<u>\$ 18,358</u>	<u>\$ 17,130</u>	<u>\$ (69,973)</u>	<u>\$ 16,333</u>

(1) Inception date December 14, 2009.

(2) Inception date December 8, 2009.

Amounts designated as “—” are \$0 or have been rounded to \$0.

The accompanying notes are an integral part of the financial statements.

Faith Shares
Statements of Changes

	FaithShares Baptist Values Fund ⁽¹⁾	FaithShares Catholic Values Fund ⁽²⁾	FaithShares Christian Values Fund ⁽²⁾	FaithShares Lutheran Values Fund ⁽¹⁾	FaithShares Methodist Values Fund ⁽²⁾
	Period Ended January 31, 2010 (Unaudited)	Period Ended January 31, 2010 (Unaudited)	Period Ended January 31, 2010 (Unaudited)	Period Ended January 31, 2010 (Unaudited)	Period Ended January 31, 2010 (Unaudited)
Operations:					
Net Investment Income	\$ 1,463	\$ 2,806	\$ 1,798	\$ 1,565	\$ 2,035
Net Realized Gain on Investments	516	2,325	2,347	514	2,325
Net Change in Unrealized Appreciation (Depreciation) on Investments	<u>(65,786)</u>	<u>13,227</u>	<u>12,985</u>	<u>(72,052)</u>	<u>11,973</u>
Net Increase (Decrease) in Net Assets Resulting from Operations	<u>(63,807)</u>	<u>18,358</u>	<u>17,130</u>	<u>(69,973)</u>	<u>16,333</u>
Dividends and Distributions:					
Net Investment Income	<u>(1,908)</u>	<u>(2,784)</u>	<u>(2,318)</u>	<u>(1,445)</u>	<u>(2,568)</u>
Total Dividends and Distributions	<u>(1,908)</u>	<u>(2,784)</u>	<u>(2,318)</u>	<u>(1,445)</u>	<u>(2,568)</u>
Capital Share Transactions:					
Issued	<u>2,540,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,540,000</u>	<u>2,500,000</u>
Increase in Net Assets from Capital Share Transactions	<u>2,540,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,540,000</u>	<u>2,500,000</u>
Total Increase in Net Assets	<u>2,474,285</u>	<u>2,515,574</u>	<u>2,514,812</u>	<u>2,468,582</u>	<u>2,513,765</u>
Net Assets:					
Beginning of Period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of Period (Includes Undistributed (Distributions in Excess of) net investment income of \$(445), \$22, \$(520), \$120 and \$(533), respectively)	<u>\$ 2,474,285</u>	<u>\$ 2,515,574</u>	<u>\$ 2,514,812</u>	<u>\$ 2,468,582</u>	<u>\$ 2,513,765</u>
Share Transactions:					
Issued	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Net Increase in Shares Outstanding from Share Transactions	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

(1) Inception date December 14, 2009.

(2) Inception date December 8, 2009.

Amounts designated as “-” are \$0 or have been rounded to \$0.

The accompanying notes are an integral part of the financial statements.

Faith Shares
Financial Highlights

**Selected Per Share Data & Ratios
For a Share Outstanding Throughout the Period**

	Net Asset Value, Beginning of Period	Net Investment Income*	Net Realized and Unrealized Gain (Loss) on Investments	Total from Operations	Distribution from Net Investment Income	Net Asset Value, End of Period	Total Return ⁽¹⁾	Net Assets End of Period (000)	Ratio of Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Portfolio Turnover ⁽¹⁾⁽⁵⁾
FaithShares Baptist Values Fund⁽³⁾											
Institutional Shares 2010(Unaudited) \$	25.40	\$ 0.01	\$ (0.65)	\$ (0.64)	\$ (0.02)	\$ 24.74	(2.53) %	\$ 2,474	0.87 % ⁽²⁾	0.44% ⁽²⁾	1 %
FaithShares Catholic Values Fund⁽⁴⁾											
Institutional Shares 2010(Unaudited) \$	25.00	\$ 0.03	\$ 0.16	\$ 0.19	\$ (0.03)	\$ 25.16	0.75 %	\$ 2,516	0.87 % ⁽²⁾	0.74% ⁽²⁾	1 %
FaithShares Christian Values Fund⁽⁴⁾											
Institutional Shares 2010(Unaudited) \$	25.00	\$ 0.02	\$ 0.15	\$ 0.17	\$ (0.02)	\$ 25.15	0.69 %	\$ 2,515	0.87 % ⁽²⁾	0.48% ⁽²⁾	1 %
FaithShares Lutheran Values Fund⁽³⁾											
Institutional Shares 2010(Unaudited) \$	25.40	\$ 0.02	\$ (0.72)	\$ (0.70)	\$ (0.01)	\$ 24.69	(2.74) %	\$ 2,469	0.87 % ⁽²⁾	0.47% ⁽²⁾	1 %
FaithShares Methodist Values Fund⁽⁴⁾											
Institutional Shares 2010(Unaudited) \$	25.00	\$ 0.02	\$ 0.15	\$ 0.17	\$ (0.03)	\$ 25.14	0.66 %	\$ 2,514	0.87 % ⁽²⁾	0.54% ⁽²⁾	1 %

* Per share data calculated using average shares method.

- (1) Returns and portfolio turnover rates are for the period indicated and have not been annualized. Returns do not reflect the deduction of taxes the shareholder would pay on fund distributions or redemption of Fund shares.
- (2) Annualized.
- (3) Inception date December 14, 2009.
- (4) Inception date December 8, 2009.
- (5) Portfolio turnover rate does not include securities received or delivered from processing creations or redemptions.

The accompanying notes are an integral part of the financial statements.



Notes to the Financial Statements (Unaudited)

1. ORGANIZATION

The FaithShares Trust (the "Trust") is a Delaware Statutory Trust formed on July 17, 2009. The Trust is registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended, as an open-end management investment company with five investment portfolios: FaithShares Baptist Values Fund, FaithShares Catholic Values Fund, FaithShares Christian Values Fund, FaithShares Lutheran Values Fund, FaithShares Methodist Values Fund (each a "Fund", collectively the "Funds"). The Funds seek to provide investment results that correspond generally to the performance, before fees and expenses, of the Funds Index, a custom index developed by FTSE KLDI Indexes. FaithShares Advisors, LLC (the "Adviser"), an Oklahoma Limited Liability Company, serves as the investment adviser for the Funds, subject to the supervision of the Board of Trustees (the "Board"), the Adviser is responsible for managing the investment activities of the Funds, the Funds' business affairs and other administrative matters.

Shares of each of the Funds are listed and traded on the NYSE Arca, Inc. Market prices for the Shares may be different from their net asset value ("NAV"). Each Fund will issue and redeem Shares on a continuous basis at NAV only in large blocks of Shares, typically 50,000 Shares, called Creation Units ("Creation Units"). Creation Units will be issued and redeemed principally in-kind for securities included in a specified universe. Once created, Shares will trade in a secondary market at market prices that change throughout the day in amounts less than a Creation Unit.

2. SIGNIFICANT ACCOUNTING POLICIES

Financial Accounting Standards Board ("FASB") has issued FASB ASC 105 (formerly FASB Statement No. 168), *The "FASB Accounting Standards Codification"™ and the Hierarchy of Generally Accepted Accounting Principles* ("ASC 105"). ASC 105 established the FASB Accounting Standards Codification™ ("Codification" or "ASC") as the single source of authoritative U.S. generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal securities laws were also sources of authoritative GAAP for SEC registrants. The Codification superseded all existing non-SEC accounting and reporting standards. All other non-grandfathered, non-SEC accounting literature not included in the Codification have become non-authoritative.

Following the Codification, the FASB will not issue new standards in the form of Statements, FASB Staff Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates, which will serve to update the Codification, provide background information about the guidance and provide the basis for conclusions on the changes to the Codification.

GAAP was not intended to be changed as a result of the FASB's Codification project, but it has changed the way the guidance is organized and presented. As a result, these changes have had an impact on how companies reference GAAP in their financial statements and in their accounting policies for financial statements issued for interim and annual periods ending after September 15, 2009. The Trust implemented the Codification as of January 31, 2010.

The following is a summary of the Significant Accounting Policies followed by the Funds.

Use of Estimates and Indemnifications — The preparation of financial statements, in conformity with U.S. generally accepted accounting principles 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 increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Notes to the Financial Statements (Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

In the normal course of business, the Trust enters into contracts that contain a variety of representations which provide general indemnifications. The Trust's maximum exposure under these arrangements cannot be known; however, the Trust expects any risk of loss to be remote.

Security Valuation — Securities listed on a securities exchange, market or automated quotation system for which quotations are readily available (except for securities traded on NASDAQ), including securities traded over the counter, are valued at the last quoted sale price on the primary exchange or market (foreign or domestic) on which they are traded (or at approximately 4:00 pm Eastern Time if a security's primary exchange is normally open at that time), or, if there is no such reported sale, at the most recent mean between the quoted bid and asked prices (absent both bid and asked prices on such exchange, the bid price may be used). For securities traded on NASDAQ, the NASDAQ Official Closing Price will be used. If available, debt securities are priced based upon valuations provided by independent, third-party pricing agents. Such values generally reflect the last reported sales price if the security is actively traded. The third-party pricing agents may also value debt securities at an evaluated bid price by employing methodologies that utilize actual market transactions, broker-supplied valuations, or other methodologies designed to identify the market value for such securities. Debt obligations with remaining maturities of sixty days or less may be valued at their amortized cost, which approximates market value. The prices for foreign securities are reported in local currency and converted to U.S. dollars using currency exchange rates. Prices for most securities held in the Funds are provided daily by recognized independent pricing agents. If a security price cannot be obtained from an independent, third-party pricing agent, the Funds seek to obtain a bid price from at least one independent broker.

Securities for which market prices are not "readily available" are valued in accordance with Fair Value Procedures established by the Board. The Funds' Fair Value Procedures are implemented through a Fair Value Committee (the "Committee") designated by the Board. Some of the more common reasons that may necessitate that a security be valued using Fair Value Procedures include: the security's trading has been halted or suspended; the security has been de-listed from a national exchange; the security's primary trading market is temporarily closed at a time when under normal conditions it would be open; the security has not been traded for an extended period of time; the security's primary pricing source is not able or willing to provide a price; or trading of the security is subject to local government-imposed restrictions. When a security is valued in accordance with the Fair Value Procedures, the Committee will determine the value after taking into consideration relevant information reasonably available to the Committee.

In accordance with the authoritative guidance on fair value measurements and disclosure under GAAP, ASC 820 (formerly FASB Statement No. 157), the Funds disclose fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

- Level 1 – Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that the Funds have the ability to access at the measurement date;

Notes to the Financial Statements (Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- Level 2 – Quoted prices which are not active, or inputs that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and
- Level 3 – Prices, inputs or exotic modeling techniques which are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The valuation techniques used by the Funds to measure fair value during the period ended January 31, 2010 maximized the use of observable inputs and minimized the use of unobservable inputs.

For the period ended January 31, 2010 there has been no significant changes to the Funds' fair valuation methodologies.

Federal Income Taxes — It is the Funds' intention to continue to qualify as a regulated investment company for Federal income tax purposes by complying with the appropriate provisions of the Subchapter M of the Internal Revenue Code of 1986, as amended. Accordingly, no provisions for Federal income taxes have been made in the financial statements.

The Funds evaluate tax positions taken or expected to be taken in the course of preparing the Funds' tax returns to determine whether it is "more-likely-than-not" (i.e., greater than 50 percent) that each tax position will be sustained upon examination by a taxing authority based on the technical merits of the position. Tax positions not deemed to meet the more-likely-than-not threshold are recorded as a tax benefit or expense in the current year. The Funds did not record any tax provision in the current period. However, management's conclusions regarding tax positions taken may be subject to review and adjustment at a later date based on factors including, but not limited to, examination by tax authorities (i.e., the last 3 tax year ends, as applicable), on-going analysis of and changes to tax laws, regulations and interpretations thereof.

Security Transactions and Investment Income — Security transactions are accounted for on trade date. Costs used in determining realized gains and losses on the sale of investment securities are based on specific identification. Dividend income is recorded on the ex-dividend date. Interest income is recognized on the accrual basis from the settlement date.

Dividends and Distributions to Shareholders — The Funds distribute substantially all of their net investment income quarterly. Any net realized capital gains are distributed annually. All distributions are recorded on ex-dividend date.

Creation Units — Purchasers of Creation Units at NAV must pay a standard creation transaction fee of \$500. The maximum creation transaction fee for each Fund will be \$3,000. An Authorized Participant who holds Creation Units and wishes to redeem at NAV would also pay a standard Redemption Fee of \$500. The maximum redemption transaction fee for each Fund will be \$3,000.

Except when aggregated in Creation Units, shares are not redeemable securities of a Fund. Shares of a Fund may only be purchased or redeemed by certain financial institutions ("Authorized Participants"). An Authorized Participant is either (i) a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the National Securities Clearing Corporation or (ii) a DTC participant and, in each case, must have executed a Participant Agreement with the Distributor. Most retail investors will not qualify as Authorized Participants or have the resources to buy and sell whole Creation Units. Therefore, they will be unable to purchase or redeem the shares directly from the Funds. Rather, most retail investors will purchase shares in the secondary market with the assistance of a broker and will be subject to customary brokerage commissions or fees.

Notes to the Financial Statements (Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting Pronouncements — In January 2010, the FASB issued Accounting Standards Update (ASU) No. 2010-6, Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements. ASU No. 2010-6 enhances and clarifies existing fair value measurement disclosure requirements and is effective for interim and annual periods beginning after December 15, 2009. The Funds are currently evaluating the impact, if any, of applying the provisions of ASU No. 2010-6.

3. AGREEMENTS

Investment Advisory Agreement

The Adviser serves as the investment adviser to the Funds. Subject to the supervision of the Board of Trustees, the Adviser is responsible for making investment decisions for each Fund, and manages the investment portfolios and business affairs of the Funds. For its service to the Funds, under the Advisory Agreement, Funds pay a fee to the Adviser, which is calculated daily and paid monthly at the following rates: 0.87% of the combined daily net assets of the Funds on the first \$1.5 Billion, 0.75% on the next \$1 billion and 0.65% exceeding \$2.5 billion. In addition, the Adviser pays all expenses of each Fund other than the management fee, distribution fees pursuant to the Fund's Distribution and Service Plan, if any, brokerage expenses, acquired fund fees and expenses and other extraordinary expenses. The Adviser intends to donate 10% of the net income it derives from each Fund to a charitable organization selected by such Fund, and whose mission is aligned with the moral and social beliefs of the faith represented by each Fund.

Distribution Agreement

SEI Investments Distribution Co. ("SIDCO") serves as each Fund's underwriter and distributor of Shares pursuant to a Distribution Agreement. Under the Distribution Agreement, SIDCO, as agent, receives orders to purchase shares in Creation Unit Aggregations and transmits such orders to the Trust's custodian and transfer agent. The Distributor has no obligation to sell any specific quantity of Fund shares. SIDCO bears the following costs and expenses relating to the distribution of shares: (i) the costs of processing and maintaining records of creations of Creation Units; (ii) all costs of maintaining the records required of a registered broker/dealer; (iii) the expenses of maintaining its registration or qualification as a dealer or broker under federal or state laws; (iv) filing fees; and (v) all other expenses incurred in connection with the distribution services as contemplated in the Distribution Agreement. The Distributor does not maintain any secondary market in Fund Shares.

The Trust has adopted a Distribution and Service Plan ("Plan") pursuant to Rule 12b-1 under the 1940 Act. In accordance with its Plan, each Fund is authorized to pay an amount up to 0.25% of its average net assets each year for certain distribution-related activities. For the first twelve months of operations no fees will be charged by the Distributor under the Plan and the Plan will only be implemented with the approval of the Board.

Administrator, Custodian, Fund Accountant and Transfer Agent

SEI Investments Global Fund Services (the "Administrator") serves as the Funds' Administrator pursuant to an administration agreement. Brown Brothers Harriman (the "Custodian" and "Transfer Agent") serves as the Funds' Custodian and Transfer Agent pursuant to a Custody Agreement and Transfer Agency and Service Agreement.



Notes to the Financial Statements (Unaudited)

4. INVESTMENT TRANSACTIONS

For the period ended January 31, 2010, the purchases and sales of investments in securities excluding in-kind transactions, long-term U.S. Government and short-term securities were:

	<u>Purchases</u>	<u>Sales and Maturities</u>
FaithShares Baptist Values Fund	\$ —	\$ 22,268
FaithShares Catholic Values Fund	—	21,869
FaithShares Christian Values Fund	—	22,078
FaithShares Lutheran Values Fund	—	22,211
FaithShares Methodist Values Fund	—	21,869

For the period ended January 31, 2010, in-kind transactions associated with creations and redemptions were:

	<u>Purchases</u>	<u>Sales and Maturities</u>
FaithShares Baptist Values Fund	\$ 2,534,163	\$ —
FaithShares Catholic Values Fund	2,431,115	—
FaithShares Christian Values Fund	2,441,511	—
FaithShares Lutheran Values Fund	2,534,286	—
FaithShares Methodist Values Fund	2,438,375	—

There were no purchases or sales of long-term U.S. Government securities for the Funds.

5. TAX INFORMATION

The amount and character of income and capital gain distributions to be paid, if any, are determined in accordance with Federal income tax regulations, which may differ from GAAP. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. These book/tax differences may be temporary or permanent. To the extent these differences are permanent in nature, they are charged or credited to undistributed net investment income (loss), accumulated net realized gain (loss) or paid-in capital, as appropriate, in the period that the differences arise.

6. CONCENTRATION OF RISKS

The Funds assets will be concentrated in an industry or group of industries to the extent that the Index concentrates in a particular industry or group of industries. By concentrating its assets in a single industry or group of industries, the Funds are subject to the risk that economic, political or other conditions that have a negative effect on that industry or group of industries will negatively impact the Funds to a greater extent than if the Funds' net assets were invested in a wider variety of industries.

7. OTHER

At January 31, 2010, 100% of total shares outstanding were held by one shareholder each for the FaithShares Baptist Values Fund, FaithShares Catholic Values Fund, FaithShares Christian Values Fund, FaithShares Lutheran Values Fund and FaithShares Methodist Values Fund.

Notes to the Financial Statements (Unaudited)

8. SUBSEQUENT EVENT

The Funds have evaluated the need for additional disclosures and/or adjustments resulting from subsequent events. Based on this evaluation, no additional disclosures or adjustments were required to the financial statements as of January 31, 2010.

Disclosure of Fund Expenses (Unaudited)

All funds have operating expenses. As a shareholder of a fund, your investment is affected by these ongoing costs, which include (among others) costs for Fund management, administrative services, and shareholder reports like this one. It is important for you to understand the impact of these costs on your investment returns.

Operating expenses such as these are deducted from a fund's gross income and directly reduce your final investment return. These expenses are expressed as a percentage of the fund's average net assets; this percentage is known as the fund's expense ratio.

The following examples use the expense ratio and are intended to help you understand the ongoing costs (in dollars) of investing in your Fund and to compare these costs with those of other funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The table on the next page illustrates your Fund's costs in two ways:

Actual Fund Return. This section helps you to estimate the actual expenses after fee waivers that your Fund incurred over the period. The "Expenses Paid During Period" column shows the actual dollar expense cost incurred by a \$1,000 investment in the Fund, and the "Ending Account Value" number is derived from deducting that expense cost from the Fund's gross investment return.

You can use this information, together with the actual amount you invested in the Funds, to estimate the expenses you paid over that period. Simply divide your actual account value by \$1,000 to arrive at a ratio (for example, an \$8,600 account value divided by \$1,000 = \$8.6), then multiply that ratio by the number shown for your Funds under "Expenses Paid During Period."

Hypothetical 5% Return. This section helps you compare your Fund's costs with those of other funds. It assumes that the Funds had an annual 5% return before expenses during the year, but that the expense ratio (Column 3) for the period is unchanged. This example is useful in making comparisons because the Securities and Exchange Commission requires all funds to make this 5% calculation. You can assess your Fund's comparative cost by comparing the hypothetical result for your Fund in the "Expense Paid During Period" column with those that appear in the same charts in the shareholder reports for other funds.

NOTE: Because the return is set at 5% for comparison purposes – NOT your Fund's actual return – the account values shown may not apply to your specific investment.

	Beginning Account Value 12/14/09	Ending Account Value 01/31/10	Annualized Expense Ratios	Expenses Paid During Period
<i>FaithShares Baptist Values Fund</i>				
Actual Fund Return	\$1,000.00	\$ 974.70	0.87%	\$ 1.11*
Hypothetical 5% Return	1,000.00	1,005.32	0.87	4.40**
<i>FaithShares Lutheran Values Fund</i>				
Actual Fund Return	1,000.00	972.60	0.87	1.10*
Hypothetical 5% Return	1,000.00	1,005.32	0.87	4.40**

* Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied 47/365 (to reflect the actual time the Fund was operational).

** Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied 184/365 (to reflect the one-half year period).



Disclosure of Fund Expenses (Unaudited)

	Beginning Account Value 12/08/09	Ending Account Value 01/31/10	Annualized Expense Ratios	Expenses Paid During Period
<i>FaithShares Catholic Values Fund</i>				
Actual Fund Return	\$1,000.00	\$1,007.50	0.87%	\$ 1.12*
Hypothetical 5% Return	1,000.00	1,006.00	0.87	4.40**
<i>FaithShares Christian Values Fund</i>				
Actual Fund Return	1,000.00	1,006.90	0.87	1.12*
Hypothetical 5% Return	1,000.00	1,006.00	0.87	4.40**
<i>FaithShares Methodist Values Fund</i>				
Actual Fund Return	1,000.00	1,006.60	0.87	1.12*
Hypothetical 5% Return	1,000.00	1,006.00	0.87	4.40**

* Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied 47/365 (to reflect the actual time the Fund was operational).

** Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied 184/365 (to reflect the one-half year period).

Board Considerations in Approving the Advisory Agreement (Unaudited)

Pursuant to Section 15(c) of the Investment Company Act of 1940 (the "1940 Act"), at a meeting held on October 20, 2009, the Board of Trustees (the "Board") of FaithShares Trust (the "Trust") considered the approval of the advisory agreement (the "Advisory Agreement") between the Trust, on behalf of each of its five series (the "Funds"), and FaithShares Advisors, LLC (the "Adviser") for an initial two-year term. The Advisory Agreement, after the initial two-year term, must be approved: (i) by the vote of the Trustees or by a vote of the shareholders of the Funds; and (ii) by the vote of a majority of the Trustees who are not parties to the Advisory Agreement or "interested persons" of any party thereto, as defined in the 1940 Act (the "Independent Trustees"), cast in person at a meeting called for the purpose of voting on such approval. Each year after the initial two-year term, the Board will call and hold a meeting to decide whether to renew the Advisory Agreement for an additional one-year term. In preparation for such meetings, the Board requests and reviews a wide variety of information from the Adviser.

Prior to the meeting, the Board, including the Independent Trustees, reviewed written materials from the Adviser regarding, among other things: (i) the nature, extent and quality of the services to be provided to fund shareholders by the Adviser; (ii) the Adviser's cost and profits it will realize in providing its services, including any fall-out benefits enjoyed by the Adviser; and (iii) the existence, or anticipated existence, of economies of scale.

At the meeting, a representative from the Adviser, along with other service providers of the Funds, presented additional oral and written information to help the Board evaluate the Adviser's fee and other aspects of the Advisory Agreement. Among other things, the representative provided an overview of the Adviser by reviewing the qualifications and management philosophy of the Adviser and the Adviser's expectations for asset growth within the Trust. The representative also reviewed the Adviser's investment personnel and processes as well as fee structures of comparable investment companies. The Board then discussed the written materials that it received before the meeting, the Adviser's oral presentation and any other information that the Board received at the meeting, and deliberated on the approval of the Advisory Agreement in light of this information. In its deliberations, the Board did not identify any single piece of information discussed below that was all-important, controlling or determinative of its decision.

Nature, Extent and Quality of Services Provided by the Adviser

In considering the nature, extent and quality of the services to be provided by the Adviser, the Board reviewed the portfolio management services to be provided by the Adviser to the Funds. Among other things, the Board considered the quality of the Adviser's portfolio management personnel. The Adviser's registration form ("Form ADV") was provided to the Board, as was the response of the Adviser to a detailed series of questions which included, among other things, information about the background and experience of the portfolio managers primarily responsible for the day-to-day management of the Funds.

The Board also considered other services to be provided to the Funds by the Adviser, such as selecting broker-dealers for executing portfolio transactions, monitoring adherence to the Funds' investment restrictions, and monitoring compliance with various Fund policies and procedures and with applicable securities regulations. Based on the factors above, as well as those discussed below, the Board concluded that it was satisfied with the nature, extent and quality of the services to be provided to the Funds by the Adviser.

Cost of Services Provided and Economies of Scale

The Board reviewed the expense ratio and the advisory fee to be paid by the Funds, considered fees paid by comparable funds, and concluded that the advisory fees were reasonable and the result of arm's length negotiations. The Board noted that the advisory fee included breakpoints based on the combined assets of all Funds. It was noted that a fee schedule that includes both breakpoints and aggregation of all assets in the fund complex to achieve those breakpoints helps to ensure that the benefits of economies of scale are shared with

Board Considerations in Approving the Advisory Agreement (Unaudited)

shareholders. Additionally, the Board took into consideration that the advisory fee was a “unified fee,” meaning that the Funds would pay no expenses other than the advisory fee and certain other costs such as interest, brokerage, and extraordinary expenses and, to the extent it is implemented, fees pursuant to the Distribution Plan. The Board noted that the Adviser would be responsible for compensating the Trust’s other service providers and paying each Fund’s other expenses out of its own fee and resources. The Board also evaluated the compensation and benefits expected to be received by the Adviser from its relationship with the Funds, taking into account projections of the Adviser’s anticipated profitability at different asset levels.

Based on the Board’s deliberations and its evaluation of the information described above, the Board, including the Independent Trustees, unanimously: (a) concluded that the terms of the Advisory Agreement are fair and reasonable; (b) concluded that the Adviser’s fees are reasonable in light of the services that the Adviser will provide to the Funds; and (c) agreed to approve the Advisory Agreement for an initial term of two years.

Supplemental Information (Unaudited)

Net asset value, or “NAV”, is the price per share at which the Funds issue and redeem shares. It is calculated in accordance with the standard formula for valuing mutual fund shares. The “Market Price” of the Funds generally is determined using the midpoint between the highest bid and the lowest offer on the stock exchange on which the shares of the Funds are listed for trading, as of the time that the Funds’ NAV is calculated. The Funds’ Market Price may be at, above or below their NAV. The NAV of the Funds will fluctuate with changes in the market value of their Funds holdings. The Market Price of the Funds will fluctuate in accordance with changes in its NAV, as well as market supply and demand.

Premiums or discounts are the differences (expressed as a percentage) between the NAV and Market Price of the Funds on a given day, generally at the time NAV is calculated. A premium is the amount that the Funds are trading above the reported NAV, expressed as a percentage of the NAV. A discount is the amount that the Funds are trading below the reported NAV, expressed as a percentage of the NAV.

Information for the Funds showing the frequency distributions of premiums and discounts for the Funds are not presented as it commenced operations on December 8, 2009 for the FaithShares Catholic Values Fund, FaithShares Christian Values Fund and FaithShares Methodist Values Fund and December 14, 2009 for the FaithShares Baptist Values Fund and FaithShares Lutheran Values Fund, and did not have a full quarter of information as of January 31, 2010.



3555 Northwest 58th Street, Suite 410
Oklahoma City, Oklahoma 73112

Investment Advisor:

FaithShares Advisors, LLC
3555 Northwest 58th Street, Suite 410
Oklahoma City, Oklahoma 73112

Distributor:

SEI Investments Distributions CO.
One Freedom Valley Drive
Oaks, Pennsylvania 19456

Legal Counsel:

Morgan, Lewis & Bockius LLP
1111 Pennsylvania Ave, NW
Washington, DC 20004

This information must be preceded or accompanied by a current prospectus for the Funds.